

IL&FS Financial Services Limited

The IL&FS Financial Centre	T +91 22 2653 3333
3rd Floor, Plot C-22, G-Block	F +91 22 2653 3149
Bandra Kurla Complex	W www.ilfsfin.com
Bandra East	
Mumbai 400 051	
INDIA	

(CIN U65990MH1995PLC093241)

**Annual Report on CSR Activities to be Included in the Board’s Report (FY 14-15)**

**(I) A Brief Outline of the Company’s CSR Policy and Overview of Projects :**

The CSR Policy of the Company was approved by the Board at its’ Meeting held on July 25, 2014. The CSR Policy is effective from April 1, 2014. The focus areas of the approved CSR Policy are summarized below:

- (1) To support capacity building through skills based training programs with a focus on employment and entrepreneurship, functional literacy, financial literacy and inclusion

In the year ended 31<sup>st</sup> March FY 2015, out of about 2,500 candidates enrolled, training has been provided to about 2,200 young adults from economically weaker sections of society and assessments are in progress. These candidates will also be assisted in finding appropriate jobs in the formal sector and/or for starting their own businesses

- (2) To follow a livelihood-centered approach to holistic development of the target beneficiaries by undertaking context driven income generation activities

Current programmes cover 660 people, predominantly women

- (3) To support quality education including special education, and strengthening of education infrastructure

CSR interventions in education are being carried out in 4 locations, covering 22 schools and 2267 students & teachers

- (4) To support interventions in the area of healthcare and nutrition, safe and adequate drinking water, sports, environmental sustainability, ecological balance, natural resource protection and conservation disaster relief, any other form of rural development thereby enabling an improved quality of life and resource security in the catchment areas of its infrastructure projects

A range of projects are being supported in this regard



(II) The Composition of the CSR Committee :

The CSR Committee comprises of:

Ms Shubhalakshmi Panse	.... Chairperson
Mr Surinder Singh Kohli	.... Member
Mr Hari Sankaran	.... Member
Mr Ramesh Bawa	.... Member

(III) Average Net Profit of the Company for the Last Three Financial Years:

In line with the provisions of Section 135 of Companies Act, 2013 and the CSR Rules, 2014, the audited net profits for the last 3 years ended March 31, 2014 and the average of the same is as given below:

				(₹ in mn)
	Particulars	FY 2012	FY 2013	FY 2014
	Profit Before Tax *	3,773	4,503	3,551
Less:	Dividend received from any other Companies India, Which are covered under and complying with the provisions of Section 135 under Companies Act 2013	(77)	(171)	(139)
Less:	Any profit arising from any overseas branch or branches of the Companies, whether operated as separate Companies or otherwise	-	-	-
	<b>Total</b>	<b>3,696</b>	<b>4,332</b>	<b>3,412</b>
Total Net Profits (FY12-14)		11,440		
Avg. Net Profits		3,813		

(IV) Prescribed CSR Expenditure :

In line with the provisions of Section 135 of Companies Act, 2013 and the CSR Rules, 2014, the prescribed CSR Expenditure for FY 14-15 is estimated at ₹ 76.27 million:

i.e., 2% of ₹ 3,813 million = ₹ 76.27 mn

**(V) Details of CSR Spent During the Financial year :**

- (1) Total amount to be spent for the financial year: ₹ 76.27 million, as above
- (2) Amount unspent, if any: ₹ 69.72 million
- (3) Manner in which the amount spent during the financial year is detailed in Annexure 1

**(VI) Reasons for Shortfall in CSR Spend :**

FY 2015 has been the first year of the enactment of Section 135 of Companies Act, 2013 and the associated CSR Rules, 2014. Several amendments/clarifications were issued by the Government over June, 2014 to January, 2015. The Company has been tracking these changes and working towards identifying relevant CSR interventions which meet the intent of the law and the CSR policy

The Company has in place a dedicated team which is working on building a set of projects which will deliver meaningful and measurable outcomes. A systematic process is followed for this, based on research. Given the delayed commencement, and the lead time for developing impactful projects, there has been a shortfall in the CSR spend for this first year. The Directors expect that spend targets for FY 2016 will be met

**(VII) Responsibility Statement :**

The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

  
\_\_\_\_\_

Shubhalakshmi Panse  
Chairperson - CSR Committee

  
\_\_\_\_\_

Ramesh Bawa  
Managing Director & CEO

## SUMMARY OF CSR ACTIVITIES/PROJECTS FOR IFIN : FY 14-15

S r N o	CSR Project or Activity Identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) Specify the State and District where projects or programs was Undertaken	Amount Outlay (budget) project or program wise		Amount spent on the Projects or Programs		Cumulative Expenditure upto the reporting period		Amount spent: Direct or through implem nting agency			
				Direct	Overheads	Total	Direct	Overheads	Total		Direct	Overheads	Total
<b>SKILLING AND LIVELIHOOD</b>													
1	CSR Skills Scholarship	(II). Livelihood Enhanceme nt Projects	(1) Other Area (2) Pan India	4,50,00,000	10,00,000	4,60,00,000	64,00,000	1,44,000	65,44,000	64,00,000	1,44,000	65,44,000	Implementin g Agency (Nalanda Foundation)
	<b>TOTAL</b>			<b>4,50,00,000</b>	<b>10,00,000</b>	<b>4,60,00,000</b>	<b>64,00,000</b>	<b>1,44,000</b>	<b>65,44,000</b>	<b>64,00,000</b>	<b>1,44,000</b>	<b>65,44,000</b>	