

Annexure II

Annual report on CSR activities for the financial year ended 31st March, 2021

(Pursuant to Section 135 of the Act read with Companies (Corporate Social Responsibility Policy), Rules, 2014)

1. **A brief outline of the Company's CSR policy, including overview of Projects or Programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

The founders of Medha Servo Drives Pvt. Ltd., have laid a strong foundation and guiding philosophy many years ago and it is the endeavor thereafter to pursue and build on such foundation, a responsible and humane organization with commitment to societal development alongside growth of Medha group of Companies. Integral to such an effort, the said founders have set up '**Medha Charitable Trust**' ('**Trust**' or '**MCT**') way back in April 2007, with the vision of effecting social change in the area of '**EDUCATION**'. The initiatives of MCT since its inception were providing study material, text books, paying for college tuition fees for needy students free of cost.

Over a period of time, MCT has introduced various schemes such as Medha Helping Hands ('**MHH**'), Medha Sampurna Siksha ('**MSS**'), Medha Naipunya Nirmana ('**MNN**') and Medha Vidyalaya Navikarana ('**MVN**'). Your CSR Committee has evaluated such schemes of the Trust and the usefulness to the end beneficiaries who belong to the economically weaker section of the Society. After satisfying itself, the CSR committee has recommended for financial aid for executing the schemes of MCT which will also enable the Company to fulfill its CSR obligations. Based on the recommendations of the CSR Committee, your Board has approved a financial budget of Rs. 1,82,50,000 (Rupees One Crore Eighty Two Lakhs Fifty Thousand Only) for the financial year 2020-21. An amount of Rs. 80,50,000 (Rupees Eighty Lakhs Fifty Thousand) was disbursed until 31st March, 2021. Substantial part of the un-spent balance amount was disbursed to the Trust during April, 2021.

Recently, MCT has obtained the '**Entity Registration**' under the provisions of Companies, Act, 2013 for carrying out CSR activities / executing various CSR projects. Accordingly, the said entity can execute / undertake various projects in fulfilling the CSR obligations of Medha group of Companies (or) any other Company in general.

While the CSR Committee / the Board of Directors of the Company wish to extend required support predominantly to the **EDUCATION SECTOR** under various schemes through MCT, we envisage to expand our areas of intervention and support to various other priority segments as enshrined under Schedule VII of the Companies Act, 2013, amongst others activities involving sustainable energy, transportation and livelihood, water, agriculture, healthcare, social entrepreneurship, humanitarian response to natural disasters, local community development etc.. and continue to add value with our committed efforts.

Stakeholders looking for more information about the activities of Medha Charitable Trust may access the same at <https://medhatrust.org>

2. **Composition of CSR Committee:**

- I. Mr. N. Srinivas Reddy - Chairperson
 II. Mr. M. V. Ravi Kumar - Member
 III. Ms. Akshita Pandey - Secretary

3. **Average net profits of the Company for the last three financial years:** Rs. 911,849,568/-

4. **Prescribed CSR expenditure (equivalent to 2% of the amount as in item number 3 above):**
 Rs. 18,236,991/-

5. **Details of CSR spent during the financial year:**

- a) Total amount to be spent for the financial year : Rs.18,236,991/-
 b) Amount unspent if any : Rs.10,186,991/-
 c) Manner in which the amount spent during the financial year is detailed below:

(Amount in Rs.)

1	2	3	4	5	6	7	8
Sl. No.	CSR Project or activity	Sector in which the Project is covered	Projects or programmes 1. Local area or other 2. Specify the State and District where projects or programmes was undertaken	Amount outlay (budget) project or programmes wise	Amount spent on the projects or programmes	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Donation for Aaroti Blood Bank	Promoting Health Care	Telangana	-	5,00,000	5,00,000	Implementing Agency
2	Donation for NMIMS The Cooles Mind	Promoting Health Care	Telangana	-	50,000	50,000	Implementing Agency
3	Medha Charitable Trust	Promoting Education	Telangana	75,00,000	75,00,000	75,00,000	Implementing Agency
GRAND TOTAL						80,50,000	

6. Reasons for not spending the amount as per Companies act calculations as above:

During the year under review, the Company has made several donations / contributions in cash in several tranches in pursuance of it's CSR obligations. As explained above, the un-spent amount in order to achieve the statutory minimum threshold limit of 2% of the profits of the Company calculated as per the provisions of Companies Act, 2013 has been transferred to the following entities / beneficiaries, during the month of April, 2021:

Sl. No.	Name of the Entity / Beneficiary	Amount in Rs.
1	EHSAS (Donation for helping against COVID-19)	1,00,000
2	Medha Charitable Trust	1,01,00,000
	Grand Total	1,02,00,000

7. Responsibility Statement:

The implementation and monitoring of CSR activity is in compliance with the CSR Policy of the Company, Objectives and also in accordance with the applicable statutory provisions.

For and on behalf of the Board of Directors

Place: Hyderabad
Date : 01st June, 2021

Sd/-
N. Srinivas Reddy
Managing Director
(DIN: 01373219)

Sd/-
M.V. Ravi Kumar
Director
(DIN: 06979855)