

## Annual Report on CSR activities: 2016-17

### 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 Company believes that creation and maximization of value for stakeholders are paramount so that it generates profit in long-term. CSR & Sustainability activities have been part of the business practice of the Company since 2010. After notification of the Companies Act, 2013, STC has developed its own CSR & Sustainability Policy, which was enacted from the year 2013-14. The policy is a comprehensive guideline to contribute to inclusive growth and equitable development of marginalized and underprivileged sections/communities, within the broad geographical area in which STC has business activities.

#### STC is having two tier structures of monitoring of CSR activities/projects namely:

- i. Board Level Committee on CSR headed by an Independent Director
- ii. Below Board Level Committee on CSR headed by the Nodal Officer

Nodal Officer and CSR Team are having overall responsibilities to carry out micro planning, implementation and monitoring of CSR activities implemented in the field.

#### Overview of projects/programs proposed to be undertaken during the FY 2017-18

To execute CSR activities, funds are allocated on the basis of average net profit earned in the last three financial years. The Company's net profit of last three years was ₹31 crore (FY 2014-15), ₹23 crore (FY 15-16) and (-) ₹148 crore (FY 2016-17). Since there is an average net loss of ₹31 crore for the last three years, the Company is not mandated to allocate CSR Funds for the financial year 2017-18. However, balance amount of ₹15 lakh accrued from various projects completed in previous years is carrying forward to the financial year 2017-18. This fund is allocated for the new projects implementing in the areas of Sanitation, Emergency Needs and Capacity Building.

The CSR Policy of the company is placed on Company's website: [www.stclimited.co.in](http://www.stclimited.co.in)

### 2. The Composition of the CSR Committee

As per Section 135 of Companies Act, 2013, STC has constituted CSR Committee at Board Level headed by Independent Director. As on 31.03.2017, the CSR Committee consist the following members:

- Shri. Sunil H. Trivedi - Chairperson
- Shri Sanjeev K. Sharma - Member
- Dr. N. Sundaradevan - Member
- Dr. K. Rangarajan - Member
- Shri Arvind Gupta - Member

CSR Committee also comprises Director (Finance) as a Member.

### 3. Average net profit of the company for last three financial years

For the purpose of ascertaining the CSR Budget "average net profit" was calculated under the provisions of Section 198 of the Companies Act, 2013. The net profit of last three preceding financial years 2013-14, 2014-15 and 2015-16 was (-) ₹492 crore, ₹31 Crore and ₹23 crore respectively. Thus, there was an average net loss of ₹146 crore for the last three financial years.

### 4. Prescribed CSR Expenditure (2% of the amount as in item 3 above)

Since there was an average net loss of ₹146 crore for the last three financial years, no CSR Budget was prescribed for the financial year 2016-17.

### 5. Details of CSR spent during the financial year

#### a. Total amount to be spent for the financial year

There was an average net loss of ₹146 crore during the FY 2015-16; the Company was not mandated to allocate CSR funds for the financial year 2016-17. However, an amount of ₹22.47 lakh was carried forward from the previous financial year 2015-16, out of which an amount of ₹7.36 lakh was spent towards the on-going projects during the financial year 2016-17.

#### b. Amount unspent, if any;

As on 31.03.2017, there was a balance amount of ₹15.11 lakh, accrued from completed projects implemented in the previous financial years. As Company is committed towards social responsibilities, CSR Committee of the Board of Directors has been approved to utilise this balance amount towards Swachh Bharat Kosh, Emergency Needs and Capacity Building Program during the financial year 2017-18.

**c. Manner in which the amount spent during the financial year is detailed below**

S. No.	CSR Project or activity identified	Sector in which the project is covered	Projects and Location	Amount Outlay (₹ In Lakh)	Amount spent on the projects or programs Sub heads: (1) Direct Expenditure on project or program (2) Overheads (₹ In lakh)	Cumulative expenditure upto the reporting period (₹ In Lakh)	Amount Spent: Direct or through implementing agency
1.	Preservation of monument/ heritage- Conservation of Jai Prakash Yantra at Jantar Mantar, New Delhi	Promotion of art/ culture/ heritage	Jantar Mantar, New Delhi	7.00	Direct: 7.00 Overheads: Nil	7.00	Through Archeological Survey of India, New Delhi & National Culture Fund, Delhi
2	Construction of Toilet Complex	Health & Sanitation	Prem Bari Pul, Shalimar Bagh, New Delhi	0.36	Direct: 0.36 Overheads: Nil	*0.36	Through Sulabh International Social Service Organisation
	<b>Total</b>			<b>7.36</b>		<b>7.36</b>	

\*Completion Cost of the Project

**6. Reasons for not spending the CSR Fund for the financial year 2016-17**

The Company was not mandated to allocate CSR funds for the financial year 2016-17 in view of an average net loss of Rs.146 crore for the last three years.

**7. Responsibility statement on CSR Committee**

It is hereby confirmed that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Sd/-

**(Sanjeev K. Sharma)**

Director (Personnel) &  
Addl. Charge Director (Finance)  
DIN: 06942536

Sd/-

**(Sunil H. Trivedi)**

Chairman (CSR Committee)  
DIN: 01670280

Sd/-

**(Rajiv Chopra)**

Director (Marketing) &  
Addl. Charge Chairman & Managing Director  
DIN : 06466326

Date: 30.08.2017

Place: New Delhi