

# ANNEXURE - IV

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

For achieving the CSR objectives through the implementation of meaningful and sustainable CSR programmes, Muthoot Microfin Limited (the Company) will annually contribute up to two percent of the average profits for the last three years towards CSR activities

### 1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken are given in CSR policy are as below:

The CSR Policy of the Company is designed to portray its commitment to be a responsible corporate citizen and presents the strategies and methods for undertaking social programs for well-being and sustainable development of the local community in which it operates. Each CSR activity of the Company is channelized through Muthoot Pappachan Foundation (MPF), a Public Charitable Trust formed in the year 2003 as the CSR arm of the Muthoot Pappachan Group to facilitate CSR activities for the entire Group and all its business verticals. The CSR programs of MPF is bound by the theme HEEL: Health, Education, Environment, and Livelihood.

The objectives of CSR Policy of the Company are to:

- a) build a framework of CSR activities with a philanthropic approach in line with business unit objectives, which also benefits the organization at large;
- b) shape sustainability for the organization by 'Engaging the Community';
- c) build a corporate brand through CSR; and
- d) for other stakeholders, make it "an integral part of the Company's DNA, so much so that it has to be an organic part of the business".

### 2. The Composition of the CSR Committee:

- Mr. Thomas Muthoot
- Mr. Thomas George Muthoot
- Mr. Thomas John Muthoot
- Mr. Alok Prasad

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

S. No	Financial Years	Net Profit as per section 198 (₹)
1.	Ending 31st March, 2017	57,22,11,658.00
2.	Ending 31st March, 2018	1,14,23,42,382.00
3.	Ending 31st March, 2019	2,70,25,17,084.00
	Average Net Profit	1,47,23,57,042.00

### 4. Prescribed CSR Expenditure (two per cent. of the amount, as in item 3 above)

₹ 2,94,47,141/-

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

(a) Total amount to be spent for the financial year: ₹ 2,94,47,141/-

(b) Amount unspent, if any: ₹ 1,15,44,389/-

## 5. Details of CSR spent during the financial year. (Contd..)

(c) Manner in which the amount spent during the financial year is detailed below:

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programme (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget - project or programme wise)	Amount spent on the project or programme:	Cumulative expenditure up to the reporting period	Amount Spent: direct or through implementing agency
1.	Cleft Surgery Mission (Smile Please ) The free comprehensive cleft surgery programme through which we are extending support to children and youngsters with congenital cleft issues	Promoting health care including preventive health care	Pan India	₹ 1,51,00,000/-	Direct expenditure on projects / programmes: ₹ 39,21,381/- Overheads: ₹ 7,31,000/- Amount transferred to MPF and pending utilization: ₹ 4,47,619/-	₹ 97,56,093/-	Though implementing agency [Muthoot Pappachan Foundation (MPF)]
2.	Flood Rehabilitation Project	Disaster Management, including relief, rehabilitation and reconstruction activities	Kerala		Expenditure on projects or programmes: ₹ 1,00,00,000/- Overheads	₹ 2,00,00,000/-	Though implementing agency [Muthoot Pappachan Foundation (MPF)]
3.	Contribution to The Tiny Seed. The Tiny Seed is a Kerala based non-profit organization dedicated to changing the lives of children by making their schools better places of learning	Promoting education, including special education and employment enhancing vocation skills	NA	NA	₹ 1,00,000/-	₹ 1,00,000/-	As donation
4.	Contribution to Sree Chitra Tirunal Institute For Medical Sciences & Technology for flood relief.	Promoting health care/relief, rehabilitation and reconstruction activities.	Thiruvananthapuram, India	NA	₹ 27,02,752/-	₹ 27,02,752/-	As donation

## 6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report:

Your Company endeavored to meet the budgeted expenditure by contributing in various eligible CSR activities and has committed to incur expenditure for CSR initiatives in the coming years through structured events or programs and projects. Your Company has taken steps in the right direction and going forward is committed to actively engage with the Trusts/partners to identify suitable events or projects and programs and incur expenditure in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

## 7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, in compliance with CSR objectives and Policy of the Company:

The Company has taken a confirmation from the CSR Committee that the implementation and monitoring of CSR Policy are in compliance with the CSR objectives and CSR Policy of the Company.

For and on behalf of the Board

**Thomas George Muthoot**  
Director  
(DIN 00011552)

**Thomas Muthoot**  
Managing Director  
(DIN 00082099)

Kochi  
19.06.2020