BHARAT = इंडिया
At IDFC, we strongly believe that sustainability can only be achieved through equality. Equality between Bharat and India. Equality of access to all citizens. Equality of rights, opportunities and freedom. Equality of empowerment and equal focus on developing economic, environmental and social infrastructure.
LEADERSHIP ADDRESS

Dear Stakeholder,

I am pleased to present our first sustainability report.

SUSTAINABILITY IS INTEGRAL TO OUR BUSINESS. OUR SUSTAINABILITY STRATEGY IS ALIGNED WITH CORPORATE STRATEGY, AND WE STRIVE TO ASSUME ECONOMIC, ENVIRONMENTAL, AND SOCIAL RESPONSIBILITY FOR OUR OPERATIONS. OUR COMMITMENT IS REFLECTED AND IMPLEMENTED IN POLICIES, DECISIONS AND ACTIONS.

WORKING TOGETHER

The scale of the global challenges we face today is too great for one firm, or one sector, to resolve. Global demand for natural resources is rising as populations grow, living standards increase and urbanisation intensifies. There is greater stress on the essentials of energy, water and food, which is likely to be exacerbated by climate change. We are helping shape a better understanding and response to these challenges.

IDFC continues to bring the private and public sectors together by hosting events that promote the need for building resilience in companies and in society at large. We facilitate and actively participate in key discussions between business, civil society and government. We feel that greater levels of collaboration and trust should be fostered among the government, industry and civil society to create the urgent shift needed to help address these challenges. Government must provide the right frameworks to encourage economic investment in technology, research and cleaner energy, while business can offer transparency and pragmatic long-term views.

ENSURING SUSTAINABILITY

We were the first firm in the BFSI sector to sign the Equator principles in India. We continue to support the UN Global Compact principles in human rights, labour, environment and anti-corruption. We proactively embed sustainability thinking and sustainable business practices at every level of our business. We believe that our most important contribution to sustainable development is to operate an effective, efficient and profitable firm. The very nature of our business, positions us to help our customers and stakeholders manage social and environmental challenges and invest for the future, which in turn contributes to the viability and sustainable growth of local markets and national economy. In addition to internal efforts, we have been committed to global best practices. Details of our progress in these areas can be found in this report.

LOOKING AHEAD

As we embark on the journey to become a bank and our footprint expands, we will continue to embed sustainability within the firm. We appreciate you taking time to review this report and invite you to share your thoughts with us.

Warm regards

Rajiv Lall
Executive Chairman

ENDNOTES
SUSTAINABILITY APPROACH

OVERVIEW

IDFC was born with the specific mandate to build the nation. Since then it has been an integral part of the country’s development story and sustainability has been a principal narrative in this story. At IDFC, sustainability is about Equality between Bharat and India – equality of access to all citizens; equality of rights, opportunities and freedom; equality of empowerment and accountability across hierarchies.

IDFC focuses on sustainable investments - projects which are environmentally suitable, socially responsible and economically viable.

MATERIALITY

Sustainability is a multi-dimensional paradigm with a universe of action points across each bottom-line. In order to avoid spreading oneself thin, and ensure maximum change, it is necessary to address issues that are most relevant and critical.

Materiality analysis helps identify and prioritise high-impact sustainability issues, from the viewpoint of the organisation, stakeholders and goal achievement. At IDFC, stakeholder engagement forms the bedrock of our materiality analysis. A host of engagement channels help us understand the needs and positions of our stakeholders.

Over the years, we have crystallised our materiality issues. These issues remain at the heart of our strategic actions, operational management and capital investment decisions.

BOUNDARY

The Report scope covers offices and operations of IDFC Limited. Additionally, following subsidiaries are included in the scope for environmental and social bottom-lines:

- IDFC Alternatives Ltd.
- IDFC Asset Management Co. Ltd.
- IDFC Foundation

ASSURANCE

We self-declare the report to be GRI B level compliant. The report covers all Profile Disclosures, all Disclosures on Management Approach and at least 20 Performance Indicators.

REPORT SCOPE

PERIOD

The reporting period for IDFC’s maiden Sustainability Report is 1st April 2012 to 31st March 2014.

Both these sub-sectors pose significant sustainability challenges. At IDFC, we see these challenges as opportunities for intervention and to carve out balanced solutions which are beneficial for the stakeholders, the society and the planet at large.

FEEDBACK

IDFC welcomes constructive feedback. Questions related to the information presented in this Report can be posted to: corporates@idfc.com

MAPPING RISKS. SHAPING OPPORTUNITIES

A nation’s infrastructure depends upon the performance of two key sub-sectors:

Utilities (e.g. electricity, gas and water supply)

Construction

Both these sub-sectors pose significant sustainability challenges. At IDFC, we see these challenges as opportunities for intervention and to carve out balanced solutions which are beneficial for the stakeholders, the society and the planet at large.

RISKS

Increasing energy crunch, emissions and waste management

Opportunities

Focus on investments in low-carbon infrastructure like renewable energy, waste-to-energy projects, integrated wastewater projects

Unsustainable construction

Opportunities

Financing green buildings in the real estate space and sustainable urban transportation projects

Widening gaps between infrastructure haves and have-nots

Opportunities

Focus on inclusive infrastructure like educational institutions and healthcare facilities

Inconsistent growth of India Inc.

Opportunities

Common infrastructure facilities for industrial complexes and SEZs as well as re-development of industrial estates

Unforeseen social and environment costs on invested projects and lack of sustainability awareness among stakeholders

Opportunities

Thought leadership in sustainable infrastructure via public research and policy advocacy

Internal Environment & Social Risk Management

Minimising Energy Usage at Work

Increasing Low-carbon Infrastructure

Investing in Environmentally responsible Projects

SUSTAINABILITY APPROACH

While we are in the business of facilitating economic / physical infrastructure, we remain equally committed towards developing India’s social and environmental infrastructure.

COMMERCIAL & PUBLIC INFRASTRUCTURE

Sustainable Infrastructure

Social Infrastructure

Rural Infrastructure

EDUCATION

Healthcare

Policy Research and Advocacy for Equitable Growth

CAPACITY BUILDING

Community Engagement

TALENT SUSTAINABILITY

Professional Growth

One Firm Culture

Leadership Development

Retention

Employee Volunteering

ASSURANCE

The GRI Guidelines is the most widely adopted non-financial reporting framework in the world and is used to help communicate sustainability performance, encourage transparency and enhance accountability.

FEEDBACK

IDFC welcomes constructive feedback. Questions related to the information presented in this Report can be posted to: corporates@idfc.com

REPORT SCOPE

PERIOD

The reporting period for IDFC’s maiden Sustainability Report is 1st April 2012 to 31st March 2014.

Both these sub-sectors pose significant sustainability challenges. At IDFC, we see these challenges as opportunities for intervention and to carve out balanced solutions which are beneficial for the stakeholders, the society and the planet at large.

MAPPING RISKS. SHAPING OPPORTUNITIES

A nation’s infrastructure depends upon the performance of two key sub-sectors:

Utilities (e.g. electricity, gas and water supply)

Construction

Both these sub-sectors pose significant sustainability challenges. At IDFC, we see these challenges as opportunities for intervention and to carve out balanced solutions which are beneficial for the stakeholders, the society and the planet at large.

RISKS

Increasing energy crunch, emissions and waste management

Opportunities

Focus on investments in low-carbon infrastructure like renewable energy, waste-to-energy projects, integrated wastewater projects

Unsustainable construction

Opportunities

Financing green buildings in the real estate space and sustainable urban transportation projects

Widening gaps between infrastructure haves and have-nots

Opportunities

Focus on inclusive infrastructure like educational institutions and healthcare facilities

Inconsistent growth of India Inc.

Opportunities

Common infrastructure facilities for industrial complexes and SEZs as well as re-development of industrial estates

Unforeseen social and environment costs on invested projects and lack of sustainability awareness among stakeholders

Opportunities

Thought leadership in sustainable infrastructure via public research and policy advocacy

Internal Environment & Social Risk Management

Minimising Energy Usage at Work

Increasing Low-carbon Infrastructure

Investing in Environmentally responsible Projects

SUSTAINABILITY APPROACH

While we are in the business of facilitating economic / physical infrastructure, we remain equally committed towards developing India’s social and environmental infrastructure.

COMMERCIAL & PUBLIC INFRASTRUCTURE

Sustainable Infrastructure

Social Infrastructure

Rural Infrastructure

EDUCATION

Healthcare

Policy Research and Advocacy for Equitable Growth

CAPACITY BUILDING

Community Engagement

TALEN
OVERVIEW

Despite being in the business of catalysing infrastructure growth, we understand that a strong nation is built not merely by building physical infrastructure, but by building strong relationships. Thus, we strive to forge a transparent and trustworthy alliance with all our stakeholders by engaging with them on a regular and consistent basis. In addition to engagements with obvious stakeholders like customers, supply chain partners & employees, the firm also gives importance to engagements with other stakeholders like regulatory bodies, capital providers, NGOs and communities.

Our stakeholder engagement process not only provides a platform for diverse minds to interact and collaborate, but also gives us insights that sharpen our ability to deliver solutions for environmental, social as well as economic issues.

IDENTIFICATION

In order to better interact with our stakeholders, we need to first identify and then understand their expectations. This is important because different stakeholders have different priorities, and hence they need to be addressed by adopting a customized approach. Mapping our internal and external stakeholders enables us to identify and respond to their diverse interests and concerns that are impacted by our operations.

IMPLEMENTING OUR POLICIES

It is our policy to provide full, fair, accurate and timely disclosures. Our annual reports are an exhaustive resource on matters relating to operations, risk management and CSR.

Three key policies guide all our stakeholder engagement initiatives and our Operations Committee & Management Committee own the implementation of these policies.

CHANELS OF ENGAGEMENT

We combine both electronic and physical modes of communication to engage with our stakeholders. The medium of communication selected for various stakeholders is customized to their specific requirements.

PERIODIC PAPERS

We exposed an innovative solution to an existing infrastructure challenge. The objective is to assess new initiatives on the ground, disseminate lessons and examine policy implications. A few examples are presented below:

- Organizing intermediate public transport for an urbanising India
- Affordable Rental Housing
- Can ESCOs drive energy efficiency in urban services?
- Green office buildings: Current market dynamics and future directions
- Sewage wastewater recycling for industrial use
- Biomas-based decentralized distributed generation for universal energy access

Based on our nature of business, ownership pattern and sphere of influence - our key stakeholders are:

- Shareholders/Investors
- Clients
- Communities
- NGOs
- Internal & External stakeholders
- Government Bodies and Intermediaries
- Business Associates (Suppliers and Vendors)
- Employees
- Regulatory Authorities

IDFC’s broad spectrum of communication channels for stakeholders includes:

EXTERNAL STAKEHOLDERS

- Regulator
- Media and Government
- Business Partners
- Shareholders/Investors
- Stakeholders

IDFC Annual Report was awarded silver shield for excellence in financial reporting under the Category IV: Financial Service Sector by the Institute of Chartered Accountants of India (ICAI).

IDFC Code of Conduct

Outlines the procedures to be followed and disclosures to be made while dealing with the stakeholders of the Firm.

Fair Practices Code

Covered a wide range of issues ranging from preference for locally available goods and services, to environmental protection clauses applicable to all our Group Companies.

Fair Practices Code

Specified the ethical principles to be followed in all our services, products and client interactions, and also provides for a grievance redressal mechanism to our clients.

INTERNAL STAKEHOLDERS

- Internal Monitoring
- Newsletter
- Social initiatives
- Town hall and Internal Meetings
- Training
- Surveys
- Intranet Portal

Another aspect of engagement that we view as vital to our operations is developing knowledge base. Hence, some of our engagement channels delve deeper to bring out greater understanding of the macro picture as explained here:

- Internal Mailers
- Annual Reports
- Website

PERIODIC PAPERS

We exposed an innovative solution to an existing infrastructure challenge. The objective is to assess new initiatives on the ground, disseminate lessons and examine policy implications. A few examples are presented below:

- Organizing intermediate public transport for an urbanising India
- Affordable Rental Housing
- Can ESCOs drive energy efficiency in urban services?
- Green office buildings: Current market dynamics and future directions
- Sewage wastewater recycling for industrial use
- Biomas-based decentralized distributed generation for universal energy access

DISCUSSIONS

Our employees participate in various events and forums as experts when we view them on a variety of contemporary issues in different infrastructure sectors. A broad glimpse of the various forums, we have been a part of in the reporting period:

Panel Discussion

- Issues in Sewage Management organised by the Ministry of Urban Development, Govt. of India and Indian Chamber of Commerce, New Delhi
- ‘Tackling Water Pollution: Why is it Vital to Sustainability?’ at the India Sustainability Conclave 2012 organised by FICCI, New Delhi
- Various workshops and seminars on ESG integration, organized by GIZ, TERI (The Energy and Resources Institute) and YES Bank
- Sustainability forums of GIS NextGen and Responsible Investment Research Association (RIRA)

Roundtable Discussion

- Potential Financial Policy Instruments for Promoting Large Scale Solar Power in India organised by UK Foreign and Commonwealth Office (FCO), NERA Economic Consulting, UK and PricewaterhouseCoopers (PwC) India, Mumbai
- ‘Electricity for All: Challenges and Approaches’ organised by Peoples Pure

Workshops

- ‘Low Carbon Strategy Options for Cities’ organised by British High Commission, All India Institute of Local Self Government (AILSG), Indian Institute of Management Bangalore (IIM-B) and NextGen, Mumbai
- ‘Climate Change, Urban Vulnerability and Adaptation Planning’ organised by IIT Bombay and SMRJR (J. Somaiya Institute of Management Studies and Research), Mumbai
- ‘Mainstreaming Environmental and Social Risk Management in Project Financing’
We also share a part of a closed door discussion with the Staff of Commission chaired by Central Electricity Regulatory Commission (CERC) on review of the Improved Coal Escalation Index used for Competitive Bidding.

Additionally, we publish the India Infrastructure Report (IIR) for our stakeholders. IIR is an annual thematic report that referrers to a central contemporary issue in infrastructure development. An outcome of the collaborative efforts of academics, researchers and experts, IIR is an invaluable resource for policy makers, academicians and corporate bodies.

STAKEHOLDER-WISE ENGAGEMENT

IDFC has continued to invest in building a culturally coherent organisation with a focus on improving partnership. Here are some of the engagement methods that we have undertaken:

- Employee engagement is promoted through regular learning and development programmes.
- Training, and quarterly reward & recognition measures such as employee volunteering, training, and quarterly reward & recognition measures such as employee volunteering, training.
- We maintain and regularly update our website www.idfc.com for basic information about the Firm, and details of our business, financial performance and annual reports. It also displays information of officials responsible for assisting shareholders / investors.
- We have a well-established mechanism to ensure accurate, yet easy-to-understand disclosures that could be used by our shareholders and investors.
- We conduct regular learning and development sessions to ensure that our internal processes are updated.
- We share with our employees a Code of Responsible Business Conduct that has been ‘Client Centricity’, a revised framework aimed at promoting ethical business practices.
- A key initiative for improving collaboration between our Business Associates, Client Centricity, is aimed towards drawing organizations teams across Project Finance, Risk Management and Project Management.
- We encourage our personnel to comply with essential safety, health and environmental and ethical business practices.
- We undertake 2 culture workshops that result in actions for four to five acts.
- We conduct regular learning and development programmes for such engagements.
- We have a well-established mechanism to ensure accurate, yet easy-to-understand disclosures that could be used by our shareholders and investors.
- We conduct regular learning and development programmes to ensure that our internal processes are updated.
- We share with our employees a Code of Responsible Business Conduct that has been ‘Client Centricity’, a revised framework aimed at promoting ethical business practices.
- A key initiative for improving collaboration between our Business Associates, Client Centricity, is aimed towards drawing organizations teams across Project Finance, Risk Management and Project Management.
- We encourage our personnel to comply with essential safety, health and environmental and ethical business practices.
- We undertake 2 culture workshops that result in actions for four to five acts.
- We conduct regular learning and development programmes for such engagements.
- We have a well-established mechanism to ensure accurate, yet easy-to-understand disclosures that could be used by our shareholders and investors.
- We conduct regular learning and development programmes to ensure that our internal processes are updated.
- We share with our employees a Code of Responsible Business Conduct that has been ‘Client Centricity’, a revised framework aimed at promoting ethical business practices.
- A key initiative for improving collaboration between our Business Associates, Client Centricity, is aimed towards drawing organizations teams across Project Finance, Risk Management and Project Management.
- We encourage our personnel to comply with essential safety, health and environmental and ethical business practices.
- We undertake 2 culture workshops that result in actions for four to five acts.
- We conduct regular learning and development programmes for such engagements.
- We have a well-established mechanism to ensure accurate, yet easy-to-understand disclosures that could be used by our shareholders and investors.
- We conduct regular learning and development programmes to ensure that our internal processes are updated.
- We share with our employees a Code of Responsible Business Conduct that has been ‘Client Centricity’, a revised framework aimed at promoting ethical business practices.
- A key initiative for improving collaboration between our Business Associates, Client Centricity, is aimed towards drawing organizations teams across Project Finance, Risk Management and Project Management.
- We encourage our personnel to comply with essential safety, health and environmental and ethical business practices.
- We undertake 2 culture workshops that result in actions for four to five acts.
- We conduct regular learning and development programmes for such engagements.
- We have a well-established mechanism to ensure accurate, yet easy-to-understand disclosures that could be used by our shareholders and investors.
- We conduct regular learning and development programmes to ensure that our internal processes are updated.
- We share with our employees a Code of Responsible Business Conduct that has been ‘Client Centricity’, a revised framework aimed at promoting ethical business practices.
- A key initiative for improving collaboration between our Business Associates, Client Centricity, is aimed towards drawing organizations teams across Project Finance, Risk Management and Project Management.
- We encourage our personnel to comply with essential safety, health and environmental and ethical business practices.
- We undertake 2 culture workshops that result in actions for four to five acts.
- We conduct regular learning and development programmes for such engagements.
- We have a well-established mechanism to ensure accurate, yet easy-to-understand disclosures that could be used by our shareholders and investors.
- We conduct regular learning and development programmes to ensure that our internal processes are updated.
- We share with our employees a Code of Responsible Business Conduct that has been ‘Client Centricity’, a revised framework aimed at promoting ethical business practices.
- A key initiative for improving collaboration between our Business Associates, Client Centricity, is aimed towards drawing organizations teams across Project Finance, Risk Management and Project Management.
- We encourage our personnel to comply with essential safety, health and environmental and ethical business practices.
- We undertake 2 culture workshops that result in actions for four to five acts.
- We conduct regular learning and development programmes for such engagements.
- We have a well-established mechanism to ensure accurate, yet easy-to-understand disclosures that could be used by our shareholders and investors.
- We conduct regular learning and development programmes to ensure that our internal processes are updated.
- We share with our employees a Code of Responsible Business Conduct that has been ‘Client Centricity’, a revised framework aimed at promoting ethical business practices.
- A key initiative for improving collaboration between our Business Associates, Client Centricity, is aimed towards drawing organizations teams across Project Finance, Risk Management and Project Management.
- We encourage our personnel to comply with essential safety, health and environmental and ethical business practices.
- We undertake 2 culture workshops that result in actions for four to five acts.
- We conduct regular learning and development programmes for such engagements.
- We have a well-established mechanism to ensure accurate, yet easy-to-understand disclosures that could be used by our shareholders and investors. 
Economic growth is a vital prerequisite to achieve sustainable development. Economic infrastructure, which includes transportation, energy supplies, communication networks, and financial systems, has a transformative impact on a country’s economic growth potential and the ability of an enterprise to efficiently generate higher value. Infrastructure facilitates the flow of ideas, goods and services, spurs regional economic growth, helps maintain an inclusive, healthy and productive workforce, and enhances quality of life.
BUSINESS PORTFOLIO

OVERVIEW
IDFC is an end-to-end financial services provider for infrastructure projects. Our subsidiaries (10 direct and 11 indirect) provide a wide range of financial solutions, built on precise market research and analysis. These include financial intermediation for projects under way, tailor-made products for the value chain and asset maintenance of existing projects. Broadly, our verticals are:
- Project Finance, Fixed Income & Treasury
- Investment Banking and Institutional Broking
- Public Markets Asset Management
- Alternative Asset Management
- IDFC Foundation

AT IDFC, OUR COMMITMENT TO BUILDING INDIA’S INFRASTRUCTURE GOES BEYOND BUSINESS. WE WORK CLOSELY WITH GOVERNMENT ENTITIES AND REGULATORS TO ADVISE AND ASSIST THEM IN FORMULATING POLICY AND REGULATORY FRAMEWORKS THAT SUPPORT PRIVATE INVESTMENT AND PUBLIC-PRIVATE PARTNERSHIPS IN INFRASTRUCTURE DEVELOPMENT.

PROJECT FINANCE, FIXED INCOME AND TREASURY

This business engages in detailed analysis and evaluation of varied infrastructure projects of diverse implications to offer best suitable financial solutions in multiple modes. This proactive strategy helps address the financial requirements of different infrastructure projects across India with well-structured solutions. It holds extensive domain knowledge, specifically for project structuring, appraisal and risk evaluation.

FIXED INCOME AND TREASURY

Servicing the fixed income market, this business comprises the treasury and debt capital market businesses. The latter focuses on advisory based on detailed analysis for raising debt funds to help mobilise debt capital from the market.

IDFC Primary Dealership Company Limited is registered as a Non-Banking Financial Company (NBFC) with RBI. It trades in government debt securities and corporate bonds, and is awaiting its primary dealership license from RBI.

INVESTMENT BANKING AND INSTITUTIONAL BROKING

This business encompasses advisory / capital raising services and institutional equity broking. IDFC Capital Limited operates in the former and provides a full range of advisory services comprising Private Equity Syndication, Initial Public Offerings (IPOs), Qualified Institutional Placement (QIP), Project Advisory and Mergers & Acquisitions (M&A) services.

IDFC Securities holds the institutional equity broking section and offers investment insights as well as ideas, formulated on the basis of extensive research. With a rich global clientele of institutional investors, it services pension funds, long-only funds, hedge funds, mutual funds, banks, insurance companies as well as portfolio management firms.

PUBLIC MARKETS ASSET MANAGEMENT

IDFC Alternatives is IDFC’s alternative asset management vertical and manages over USD 3 billion on behalf of leading institutional investors from across the world.

With three distinct asset classes - private equity, infrastructure equity and real estate - IDFC Alternatives offers investors a range of risk-return profiles.

Since IDFC Alternatives’ first private equity fund was launched in 2002, IDFC Alternatives has expanded its alternative asset portfolio to include a total of three private equity funds, two infrastructure equity funds and one domestic real estate fund. We are the partner of choice for our investors globally and for our portfolio companies in India.

ALTERNATIVE ASSET MANAGEMENT

IDFC Capital Limited operates in the former and provides a full range of advisory services comprising Private Equity Syndication, Initial Public Offerings (IPOs), Qualified Institutional Placement (QIP), Project Advisory and Mergers & Acquisitions (M&A) services.

This arm compiles our mutual funds business and is operated through IDFC Asset Management Company Limited (IDFC AMC). The AMC manages diverse mutual fund products for institutional and retail investors. Its core functionalities are focussed on cultivating the Assets Under Management (AUM) through tailor made product offerings and channelising retail and corporate savings into India’s debt and equity markets. Asset management fees contribute towards income generation.

A branch of IDFC AMC, IDFC Investment Advisors Limited is registered as a Portfolio Manager with SEBI and services our Portfolio Management Services (PMS) for two funds: IDFC Spire Fund and IDFC Hybrid Fund, along with other PMS schemes.

IDFC Foundation

A wholly-owned subsidiary of IDFC, this section 25 not-for-profit company oversees and coordinates various developmental activities being pursued by IDFC. The Foundation’s activities include following core engagement areas:

Policy Research & Advocacy: Proactive research on various policy themes to lead innovative explorations and good practices.

Government Advisory & Programmes Support: Advisory to various central and state governments in developing policy, regulatory and sectoral frameworks, transparent procurement processes, equitable concession documents, and transaction advisory services for specific Public-Private Partnership (PPP) projects spanning various sectors.

Capacity Building: For Government projects through intensive training modules and active support to enable project identification, appropriate analysis, project structuring, transparent selection of dealers and pro-active monitoring of project life cycle.

Community Engagement: Through programmes like iCare that focus on enhancing the functioning of the not-for-profit and NGO entities towards youth inclusion and environment. In addition, employee involvement is encouraged to help the NGOs develop strategies, systems and practices for efficient functioning.

Our 10 direct and 11 indirect subsidiaries provide a wide range of financial solutions, built on precise market research and analysis.
CORPORATE GOVERNANCE

OVERVIEW
As a financial intermediary, shareholders’ trust is of prime importance for IDFC. This trust is built on a robust corporate governance framework which comprises strong systems for monitoring and managing risks, ensuring accountability and safeguarding against excessive exposure. Our governance approach is to deliver increased value across our stakeholder spectrum and maximise return on assets while effectively managing inherent risks. We see good governance as a vital contributor to sustainable economic development and as a facilitator in providing deeper access to capital.

We believe that sound governance principles not only sustain but also strengthen the customer’s trust. Hence we strongly endorse a policy of transparency, approach is to deliver increased value across our stakeholder spectrum and maximise return on assets while effectively managing inherent risks. We see good governance as a vital contributor to sustainable economic development and as a facilitator in providing deeper access to capital.

The Directors bring to the Board, rich experience and a diverse range of skill sets which include expertise in global finance, banking, law, accounting and economics. The Board guides the Firm’s growth and progress, reviews performance, assesses business risks, recommends risk mitigation measures, authorises and monitors strategic investments, ensures regulatory compliance and, above all, safeguards stakeholders’ interests.

All decisions pertaining to the constitution, appointment and tenure for the committees are finalised by the Board of Directors.

CODE OF CONDUCT
Our Code of Conduct translates our mission, values and principles into standards of professional conduct and guidelines for our employees and guides us in both routine and critical operations and decision-making. The Code of Conduct encompasses:

- Honest and Ethical Conduct
- Fair and Transparent Corporate Communications
- Safe and Healthy Work Environment
- Disclosures
- Usage of Company Assets
- Secure Transactions and In-Depth Confidential Information
- Compliance with Government Rules and Regulations

For further details, the Code is available on our website – www.idfc.com

BUSINESS RESPONSIBILITY REPORT
The inclusion of a Business Responsibility Report in the Annual Report was made mandatory by the Securities and Exchange Board of India (SEBI) for the top 100 listed entities based on market capitalisation at the BSE and the NSE, as on March 31, 2012. We saw this as an opportunity to reiterate our responsible business culture and principles of integrity, transparency and accountability, which act as the cornerstone of the Firm’s values. Our Business Responsibility Report demonstrates our continued commitment and responsible corporate citizenship towards the economy, community and environment.

RISK MANAGEMENT
Risk is an inevitable part of the business environment. However, a proactive approach of identifying, addressing and mitigating these risks, boosts sustainable growth of an organisation. Hence, we have rationalised the following principles and policies towards managing risk more efficiently.

PRINCIPLES
All our operations are based on a conscious effort of addressing and mitigating the Environmental, Social and Governance (ESG) risks effectively and routinely. Our approach to risk management is holistic, where we address both activity-based and enterprise-based risks.

We strictly adhere to a detailed and structured protocol for risk assessment and mitigation. This protocol is periodically reviewed by the Board for optimal results and a Board-level committee is also in place for the monitoring of risk management.

Communication on Progress (CoP) with respect to IDFC’s businesses is a regular submission to the United Nations Global Compact (UNGC) annually.

Our Principles which ensure responsible business conduct are as follows:

- Maintain ethical business practices and robust systems of corporate governance
- Ensure transparent communication with stakeholders
- Be a knowledge-driven organisation with intensive employee engagement through training and teamwork
- Contribute to the social, economic and institutional development of our communities, through initiatives that go beyond traditional CSR

IDFC participated in a Community of Learning Workshop, organised at Washington DC by International Finance Corporation (IFC). Also, an in-house awareness programme on Responsible Business Risk Management, keeping in mind the EP requirements, was conducted for Project Finance and Portfolio departments.

POLICIES

The Environmental, Social, and Governance (ESG) issues linked to project induced land acquisition, livelihood degradation, environmental degradation and regulatory compliance can harm the sustenance of our operations, and are therefore on our priority index.

IDFC’s Environment and Social (E&S) Policy (IDFC) shall continually endeavour to ensure and approach to responsible business conduct and social development practices in all its activities, products and services with a special focus on the following:

- Ensure its lending is made to environmentally sustainable, socially acceptable and economically viable projects
- Ensure compliance with environmental and social safeguards, as defined by applicable Indian legislation and the ‘Equator Principles’
- Ensure environmental and social risks related to the project are adequately addressed throughout the Firm’s investment tenure
- Integrate environmental risk into the internal risk management analysis

Besides E&S policy, some of the other policies that help steer sustainability include:

- Employee Safety and Security Policy
- Internal Environment Policy (Climate Change and Resource Conservation)
- Civil Engineering Policy
- Major Supplier’s Code of Responsible Business Conduct

For more information on our Environmental and Social Risk Mitigation Policy, please refer to the Product Responsibility section on page 20.

IDFC is India’s First Financial Institution to Sign the Equator Principles (EP)

IDFC holds the distinction of being India’s first financial institution to sign up for the Equator Principles (EP), a credit risk management framework for determining, assessing and managing environmental and social risk in Project Finance Transactions.

IDFC formally adopted the Principles and participated in the first Equator Principles Financial Institution (EPFI) Working Group to be held in the EP IBI launch session held at Amsterdam.
With USD 3 billion in five different funds, IDFC today is the largest infrastructure-focused alternative asset management private equity fund in the country.

14

IDFC is a leading knowledge-driven financial services firm and plays a central role in advancing the country’s infrastructure development by providing a full range of financing solutions.

Established in 1997 as a private sector enterprise by a consortium of public and private investors, the Firm listed its equity shares in India pursuant to an Initial Public Offering in August 2005.

As Project Finance is highly capital intensive and offers lower Return on Equity (RoE) on a standalone basis, IDFC decided to hedge that business by foraying into investment banking & advisory and private & public asset management. These businesses were important because they provided an entire gamut of service to clients and did not take up much capital; hence generating significantly higher RoE.

The intent behind the public markets asset management platform, which it acquired in 2008, was that over time, beyond diversification, there was a need for a better intermediation of retail savings into infrastructure. The objective was to utilize the asset management platform to launch infrastructure focussed funds and also as a means to intermediate retail money into infrastructure products.

ECONOMIC PERFORMANCE

OVERVIEW

IDFC is a leading knowledge-driven financial services firm and plays a central role in advancing the country’s infrastructure development by providing a full range of financing solutions.

Established in 1997 as a private sector enterprise by a consortium of public and private investors, the Firm listed its equity shares in India pursuant to an Initial Public Offering in August 2005.

As Project Finance is highly capital intensive and offers lower Return on Equity (RoE) on a standalone basis, IDFC decided to hedge that business by foraying into investment banking & advisory and private & public asset management. These businesses were important because they provided an entire gamut of service to clients and did not take up much capital; hence generating significantly higher RoE.

The intent behind the public markets asset management platform, which it acquired in 2008, was that over time, beyond diversification, there was a need for a better intermediation of retail savings into infrastructure. The objective was to utilize the asset management platform to launch infrastructure focussed funds and also as a means to intermediate retail money into infrastructure products.

ECONOMIC VALUE GENERATED

It is a well-known fact that the past few years have been challenging for both - Global and Indian economy. India’s growth rate has slowed down substantially due to a combination of factors which include extreme volatility, rising input costs, policy paralysis and under actualized public-private partnership ventures.

Considering this macro-economic scenario, specifically in the infrastructure sector, both FY13 and FY14 were satisfactory years for IDFC. While the Group’s balance sheet grew by 15% Year-on-Year (YoY) to reach INR 69,994 crore in FY13, it grew by 5.39% YoY to reach INR 73,764 crore in FY14. Also in FY13, net loans at INR 55,736 crore witnessed an increase of 15% YoY whereas in FY 14, there was an increase of 5.94% YoY and the net loans stood at INR 58,546 crore.

Our standalone revenue from operations has steadily grown over the last years. In FY12, it stood at INR 6,099.98 crore and went up to INR 7,765.30 crore in FY13; we ended FY14 at INR 8,214.21 crore - a growth of 5.78%. Our Profit After Tax in FY13 grew by 10.11% compared to previous year, but showed a de-growth of 3.62% in FY14. This de-growth can be partly attributed to IDFC increasing the provisioning on loans and investments from INR 350 crore in FY13 to INR 628 crore in FY14.

IDFC’S BALANCE SHEET HAS GROWN BY AROUND 9 TIMES SINCE 2005, TO ITS CURRENT SIZE OF INR 73,764 CRORE.

Our standalone revenue from operations has steadily grown over the last years. In FY12, it stood at INR 6,099.98 crore and went up to INR 7,765.30 crore in FY13; we ended FY14 at INR 8,214.21 crore - a growth of 5.78%. Our Profit After Tax in FY13 grew by 10.11% compared to previous year, but showed a de-growth of 3.62% in FY14. This de-growth can be partly attributed to IDFC increasing the provisioning on loans and investments from INR 350 crore in FY13 to INR 628 crore in FY14.

Our standalone revenue from operations has steadily grown over the last years. In FY12, it stood at INR 6,099.98 crore and went up to INR 7,765.30 crore in FY13; we ended FY14 at INR 8,214.21 crore - a growth of 5.78%. Our Profit After Tax in FY13 grew by 10.11% compared to previous year, but showed a de-growth of 3.62% in FY14. This de-growth can be partly attributed to IDFC increasing the provisioning on loans and investments from INR 350 crore in FY13 to INR 628 crore in FY14.

IDFC’S BALANCE SHEET HAS GROWN BY AROUND 9 TIMES SINCE 2005, TO ITS CURRENT SIZE OF INR 73,764 CRORE.

The intent behind the public markets asset management platform, which it acquired in 2008, was that over time, beyond diversification, there was a need for a better intermediation of retail savings into infrastructure. The objective was to utilize the asset management platform to launch infrastructure focussed funds and also as a means to intermediate retail money into infrastructure products.

IDFC’S BALANCE SHEET HAS GROWN BY AROUND 9 TIMES SINCE 2005, TO ITS CURRENT SIZE OF INR 73,764 CRORE.

The intent behind the public markets asset management platform, which it acquired in 2008, was that over time, beyond diversification, there was a need for a better intermediation of retail savings into infrastructure. The objective was to utilize the asset management platform to launch infrastructure focussed funds and also as a means to intermediate retail money into infrastructure products.

ECONOMIC PERFORMANCE

OVERVIEW

IDFC is a leading knowledge-driven financial services firm and plays a central role in advancing the country’s infrastructure development by providing a full range of financing solutions.

Established in 1997 as a private sector enterprise by a consortium of public and private investors, the Firm listed its equity shares in India pursuant to an Initial Public Offering in August 2005.

As Project Finance is highly capital intensive and offers lower Return on Equity (RoE) on a standalone basis, IDFC decided to hedge that business by foraying into investment banking & advisory and private & public asset management. These businesses were important because they provided an entire gamut of service to clients and did not take up much capital; hence generating significantly higher RoE.

The intent behind the public markets asset management platform, which it acquired in 2008, was that over time, beyond diversification, there was a need for a better intermediation of retail savings into infrastructure. The objective was to utilize the asset management platform to launch infrastructure focussed funds and also as a means to intermediate retail money into infrastructure products.

ECONOMIC VALUE GENERATED

It is a well-known fact that the past few years have been challenging for both - Global and Indian economy. India’s growth rate has slowed down substantially due to a combination of factors which include extreme volatility, rising input costs, policy paralysis and under actualized public-private partnership ventures.

Considering this macro-economic scenario, specifically in the infrastructure sector, both FY13 and FY14 were satisfactory years for IDFC. While the Group’s balance sheet grew by 15% Year-on-Year (YoY) to reach INR 69,994 crore in FY13, it grew by 5.39% YoY to reach INR 73,764 crore in FY14. Also in FY13, net loans at INR 55,736 crore witnessed an increase of 15% YoY whereas in FY 14, there was an increase of 5.94% YoY and the net loans stood at INR 58,546 crore.

Our standalone revenue from operations has steadily grown over the last years. In FY12, it stood at INR 6,099.98 crore and went up to INR 7,765.30 crore in FY13; we ended FY14 at INR 8,214.21 crore - a growth of 5.78%. Our Profit After Tax in FY13 grew by 10.11% compared to previous year, but showed a de-growth of 3.62% in FY14. This de-growth can be partly attributed to IDFC increasing the provisioning on loans and investments from INR 350 crore in FY13 to INR 628 crore in FY14.

IDFC’S BALANCE SHEET HAS GROWN BY AROUND 9 TIMES SINCE 2005, TO ITS CURRENT SIZE OF INR 73,764 CRORE.

The intent behind the public markets asset management platform, which it acquired in 2008, was that over time, beyond diversification, there was a need for a better intermediation of retail savings into infrastructure. The objective was to utilize the asset management platform to launch infrastructure focussed funds and also as a means to intermediate retail money into infrastructure products.

ECONOMIC PERFORMANCE

OVERVIEW

IDFC is a leading knowledge-driven financial services firm and plays a central role in advancing the country’s infrastructure development by providing a full range of financing solutions.

Established in 1997 as a private sector enterprise by a consortium of public and private investors, the Firm listed its equity shares in India pursuant to an Initial Public Offering in August 2005.

As Project Finance is highly capital intensive and offers lower Return on Equity (RoE) on a standalone basis, IDFC decided to hedge that business by foraying into investment banking & advisory and private & public asset management. These businesses were important because they provided an entire gamut of service to clients and did not take up much capital; hence generating significantly higher RoE.

The intent behind the public markets asset management platform, which it acquired in 2008, was that over time, beyond diversification, there was a need for a better intermediation of retail savings into infrastructure. The objective was to utilize the asset management platform to launch infrastructure focussed funds and also as a means to intermediate retail money into infrastructure products.

ECONOMIC VALUE GENERATED

It is a well-known fact that the past few years have been challenging for both - Global and Indian economy. India’s growth rate has slowed down substantially due to a combination of factors which include extreme volatility, rising input costs, policy paralysis and under actualized public-private partnership ventures.

Considering this macro-economic scenario, specifically in the infrastructure sector, both FY13 and FY14 were satisfactory years for IDFC. While the Group’s balance sheet grew by 15% Year-on-Year (YoY) to reach INR 69,994 crore in FY13, it grew by 5.39% YoY to reach INR 73,764 crore in FY14. Also in FY13, net loans at INR 55,736 crore witnessed an increase of 15% YoY whereas in FY 14, there was an increase of 5.94% YoY and the net loans stood at INR 58,546 crore.

Our standalone revenue from operations has steadily grown over the last years. In FY12, it stood at INR 6,099.98 crore and went up to INR 7,765.30 crore in FY13; we ended FY14 at INR 8,214.21 crore - a growth of 5.78%. Our Profit After Tax in FY13 grew by 10.11% compared to previous year, but showed a de-growth of 3.62% in FY14. This de-growth can be partly attributed to IDFC increasing the provisioning on loans and investments from INR 350 crore in FY13 to INR 628 crore in FY14.
In both FY13 and FY14, the Board recommended a dividend of INR 2.60 per equity share of INR 10 each (i.e. 26%). This is in continuation of the consistent performance shown by the Firm with respect to dividend payout.

### Dividend per Share

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY11</td>
<td>2.00</td>
</tr>
<tr>
<td>FY12</td>
<td>2.30</td>
</tr>
<tr>
<td>FY13</td>
<td>2.60</td>
</tr>
</tbody>
</table>

IDFC is as much about the people behind the numbers, as it is about the numbers. As on March 31, 2014, IDFC had 225 employees at the Firm level and 570 employees at the Group level.

### Employees

<table>
<thead>
<tr>
<th>Year</th>
<th>Salaries</th>
<th>Gratification to President and Other Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY14</td>
<td>123.10</td>
<td>7.40</td>
<td>130.50</td>
</tr>
<tr>
<td>FY13</td>
<td>117.62</td>
<td>7.25</td>
<td>124.87</td>
</tr>
</tbody>
</table>

### Financial Implications of Climate Change

IDFC focuses on crucial and pressing issues such as land acquisition, climate change and water through its policy advocacy initiatives. It engages with the local community through rural infrastructure development and livelihood support, while adopting sustainable practices across its operations.

IDFC, being a financial institution, is relatively less resource intensive in terms of material inputs. Our major material requirements are office infrastructure, communications and IT-related equipment. Due to the limited nature of usage, it would not be possible to ascertain the percentage of inputs that are sourced sustainably.

Despite the limited scope of our procurement needs, we continue to take initiatives to ensure responsible sourcing in our supply chain. We have a code of responsible business conduct for our major suppliers, which outlines our expectations from them, in the areas of labour standards, environment and ethical business practices.

**Note:** Current Tax is the amount of tax payable on the taxable income for the year, as determined in accordance with the provisions of the Income-tax Act, 1961.

For FY13, the significant change in ‘Other Income’ can be attributed to the loss Profit on Sale of Long Term Investments. While a profit of INR 3.73 crore was generated in FY13 through sale of 100% stake in IDFC Asset Management Company Ltd. to IDFC Alternatives Ltd., a profit of INR 89 crore was generated in FY12 through sale of 25% stake in IDFC Asset Management Company Ltd. and IDFC AMC Trustee Company Ltd. to Natixis Global Asset Management Asia Pte. Ltd.

For FY14, the significant change in ‘Other Income’ can be attributed to the head ‘Profit on Sale of Long-term Investments’. While a profit of INR 3.73 crore was generated in FY13 through sale of 100% stake in IDFC Project Equity Company Ltd. to IDFC Alternatives Ltd., a profit of INR 89 crore was generated in FY12 through sale of 25% stake in IDFC Asset Management Company Ltd. and IDFC AMC Trustee Company Ltd. to Natixis Global Asset Management Asia Pte. Ltd.

By comparison, FY14 was a better year where the Profit on sale of fixed assets contributed INR 160.01 crore. **Other Income**

### ECONOMIC VALUE DISTRIBUTED

<table>
<thead>
<tr>
<th>Year</th>
<th>Profit after Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY11</td>
<td>1,602.96</td>
</tr>
<tr>
<td>FY12</td>
<td>1,764.98</td>
</tr>
<tr>
<td>FY13</td>
<td>1,701.12</td>
</tr>
</tbody>
</table>

For comparison, FY13 was a better year where the ‘Profit on sale of fixed assets’ contributed INR 106.01 crore to ‘Other Income’.

**Note:** Current Tax is the amount of tax payable on the taxable income for the year, as determined in accordance with the provisions of the Income-tax Act, 1961.
The environment is mankind’s biggest asset and key to human survival. It is a vital infrastructure that provides essentials like water, raw materials and energy for the production of goods and services that support people’s lifestyles. For long thought to be infinite, we are now running into environmental limits and thus it is imperative that we utilise our natural capital responsibly and accelerate our investment in blue-green assets, policies and systems that protect our environment and significantly enhance our resource productivity.
IDFC is a thriving example of thought leadership and advocacy on sustainability for emerging economies. IDFC helps to translate policy initiatives into actual implementation through specific projects in the public-private partnership model and promotion of sustainable practices in project development and operation.

OVERVIEW
At IDFC, we strive to invest in eco-intelligent infrastructure - internal as well as external. Our employees leverage their grey cells to ‘go green’. We support projects which are low carbon-friendly, design processes which are resource-efficient and our premises are built to support the 3Rs of resource management. IDFC is also an active contributor and participant in various sustainability forums like Carbon Index at the Bombay Stock Exchange (BSE), Global Reporting Initiative (GRI) and Carbon Disclosure Project (CDP).

ENVIRONMENT PHILOSOPHY
IDFC’s environmental conservation philosophy comprises three broad-level approaches:

- Enduring resource sufficiency
- Reducing carbon footprint
- Building an eco-conscious culture in the organisation

This section elaborates IDFC’s green interventions at its workplaces. For details, refer Product Responsibility section on page no. 28

GREEN STRATEGY IN ACTION
A number of environment policies are in place to operationalise environment conservation at all IDFC offices:

- Environment & Social Policy
- Internal Environment Policy
- E-waste Management Policy

Over and above the formulation of in-house policies, IDFC continues to be a signatory to global initiatives on Environment, Social and Governance (ESG) issues such as the Carbon Disclosure Project, and the United Nations Global Compact.

PRACTICES
A view of actions are under implementation to ensure that the green policies are practised in letter and spirit:

- ‘Go Green’ programme to internalise sustainability philosophy across IDFC
- Carbon Footprint Assessment since 2011
- Certified energy-efficient Central Data Centre
- LEED Gold certification for our registered office at Chennai
- Sewage treatment plant for waste management

GREEN INDICATORS
The nature of our financing business empowers us to create lasting value out of a single resource. However, we believe that every raw material that our projects consume comes with a cost - to our planet as well as to the project balance sheet. Hence, when it comes to management of natural capital, we believe that even small measures go a long way.

One of the interventions that we spearheaded to reduce our energy consumption was ‘green computing’. By aligning all our IT processes and practices with the core principles of sustainability, we are able to not just maximise energy efficiency, but also reduce the use of hazardous materials and eliminate waste. We are in the process of implementing new IT energy efficiency initiatives with granular monitoring to further streamline our energy performance.

ENERGY EFFICIENCY
Embedding energy intelligence in our day-to-day functions paves the way for triple benefits - lesser dependence on fossil power, lower operational expenses and reduced CO₂ emissions.

One of the interventions that we spearheaded to reduce our energy consumption was ‘green computing’. By aligning all our IT processes and practices with the core principles of sustainability, we are able to not just maximise energy efficiency, but also reduce the use of hazardous materials and eliminate waste. We are in the process of implementing new IT energy efficiency initiatives with granular monitoring to further streamline our energy performance.

ENERGY CONSUMPTION (KWh)

<table>
<thead>
<tr>
<th>Year</th>
<th>Direct Energy</th>
<th>Indirect Energy</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>3,424</td>
<td>12,607</td>
</tr>
<tr>
<td>2015</td>
<td>2,940*</td>
<td>13,053</td>
</tr>
</tbody>
</table>

*Figure updated post printing of report.
Energy Conservation Initiatives

Under our ‘Go Green’ movement, which is guided by our internal environmental policy, we
undertook a host of initiatives with the objective of
helping reduce our footprint. Wherever necessary, we choose a
more sustainable option for transport and travel.

GREENER INFRASTRUCTURE

The Central Data Centre at Chennai has received the Green Data Centre certification
from the Uptime Institute.

The Registered Office of IDFC Mutual Fund is housed in the One Indiabulls Centre in Mumbai – a LEED certified Building.

Our Chennai office (RIM Tower) is LEED Gold certified.

ENERGY EFFICIENCY

Since 2011, we have been conducting carbon footprint assessment of our operations with the aim of becoming a carbon neutral organisation in future.

We have implemented various energy conservation measures like use of double glazed windows (using sun control films), use of recycled material, green IT, and use of renewable sources of energy at major office premises etc.

In all our offices, we have substituted LCD with LED TVs, halogen bulbs with CFLs and electric hand dryers with paper napkins.

We have also started using foam dispensers instead of soap dispensers in wash rooms, to help reduce water consumption.

We closely monitor and control the usage of power at different levels.

RESOURCE EFFICIENCY

We encourage eco friendly means of transport including car pooling, company bus service and video conferencing facilities at all our major offices to minimize our travel footprint. Whenever necessary, we choose a green flight option for our business travel.

We have installed a sewage treatment plant at our corporate office in Mumbai and are also in the process of installing a rainwater harvesting system.

The U.S. Department of Energy estimates that data centre facilities consume 100 to 200 times more energy than standard office buildings.

For organisations, especially in the financial services space, a robust IT infrastructure is a key input for operations management and also a significant contributor to the energy consumption. Hence, embedding energy efficiency in data centres can remarkably change the economics of organisational energy.

At IDFC, we took a strategic decision to achieve the Green Data Centre Certification for our IT infrastructure facilities.

The base-level initiatives varied from:
- Increasing temperature in the Data Centres to 24 degrees
- Installation of list price coefficients to optimise air management
- Power consumption monitoring with meters on the panel and rack levels, and soft metering at device levels
- besides these, we also decided to use a DCIM (Data Centre Infrastructure Management) tool to provide the right metrics and also identify areas where we can achieve efficiency gains. We are one of the earliest adopters of DCIM in South Asia.

The project was planned in phases, in line with a long term Data Centre Efficiency Programme. Phase I of the project involved the following:
- Implementation of DCIM and base-lining of the data centre in terms of consuming resource utilisation and IT power consumption
- Integration of DCIM with existing Building Maintenance Systems (BMS) to capture facility power consumption
- Automatic calculation and reporting of both real time and historical Power Usage Effectiveness (PUE) data for the Data Centre through the DCIM

OUTCOMES

- Reduction in energy consumption represented in PUE reduction from 2.1 (2011 to 2.01 2013). This constitutes a 4% reduction in consumption and subsequent CO2 emissions.
- Enhanced awareness of energy conservation among IDFC employees.
- Assured 99.99% uptime of the Data Centre, ensuring higher access for its stakeholders.
- New benchmarks for IDFC.
- Become the first in the Indian financial services industry to have received both, Green Data Centre Certification and the Tier II DC Certification.
- Received the Green Crusader Awards 2012 from CIO magazine and the BEE (Energy Efficient Driving Growth and Excellence using IT Award) from Information Week magazine, for its various green initiatives and data centre testing.

ENERGY CONSERVATION INITIATIVES

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.

We believe that change should begin with us. As an enabler of nation building, we strive to balance the carbon surplus of the country by financing low carbon infrastructures.
We have initiated an E-waste Management Policy with the specific aim of minimising the e-waste generation and ensuring responsible disposal across our operations. This policy has been formulated keeping in mind international best practices and also ensures compliance with local environmental laws.

**WATER MANAGEMENT**

From low to livelihoods, economy to ecology, agriculture to water - water is an indispensable resource - more so because it has no other alternative. Thus water scarcity poses a grave threat to the world today.

To shrink our water footprint, we have deployed rainwater harvesting system in our office at Naman Chamber, Mumbai, at our office in Naman Chamber, Mumbai. We are in the process of installing a sewage treatment plant at our office in Naman Chamber, Mumbai.

**BIODIVERSITY**

While our direct operations do not impact biodiversity, our due diligence ensures that the projects we finance, adhere to all statutory compliances on protection of biodiversity.

**PAPER CONSUMPTION**

<table>
<thead>
<tr>
<th></th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Paper Consumption (in kg)</td>
<td>1,867</td>
<td>1,867</td>
<td>1,867</td>
</tr>
<tr>
<td>Emission Factor from Paper Consumption</td>
<td>1,539</td>
<td>283</td>
<td>263</td>
</tr>
</tbody>
</table>

**Recycling & Responsible Disposal**

We recycle more than 10% of total waste generated from our operations. All other recyclable waste is collected at our premises and handed over to authorised waste processors. In the reporting period, no significant spills were reported.

**E-waste Management**

E-waste is one of the fastest growing waste segments globally. As an early adopter of green computing, we strive to mainstream environmentally sound e-waste management across our operations.
The Environment Risk Group organised the first workshop on Environment and Social Risk Management in infrastructure projects for Banks and NBFCs in November 2013. The core objective was to increase awareness of integrating E&S Risk Management in credit appraisal process and initiate steps towards mainstreaming E&S risk management in business activities.

Senior Project Finance and Credit Risk professionals from public & private sector banks and financial institutions such as SBI Capital Markets Ltd., IDBI Bank, Bank of India, Axis Bank, Yes Bank, ICICI Bank, L&T Infra Finance, Tata Capital, Standard Chartered Bank and HSBC Bank participated in the workshop.

IDFC WORKSHOP ON ‘MAINSTREAMING ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT IN PROJECT FINANCING’

The Environment Risk Group organised the first workshop on Environment and Social Risk Management in infrastructure projects for Banks and NBFCs in November 2013. The core objective was to increase awareness of integrating E&S Risk Management in credit appraisal process and initiate steps towards mainstreaming E&S risk management in business activities.

Senior Project Finance and Credit Risk professionals from public & private sector banks and financial institutions such as SBI Capital Markets Ltd., IDBI Bank, Bank of India, Axis Bank, Yes Bank, ICICI Bank, L&T Infra Finance, Tata Capital, Standard Chartered Bank and HSBC Bank participated in the workshop.

IDFC’s E&S policy ensures that its lending is made to environmentally sustainable, socially acceptable and economically viable projects.

Publications
- The India Infrastructure Report 2010 focused on ‘Infrastructure Development in a Low Carbon Economy’
- The India Infrastructure Report 2011 titled ‘Water: Policy and Performance for Sustainable Development’
- India Rural Development Report 2012/13 delves into various aspects of rural development, which includes various dimensions of sustainability. The report examines how natural resources - land, water, forest & fishery, and infrastructure - energy, water & sanitation impacts sustainable rural livelihoods, besides exploring rural vulnerability and resilience to climate change. The report, a first major work on rural development in India, also highlights opportunities and ways to overcome the challenges facing sustainable rural development
- Study mapping alternate trajectories for the economy and carbon emissions for a 30 year horizon under different policy scenarios, including enhanced energy efficiency, taxing fossil fuels, redistributing revenues from fossil fuel taxes etc., using a Computable General Equilibrium Model

IDFC INFRASTRUCTURE REPORTS
- 2012 | Private Sector in Education
- 2011 | Water: Policy & Performance for Sustainable Development
- 2010 | Infrastructure Development in a Low Carbon Economy
- 2009 | Land - A Critical Resource for Infrastructure
- 2008 | Business Models of the Future
- 2007 | Rural Infrastructure
- 2006 | Urban Infrastructure
- 2004 | Ensuring Value for Money
- 2003 | Public Expenditure Allocation & Accountability
- 2002 | Governance Issues for Commercialisation
- 2001 | Issues in Regulation and Market Structure
OVERVIEW

Infrastructure, due to its sheer size and intrinsic nature, holds the potential to benefit public good across the triple bottom-line.

On the economic front, it can impact employment generation, local purchasing and reduce demand for electricity generation through improved efficiency, while on the social front, it could impact indigenous employment and development, equity of access to public and economic assets, bridging of opportunity gap; and on the environmental front, the impacts could range from lower Greenhouse Gas emissions to reduced use of non-renewable resources and potable water, from lesser waste to enhanced biodiversity.

But it is important to note that sustainability delivers advantages not only to the communities surrounding the enterprise but also to the enterprise itself. It helps mitigate risks, harness cost-efficiency and savings, strengthen the enterprise’s relevance to local communities, and even enhance its revenue sources. At IDFC, we are acutely aware that as enablers of infrastructure, we have the opportunity and responsibility to catalyse sustainability.

PRODUCT RESPONSIBILITY

To ensure that the projects financed by IDFC are developed and operated in a manner which is socially responsible and environmentally sound, it has pioneered and adopted several international best practices.

• IDFC has adopted the UN Principles for Responsible Investment (PRI), in the category “Investment Manager”, with respect to its asset management businesses (private equity, project equity and fund-of-funds).

• IDFC is also the first Indian firm in the BFSI sector to sign The Equator Principles.

• It was the first Indian Financial Institution (FI) to have an Environment Risk Group (ERG) to identify, assess and mitigate the environmental and social impact of projects financed by the Firm.

• IDFC finances renewable power projects and invests in clean technology, it encourages sustainability in infrastructure development through specific projects in the Public-Private Partnership model, and strongly emphasises the application of sustainable practices in project development and operations.

To promote a low-carbon economy, we are actively working with government agencies, collaborating with other financial institutions and industry associations like CIIP and FICCI on formulating innovative financing mechanisms for attracting greater private sector investment in the low-carbon sector.

Going forward, we intend to rate our projects in terms of their carbon footprint and low-carbon technology integration.

PIONEERING GLOBAL STANDARDS

To ensure that the projects financed by IDFC are developed and operated in a manner which is socially responsible and environmentally sound, it has pioneered and adopted several international best practices.

• IDFC is India’s first signatory to the UN Principles for Responsible Investment (PRI).

• IDFC is the first Indian firm in the BFSI sector to sign The Equator Principles.

• It was the first Indian Financial Institution (FI) to have an Environment Risk Group (ERG) to identify, assess and mitigate the environmental and social impact of projects financed by the Firm.

• IDFC finances renewable power projects and invests in clean technology; it encourages sustainability in infrastructure development through specific projects in the Public-Private Partnership model, and strongly emphasises the application of sustainable practices in project development and operations.

INR 4,565 crore

Loan exposure in renewable energy projects

INR 4,600 crore

Approved towards renovation and modernisation of existing generation assets, grid-upgradation/ expansion and transmission assets

INR 150 crore

Provided the required risk capital to sponsors of renewable energy projects in the form of convertible instruments

IDFC is ranked 7th globally in league tables as mandated lead arranger (MLA) for project loans and by Thomson-Reuters in the league tables as MLA for project loans for the first quarter of 2014.

IDFC finances renewable power projects and invests in clean technology, it encourages sustainability in infrastructure development through specific projects in the Public-Private Partnership model, and strongly emphasises the application of sustainable practices in project development and operations.

To promote a low-carbon economy, we are actively working with government agencies, collaborating with other financial institutions and industry associations like CIIP and FICCI on formulating innovative financing mechanisms for attracting greater private sector investment in the low-carbon sector.

Going forward, we intend to rate our projects in terms of their carbon footprint and low-carbon technology integration.

In the category “Investment Manager”, with respect to its asset management businesses (private equity, project equity and fund-of-funds)

IDFC is also the first Indian firm in the BFSI sector to sign The Equator Principles.

It was the first Indian Financial Institution (FI) to have an Environment Risk Group (ERG) to identify, assess and mitigate the environmental and social impact of projects financed by the Firm.

IDFC finances renewable power projects and invests in clean technology; it encourages sustainability in infrastructure development through specific projects in the Public-Private Partnership model, and strongly emphasises the application of sustainable practices in project development and operations.
FINANCING A GREEN FUTURE

We have signed a USD 250 million finance agreement with Overseas Private Investment Corporation (OPIC), USA targeted towards RE projects.

We leverage two key enablers to give impetus to sustainable ventures:

- Funded turnkey wind power projects in India
- Participated in equity funding of solar energy projects in India
- Funded more than 190 MW of PV capacities through a variety of schemes. The developers we have assisted include marquee names like Mahindra Solar, SunEdison, Tata Power Renewable, Kiran Energy, O&M Solar, AES Solar and Videocon Solar.

We ensure that not only do our clients but the involved communities also benefit immensely from our insights. We have an Environment & Social (E&S) Policy applicable specifically to business conducted by IDFC and relates to lending (Project Finance) and equity business. It enables a thorough risk management framework plus helps lay down processes and guidelines for various stages of project appraisal process.

INVESTMENTS IN CLEAN TECHNOLOGY SECTOR

IDFC Private Equity holds the distinction of being the largest and most active private equity firm focused on infrastructure and the clean technology space in India.

The following are some of our investments in the clean technology sector:

- **Moser Baer Solar**
  - Moser Baer Solar - a subsidiary of Moser Baer India Limited, manufactures solar cells and modules using crystalline silicon and thin-film technologies.
  - Emergent Ventures India Pvt. Ltd. (EVI)
    - Emergent Ventures India Pvt. Ltd. (EVI), incorporated in 2008, to invest, operate and manage projects utilising clean and / or renewable sources of energy, GIL was facilitated as the second-largest Clean Development Mechanism (CDM) advisory company in India. It provides solutions under the UN Clean Development Mechanism programme. These solutions range from CDM project origination to assistance with project implementation and the monitoring, delivery and sale of Certified and Voluntary Emission Reductions (CDRs and VERs) in the domestic and international carbon market.

Green Infra Limited (GIL)

Incorporated in 2008, to invest, operate and manage projects utilising clean and / or renewable sources of energy, GIL was facilitated by IDFC’s Private Equity Fund. It manages Renewable Energies (primarily wind, small hydro and solar projects) assets of around 256 MW and is on track for scaling to 1 GW in the near future. At present, 100% of its shares are held by IDFC PE Fund II and Fund III.

FUTURE FOCUS

At EVI, we believe that there is a tremendous scope for project financing in social and commercial infrastructure sectors. These projects would benefit the local community, as well as create new benchmarks in sustainable infrastructure like integrated MSW projects, educational institutions, healthcare facilities, common infrastructure facilities for industrial complexes and SEZs plus re-development of industrial estates.

Another emerging sector is financing of ‘Green Buildings’ in the real estate space and sustainable urban transportation projects.

PROJECT FINANCE UNDER TAKEN BY OUR CORPORATE INVESTMENT BANKING BUSINESS

- 16.65 MW of wind energy projects in India
- Funded turnkey wind power solution providers
- Funded more than 190 MW of solar energy projects in India
- Participated in equity funding of a solar panel manufacturer
- Funded 19 MW of small hydro projects in India
- Our current exposure also includes more than 1,110 MW of large hydro power capacity

Harnessed the Energy of the Sun

We have been a major proponent of the solar industry in India and have financed 15 projects adding up to about 190 MW of PV capacities through a variety of schemes.

While the technology to derive energy from waste has taken giant strides across the globe, it is still to get a foothold in India. To encourage and facilitate its development we have financed a project involving conversion of 300 TPD of Municipal Solid Waste into 5 MW of power and 75 TPD of compost.

We encourage innovation and invest in development of cost-effective technology with an aim to find a long-term sustainable solution to the country’s growing energy needs.

PROJECT FINANCE FOR GENERATION OF RENEWABLE ENERGY

Renewable Energy (RE) has been around for quite some time but its full potential is yet to be tapped. To boost renewable energy generation, we focus on all three core areas: Wind | Solar | Hydro.

We have assisted include marquee names like Mahindra Solar, SunEdison, Tata Power Renewable, Kiran Energy, GMR Solar, AES Solar and Videocon Solar.


The following are some of our investments in the clean technology sector:

- **Moser Baer Solar**
  - Moser Baer Solar - a subsidiary of Moser Baer India Limited, manufactures solar cells and modules using crystalline silicon and thin-film technologies.
  - **Emergent Ventures India Pvt. Ltd. (EVI)**
    - Emergent Ventures India Pvt. Ltd. (EVI), incorporated in 2008, to invest, operate and manage projects utilising clean and / or renewable sources of energy, GIL was facilitated as the second-largest Clean Development Mechanism (CDM) advisory company in India. It provides solutions under the UN Clean Development Mechanism programme. These solutions range from CDM project origination to assistance with project implementation and the monitoring, delivery and sale of Certified and Voluntary Emission Reductions (CDRs and VERs) in the domestic and international carbon market.

Green Infra Limited (GIL)

Incorporated in 2008, to invest, operate and manage projects utilising clean and / or renewable sources of energy, GIL was facilitated by IDFC’s Private Equity Fund. It manages Renewable Energies (primarily wind, small hydro and solar projects) assets of around 256 MW and is on track for scaling to 1 GW in the near future. At present, 100% of its shares are held by IDFC PE Fund II and Fund III.

FUTURE FOCUS

At EVI, we believe that there is a tremendous scope for project financing in social and commercial infrastructure sectors. These projects would benefit the local community, as well as create new benchmarks in sustainable infrastructure like integrated MSW projects, educational institutions, healthcare facilities, common infrastructure facilities for industrial complexes and SEZs plus re-development of industrial estates.

Another emerging sector is financing of ‘Green Buildings’ in the real estate space and sustainable urban transportation projects.

MITIGATING ENVIRONMENTAL & SOCIAL RISKS

We ensure that not only do our clients but the involved communities also benefit immensely from our insights. We have an Environment & Social (E&S) Policy applicable specifically to business conducted by IDFC and relates to lending (Project Finance) and equity business. It enables a thorough risk management framework plus helps lay down processes and guidelines for various stages of project appraisal process.

WITH OUR VAST EXPERIENCE IN DEALING WITH A VARIETY OF CLIENTS, WE HAVE NOW DEVELOPED A STRONG ACUMEN TO ASSESS, FORESEE, WEED OUT AND MITIGATE ANY POTENTIAL ENVIRONMENTAL AND SOCIAL RISKS ASSOCIATED WITH SUCH PROJECTS.
The Environmental Risk Group (ERG) at IDFC works proactively with clients (and other external teams) to identify and help mitigate E&S risks associated with the project.

Our ERG’s Environmental, Social Monitoring and Responsible Investment division periodic, with project teams, discussions with clients, review of regulatory compliance and implementation of Health and Safety procedures at project sites, workplace standards for labour and implementation of environmental and social mitigation measures to ensure effective E&S Risk Management of portfolio projects. Our Project Finance team incorporates social and environmental concerns in its lending operations. Environmental and Social Due Diligence (ESDD) is undertaken for the Project Finance deals at the time of project appraisal.

CUSTOMER SATISFACTION

Customer satisfaction is a first step to customer loyalty, which in turn keeps a business economically sustainable.

In order to gauge the satisfaction levels amongst our customers and gain insights on their expectations, we conducted a customer survey through a non-partial third party agency in 2012. The survey covers clients across our business segments and focused on measurement of client relationships, performance of IDFC, key customer satisfaction parameters and critical areas for improvement. The feedback received from this exercise will be used to improve our customer relationship building exercise.

We have a ‘Know Your Customer’ policy in keeping with specific requirements for Non-Banking Financial Company.

All customer complaints received in the reporting period have been reconciled and there are no complaints pending as at the end of the financial year.

MARKETING

We ensure that all our communications regarding our products and services have complete clarity. We abide by all rules and regulations related to corporate advertising, promotion and sponsorship.

During the reporting period, no complaints were received on the subject of misleading marketing communication.

DETAILED PRODUCT DISCLOSURE

At IDFC, we ensure informed investing and knowledgeable buying in our products. Detailed documentation accompanies each of our products. A Product Disclosure Statement (PDS) or Term and Conditions brochure which describes all financial products or services, including the features, benefits, cost and risks associated with the concerned product accompanies every product.

The ‘Scheme Information Document (SID), Offer Document (OD) plus Statement of Additional Information (SAI) which contains details of constitution, and initial fee, legal and general terms and conditions of the product, and also hosted in our site for easy reference and availability to our stakeholders. It is incorporated by reference (is legally a part of the ‘Offer Document (OD) plus Statement of Additional Information (SAI)’).”

During the reporting period, there were no instances of non-compliance pertaining to product disclosures and information regulations.

COMPLIANCE

We abide by all statutory regulations and voluntary codes with respect to products and services. We have complied with all the requirements of regulatory authorities.

During the reporting period, there were no incidents of non-compliance and no penalties or strictures were imposed from the stock exchanges, SEBI or any statutory authority in any matter related to capital market.

FINANCING MANUAL FOR LOW-CARBON PROJECT IN INDIA

IDFC is a member of the UK India Business Leaders Climate Group - a business-led initiative to provide recommendations to the governments of the UK and India on how to accelerate collaborative and climate-friendly economic growth.

A team from IDFC drafted a Financing Manual for low-carbon projects in India along with commitments from co-investors.

The Manual focuses on financing as a crucial element to develop low-carbon economy and the existing regulatory framework, financing mechanisms & instruments and institutional setup along with the role of domestic and multilateral funding institutions.

IDFC JOINS RESPONSIBLE INVESTMENT RESEARCH ASSOCIATION (RIRA)

In 2012 IDFC joined Responsible Investment Research Association (RIRA) as a Founder Member. RIRA is a platform for institutions which are engaged in responsible investing, and acts as a catalyst in mainstreaming environment, social and governance issues in investment and lending decisions in India.

RIRA is closely linked to the Hong Kong-based Association for Sustainable and Responsible Investment in Asia (ASRI), which promotes sustainable finance and responsible investment in the Asia Pacific region.

Social infrastructure not only contributes to economic growth, but also ensures that this prosperity consistently translates into accelerated human development.

The Environmental Risk Group (ERG) at IDFC works proactively with clients (and other external teams) to identify and help mitigate E&S risks associated with the project.

Our ERG’s Environmental, Social Monitoring and Responsible Investment division periodic, with project teams, discussions with clients, review of regulatory compliance and implementation of Health and Safety procedures at project sites, workplace standards for labour and implementation of environmental and social mitigation measures to ensure effective E&S Risk Management of portfolio projects. Our Project Finance team incorporates social and environmental concerns in its lending operations. Environmental and Social Due Diligence (ESDD) is undertaken for the Project Finance deals at the time of project appraisal.

CUSTOMER SATISFACTION

Customer satisfaction is a first step to customer loyalty, which in turn keeps a business economically sustainable.

In order to gauge the satisfaction levels amongst our customers and gain insights on their expectations, we conducted a customer survey through a non-partial third party agency in 2012. The survey covers clients across our business segments and focused on measurement of client relationships, performance of IDFC, key customer satisfaction parameters and critical areas for improvement. The feedback received from this exercise will be used to improve our customer relationship building exercise.

We have a ‘Know Your Customer’ policy in keeping with specific requirements for Non-Banking Financial Company.

All customer complaints received in the reporting period have been reconciled and there are no complaints pending as at the end of the financial year.

MARKETING

We ensure that all our communications regarding our products and services have complete clarity. We abide by all rules and regulations related to corporate advertising, promotion and sponsorship.

During the reporting period, no complaints were received on the subject of misleading marketing communication.

DETAILED PRODUCT DISCLOSURE

At IDFC, we ensure informed investing and knowledgeable buying in our products. Detailed documentation accompanies each of our products. A Product Disclosure Statement (PDS) or Term and Conditions brochure which describes all financial products or services, including the features, benefits, cost and risks associated with the concerned product accompanies every product.

The ‘Scheme Information Document (SID), Offer Document (OD) plus Statement of Additional Information (SAI) which contains details of constitution, and initial fee, legal and general terms and conditions of the product, and also hosted in our site for easy reference and availability to our stakeholders. It is incorporated by reference (is legally a part of the ‘Offer Document (OD) plus Statement of Additional Information (SAI)’).”

During the reporting period, there were no instances of non-compliance pertaining to product disclosures and information regulations.

COMPLIANCE

We abide by all statutory regulations and voluntary codes with respect to products and services. We have complied with all the requirements of regulatory authorities.

During the reporting period, there were no incidents of non-compliance and no penalties or strictures were imposed from the stock exchanges, SEBI or any statutory authority in any matter related to capital market.

FINANCING MANUAL FOR LOW-CARBON PROJECT IN INDIA

IDFC is a member of the UK India Business Leaders Climate Group - a business-led initiative to provide recommendations to the governments of the UK and India on how to accelerate collaborative and climate-friendly economic growth.

A team from IDFC drafted a Financing Manual for low-carbon projects in India along with commitments from co-investors.

The Manual focuses on financing as a crucial element to develop low-carbon economy and the existing regulatory framework, financing mechanisms & instruments and institutional setup along with the role of domestic and multilateral funding institutions.

IDFC JOINS RESPONSIBLE INVESTMENT RESEARCH ASSOCIATION (RIRA)

In 2012 IDFC joined Responsible Investment Research Association (RIRA) as a Founder Member. RIRA is a platform for institutions which are engaged in responsible investing, and acts as a catalyst in mainstreaming environment, social and governance issues in investment and lending decisions in India.

RIRA is closely linked to the Hong Kong-based Association for Sustainable and Responsible Investment in Asia (ASRI), which promotes sustainable finance and responsible investment in the Asia Pacific region.

Social infrastructure not only contributes to economic growth, but also ensures that this prosperity consistently translates into accelerated human development.
Social infrastructure includes water supply, sanitation, sewage disposal, housing, civic utilities, education and health, all of which directly impact the standard of living of a large swathe of the population. It ensures elimination of economic marginalisation and nurtures balanced growth. It is infrastructure that creates physical access to opportunity, empowers even the not so privileged sections of society to innovate and instill in them the enterprise to pursue economic opportunities.
OVERVIEW

Talent forms the primary infrastructure of an organisation. It is an intangible asset which, if nurtured, can accelerate business growth to insurmountable heights. Our employees are the enablers who help us achieve the objective of accelerating India’s infrastructure development. We focus on 360° talent sustainability, right from acquiring the brightest talent to nurturing their potential and providing them an environment which not only empowers and motivates them, but also helps them continue their association with IDFC.

We nurture the acumen, expertise and tenacity of our people with a work environment that empowers, and provides:

- Freedom that they desire
- Recognition which they deserve
- Training that helps them perform better
- Opportunities that raise career profile

ROLL OF HONOUR

- IDFC Securities Ltd. has been honoured with the ‘Best Employer Brand’ award at The Institute of Public Enterprise’s Banking Financial Services and Insurance (BFSI) awards
- IDFC was ranked 5th among the ‘Best Learning & Development Companies of India’ at the Chief Learning Officer’s (CLO) awards organised by the World HRD Congress
- For the third year in a row, IDFC’s score on a scale designed by Meaning Inc., remained in the global top quartile – demonstrating the Firm’s ability to create a workplace, where employees are fully engaged and have a strong alignment with the purpose of the firm
- IDFC scored 4.8 out of 6 in FY13 in an independent diagnostic run by YSC Inc, UK, standing in the top quartile of organisations on employee engagement that deliver sustainable performance and positive social impact

HR PHILOSOPHY

‘Excellence through empowerment’ is at the core of our HR philosophy. We empower our workforce with a progressive work environment which fosters a spirit of enquiry, innovation and creativity.

The intrinsic nature and diversity of our businesses, requires us to be a very talent-intensive organisation. Infrastructure lending by definition is more technical and complex than consumer or retail lending, so the type of talent required for our business are engineers and MBAs. It therefore requires a different kind of DNA and culture to make work stimulating and meaningful for these people.

At IDFC, we nurture talent with continuous training, complement it with world-class technology, empower it with mutual trust and retain it with continuous growth. This in turn motivates our employees to think beyond the obvious and attain excellence.

We offer competitive pay packages matching the best standards to attract best talent from across geographies, genders, cultures and fields of speciality.
HR POLICIES

Employees are our most valuable assets. Robust policies have been put in place to provide our employees with opportunities to learn, grow, and succeed. These encompass:

• Equal Opportunity and Diversity
• Anti-Harassment Policy
• Joint Ventures
• Employee Welfare
• Employee Healthcare
• Secondment Policy
• Leave Policies

All the policies have been drawn up in consultation with relevant stakeholders, and are approved by the Board. The Operations & Management Committees oversee the implementation of these policies. Internal and external audits are also conducted regularly to check their effectiveness.

THE IDFC TALENT CYCLE

Our talent cycle is geared to stretch employee experience, encourage performance, enhance potential and forge enduring relationship with the organisation. Four primary goals of our talent sustainability wheel include:

- Sourcing: Recruiting the right talent, nurturing and motivating them with the right stimuli and providing them ample opportunities to grow. Help us manage our employee retention rate.
- Developing: We attract the best talent with competitive remuneration packages to offer the finest capital solutions to our clients. Together, we enable India’s infrastructure growth as well as IDFC’s progress.
- Sustaining: As thought leaders, we understand the importance of intellectual equity. We therefore continue to invest in enhancing and accelerating the learning curve of our employees.
- Motivating: Motivation is key to talent sustainability. Evidence at IDFC is constantly rewarded with recognition, incentives and positive feedback.

SOURCING TALENT

At IDFC, we invest heavily in building our intellectual infrastructure. The aim is to consistently add talented professionals who bring with them fresh insights, exuberance and expertise.

Our recruitment decisions are governed by meritocracy and ensure that the ambitions of candidates are aligned with our purpose. Key competencies of an IDFC recruit include:

- Ability to thrive through teamwork
- Hunger for knowledge and desire to invest in oneself
- Excitement to bring one’s knowledge to the table
- Diversified skills and capacity to innovate
- Strong sense of stewardship and commitment to nation building

The recruitment process at IDFC is a combined effort headed by the HR team. Fresh talent from campuses as well as experienced professionals are recruited based on the Firm’s annual plans. The selection process is a comprehensive mechanism which includes screening tests, interview rounds and background checks. New recruits go through an induction programme to better understand individual roles and goals, absorb IDFC culture and bond with the team.

EMPLOYEE STRENGTH

The Integrated Coaching Program is a unique leadership strengthening module based on development needs customised to each individual and peer coaching. About 7-8 sessions comprising a group of 4 people were held over a period of 9 months to achieve the development goal. This intervention was led by Operations Committee members and coaches from TSC Inc., UK.

DEVELOPING TALENT

Talent Development is a journey at IDFC. Right from offering a broad Firm-level and specific job-level induction for new recruits to designing an annual training calendar for all employees based on individual training needs, to enhancing the knowledge capital across departments and functions - all are an integral part of our talent management cycle.

Our continuous investment in knowledge creation and sharpening skills sets us leverage, invest, grow and generate better returns from our human capital.

During the reporting period, the focus was on strengthening leadership at the senior level and developing talent at the middle and lower levels through a series of initiatives.

Senior Level

- Initiated Leadership Excellence in the 21st Century, a programme for senior executives, developed by the Said Business School, Oxford University, to nurture key talent at senior levels
- Tied up with ISB, Hyderabad to run training diagnostics and devise programmes in various areas such as leadership, knowledge and managerial excellence
- Chaired the IDFC Talent Management Programme, a programme focussed on developing leaders who meet the future leadership needs of the Firm
- Initiated open-ended coaching interventions at the senior-most levels in the Firm, while continuing with the IDFC Senior Leaders Programme for key managers to improve leadership capability
- Based on feedback emerging from the 270 degree process, we initiated the Integrated Coaching Program (ICP) - a programme focussed on personalised development
- For our middle managers, we commenced the IDFC Middle Manager Program (MMP) - a programme focussing on ownership and handling difficult situations
- The IDFC Entry level Manager Program (EMP) - a programme for developing the executive excellence of entry-level managers
- The IDFC Employee Headcount (EMP) - a programme for developing the executive excellence of entry-level managers

We motivate our workforce by managing their expectations - financial, professional, emotional and intellectual. This encourages them to perform at their peak potential and propel the Firm’s progress.

Professional Growth

We reward potential by equipping performers with skills and promoting them to higher positions. In FY 2013, various initiatives were launched empowering many employees to climb the leadership ladder.

Employee Recognition

We have an employee referral programme wherein employees are nominated by their business heads / line managers and vetted by top management. The chosen employees are recognised and rewarded in quarterly town hall meetings.

MOTIVATING TALENT

The Employee Headcount (EMP) is derived from a programme focussing on ownership and handling difficult situations.

The entry-level employees handle retail and institutional sales, but are currently referred to as Shared Services. The Employee Recognition programme rewards and recognises employees at all levels. The programme is designed to encourage employees to perform at their peak potential and propel the Firm’s progress.

For our middle managers, we commenced the IDFC Middle Manager Program (MMP) - a programme focussing on ownership and handling difficult situations.

The Integrated Coaching Program (ICP) is a unique leadership strengthening module based on development needs customised to each individual and peer coaching. About 7-8 sessions comprising a group of 4 people were held over a period of 9 months to achieve the development goal. This intervention was led by Operations Committee members and coaches from TSC Inc., UK.

The Employee Recognition programme rewards and recognises employees at all levels. The programme is designed to encourage employees to perform at their peak potential and propel the Firm’s progress.
Compensation & Benefits
We have a formal process of compensation benchmarking wherein we deploy the best international standards. Our rigorous and transparent performance-based pay scale programme ensures that high performers remain highly motivated with exciting perks and compensation.

Employee Stock Options
We reward dedication by creating co-owners. In addition to the variable compensation system, we give employee stock options to high performers, to create a core talent group within the team. The unique performance-employee use a long-term benefit of participating in the growth of the Firm.

Medical Needs
We facilitate Medclaim for our employees and additionally medical counseling is provided on a regular basis.

Employee Engagement
Beyond managing the obvious, we also cater to specific requirements by engaging with them and understanding their goals and aspirations. We believe that an engaged employee experiences job satisfaction, organisational commitment, job involvement and a feeling of empowerment. Mechanisms are in place to ensure an active dialogue with all employees. A case in point is the greenhedge mechanism to address employees’ concerns. The ‘270° Feedback’ is another tool which empowers employees to engage with their manager and HR helps identify key development needs. The whistle-blower policy ensures that the employees are free to report concerns about unethical behaviour, actual or suspected fraud or violation of the firm’s code of conduct. It also provides a framework for engaging with the activation of employees, who understand the mechanism, and allows direct access to the chairman of the audit committees in exceptional cases.

CASE STUDY

SUSTAINING TALENT
The most crucial cog in our talent sustainability wheel is a ‘returning talent’. We are an employee-friendly organisation and, at sub 15% attrition level, we have one of the lowest rates of employee attrition in the industry.

To minimise talent attrition, we encourage internal movement of talent through an internal job posting programme. This allows employees to apply for new vacancies within the Firm empowering them with opportunities of their choice as well as aptitude.

EMPLOYEE TOURNAMENT
FY13 FY14
12% 14.18%

DIVERSITY MANAGEMENT
At IDFC, we create a culture that celebrates differences, be it caste, creed, colour, country, gender, age, race, religion, disability or sexual orientation. During the reporting period, there were no complaints regarding sexual harassment or discriminatory employment.

We are an equal opportunities employer not only at the time of recruitment but also during the course of employment. Transparency and merit are the bases on which IDFC’s culture and growth flourish. We practice a potential and position-based salary structure, which is benchmarked with the market.

THE GOAL
In June 2009, IDFC embarked on a journey to develop a culture aligned to the existing philosophy and integrate the organisation of the employees, who would be the drivers, and allows direct access to the Chairman of the Audit Committees in exceptional cases.

THE TWO-FRONGED APPROACH
The approach was to bring about an integration which is culture-led as opposed to hiring policy-led.

• To embed strategic change at an organisational level build internal capabilities.

• To manage and sustain that change at an individual level.

For this, we focussed on:

• Defining values and creating a shared identity at an organisational level.

• Enabling, engaging and empowering senior leaders in the Firm to drive change and define their leadership signature at an individual level.

THE ROADMAP
The ‘One Firm’ imperative was further defined into six clear tangible milestones.

1. Chart a Shared Mission, Values and Culture
2. Reward Framework to Reflect Shared Identity
3. Common Identityanchored Program
4. Aligned Organization Structure
5. Consistent Employee Experience
6. Platform Centric Communication

THE IMPLEMENTATION JOURNEY
In recent years, IDFC rapidly expanded into capabilities and added new business segments. This diversification called for integrating all our businesses under a single platform to deliver superior value to stakeholders.

On the HR front, the need was to build a leadership bench for the enterprise. This diversification called for strengthening the management committee. To prepare the people, we focussed on identifying and empowering them with opportunities to grow higher while also creating a culture aligned to the existing philosophy.

The approach was to bring about an integration which is culture-led as opposed to hiring policy-led. We focussed on:

• To embed strategic change at an organisational level build internal capabilities.

• To manage and sustain that change at an individual level.

For this, we focussed on:

• Defining values and creating a shared identity at an organisational level.

• Enabling, engaging and empowering senior leaders in the Firm to drive change and define their leadership signature at an individual level.

THE TWO-PRONGED APPROACH
The approach was to bring about an integration which is culture-led as opposed to hiring policy-led.

• To embed strategic change at an organisational level build internal capabilities.

• To manage and sustain that change at an individual level.

For this, we focussed on:

• Defining values and creating a shared identity at an organisational level.

• Enabling, engaging and empowering senior leaders in the Firm to drive change and define their leadership signature at an individual level.

THE ROADMAP
The ‘One Firm’ imperative was further defined into six clear tangible milestones:

1. Chart a Shared Mission, Values and Culture
2. Reward Framework to Reflect Shared Identity
3. Common Identityanchored Program
4. Aligned Organization Structure
5. Consistent Employee Experience
6. Platform Centric Communication

THE IMPLEMENTATION JOURNEY
Institutionalising ‘One Firm’ required a systematic approach and more importantly, a strong commitment from the leadership team. Multiple tools and initiatives were spurred into motion.

Inspiring and empowering the changemakers
A workshop, ‘Inspiring Playmakers’ was hosted for 50 senior leaders across IDFC with the aim to enable a shared understanding of the values. Of this group, 20 leaders were identified as ‘culture carriers’ and given the responsibility of embedding IDFC values top-down across all business units.

An Executive Coaching Program was conducted to enhance the awareness and commitment amongst the management committee members. Focus was also on getting a buy-in and driving the leadership team to cascade the values across the workforce.

Assessing Leadership
Leadership potential of 80 business heads across IDFC was assessed through feedback from internal business stakeholders and customised interventions were put in place for each individual to reinforce their strengths and mitigate their weaknesses.

Measuring the Change in Progress
A culture diagnostic survey was conducted to measure progress of ‘culture change’ across the Firm. The parameters of the survey were: ‘Deep Engagement’, ‘Real world Connection’ and ‘Sustainable Performance’. This was followed by targeted action planning at business and function level.

OUTCOMES
Since the institutionalisation of ‘One Firm’ in 2009, IDFC has become more integrated firm with a cohesive culture.

At employee level, there is a real sense of belonging at IDFC not just within the respective business units but across the Group.

At productivity level, revenue per employee has increased from INR 7.02 crore to INR 13.9 crore in FY13, and PAT per employee from INR 1.83 crore to INR 3.13 crore over the same period.

Focus on
Client Centricity
A framework was designed to drive origination teams across Project Finance, Fixed Income & Treasury and Investment Banking to focus on clients, who we serve both as a product revenue streams. To institutionalise this framework, the origination team members underwent significant re-skilling so that they could deliver optimal solutions to clients.

Building Capacity for Realisation
During the reporting period, we combined all third party private fund management activities under IDFC Alternatives. Reorganisation training was provided to leverage existing talent more effectively. This integration also positioned IDFC among the largest private third party fund managers in India.
HUMAN RIGHTS

Human rights are inherent, universal, indivisible and interdependent in nature. They form the fundamental foundations of any constitution, be it a country or a company. IDFC is a signatory to the United Nations Global Compact (UNGC), which underlines the Firm’s commitment to the following human rights:

Principle 1
Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2
Make sure that they are not complicit in human rights abuses.

Principle 3
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4
The elimination of all forms of forced and compulsory labour.

Principle 5
The effective abolition of child labour.

Principle 6
The elimination of discrimination in respect of employment and occupation.

Our Human Rights policy has been developed in consultation with relevant stakeholders conforming to the UNGC, approved by the Board and signed by the MD and CEO. The policy has been shared on our website and also communicated to relevant internal and external stakeholders.

Beyond upholding human rights of our workforce, we consciously promote awareness about human rights issues among our suppliers and have institutionalised a ‘Code of Responsible Business Conduct’ for all our major suppliers. We also ensure that none of our suppliers employ child or forced labour. In the reporting period, no complaints regarding child labour / forced labour / involuntary labour, sexual harassment or discriminatory employment were reported at IDFC.

WORK-LIFE BALANCE

Recreation facilities are strong tools to bond and retain employees in an organisation. Conducting programmes beyond work also ensures a healthy quality of life, strengthens team spirit and boosts organisational productivity.

Several initiatives like yoga classes and health & nutrition related workshops are spearheaded at IDFC to enhance employee well-being. We maintain a holiday home at Khandala that offers our employees with the finest of hospitality services at negligible costs. Since the past two years, we have also facilitated our employees to focus on their fitness levels by sponsoring and encouraging their participation in a structured ‘Stepathon’ programme.

HEALTH & SAFETY

While employees at IDFC are free from industrial hazards since the Firm is part of the services sector, we recognize that a conducive environment increases productivity, hence our offices are designed keeping in mind OHS (Occupational Health & Safety) and Wellness needs. In the reporting period, safety related trainings pertaining to fire and building safety were provided to all employees. An average of 3 man-days of training per year per employee was provided based on the role and skill requirements. Fire safety drills were also conducted as per applicable regulations at our office locations.

We encourage our employees to undergo medical check-up on a regular basis and have tied up with renowned service providers for the same.

SAFETY TRAINING SNAPSHOT

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent Employees</td>
<td>100%</td>
</tr>
<tr>
<td>Permanent Women Employees</td>
<td>100%</td>
</tr>
<tr>
<td>Casual / Temporary / Contractual Employees</td>
<td>100%</td>
</tr>
<tr>
<td>Employees with Disabilities</td>
<td>100%</td>
</tr>
</tbody>
</table>

We encourage our employees to undergo medical check-up on a regular basis and have tied-up with renowned service providers for the same.
Our definition of CSR transcends philanthropy. We invest in socially-inclusive infrastructure projects, spearhead large-scale community development programmes, facilitate capacity building of NGOs and supplement governmental efforts.

We infuse corporate efficiency into community interventions, provide management expertise and strategic infrastructure to help community projects scale up their operations and amplify their impact on society.

The Corporate Social Responsibility Group at IDFC ensures that the Firm’s business practices are aligned with its values and commitments. This is achieved by focusing on the following functions:

(i) Benchmarking investments which are socially responsible and empower investors
(ii) Instilling a culture of volunteering amongst employees
(iii) Promoting leadership on inclusive infrastructure
(iv) Providing pro bono policy advice to the government on key infrastructure-related policy issues
(v) Building capacity within government in procuring and managing Public-Private Partnership infrastructure projects
(vi) Funding and supporting inclusive infrastructure enterprises or projects that directly impact the underprivileged and/or disadvantaged communities in India

In FY14, iCare mobilised 3% of IDFC’s professional staff from across the Firm, with employees voluntarily committing their time to the two NGOs - Masoom and SNEHA

We support SNEHA - an NGO which strives to ensure access to quality nutrition, education and healthcare for women and children in underprivileged urban communities.

The focus was on institutionalising change in three key areas:

In FY14, iCare mobilised 3% of IDFC’s professional staff from across the Firm, with employees voluntarily committing their time to the two NGOs - Masoom and SNEHA.

Our definition of CSR transcends philanthropy. We invest in socially-inclusive infrastructure projects, spearhead large-scale community development programmes, facilitate capacity building of NGOs and supplement governmental efforts.

We infuse corporate efficiency into community interventions, provide management expertise and strategic infrastructure to help community projects scale up their operations and amplify their impact on society.

The Corporate Social Responsibility Group at IDFC ensures that the Firm’s business practices are aligned with its values and commitments. This is achieved by focusing on the following functions:

(i) Benchmarking investments which are socially responsible and empower investors
(ii) Instilling a culture of volunteering amongst employees
(iii) Promoting leadership on inclusive infrastructure
(iv) Providing pro bono policy advice to the government on key infrastructure-related policy issues
(v) Building capacity within government in procuring and managing Public-Private Partnership infrastructure projects
(vi) Funding and supporting inclusive infrastructure enterprises or projects that directly impact the underprivileged and/or disadvantaged communities in India

In FY14, iCare mobilised 3% of IDFC’s professional staff from across the Firm, with employees voluntarily committing their time to the two NGOs - Masoom and SNEHA.

Our definition of CSR transcends philanthropy. We invest in socially-inclusive infrastructure projects, spearhead large-scale community development programmes, facilitate capacity building of NGOs and supplement governmental efforts.

We infuse corporate efficiency into community interventions, provide management expertise and strategic infrastructure to help community projects scale up their operations and amplify their impact on society.

The Corporate Social Responsibility Group at IDFC ensures that the Firm’s business practices are aligned with its values and commitments. This is achieved by focusing on the following functions:

(i) Benchmarking investments which are socially responsible and empower investors
(ii) Instilling a culture of volunteering amongst employees
(iii) Promoting leadership on inclusive infrastructure
(iv) Providing pro bono policy advice to the government on key infrastructure-related policy issues
(v) Building capacity within government in procuring and managing Public-Private Partnership infrastructure projects
(vi) Funding and supporting inclusive infrastructure enterprises or projects that directly impact the underprivileged and/or disadvantaged communities in India
Healthy Mothers = Healthy Future

We have supported SNEHA’s ‘Maternal & Newborn Health Beyond Boundaries’ project. The project aims to improve the Maternal & Neonatal Health (MNH) services which are delivered through the public health systems in Greater Mumbai.

The MNH programme delivery is built around three pillars:

- Mobilising the public health system, starting with tertiary hospitals at the municipal level, through sustained engagement of the municipal health chain, achieved by frequent presentations and advocacy
- Activating primary maternal and neonatal healthcare at the health posts through a combination of training and community mobilisation
- Building and institutionalising the referral link in each of the four municipal corporation hospitals to ensure that appropriate and effective interventions are made based on the medical severity

This intervention is progressing as per plan and we expect to significantly impact the public delivery of MNH over a three-year period.

Since the launch of ‘Maternal & Newborn Health Beyond Boundaries’ project with IDFC’s support in June 2012, 28,850 pregnant women with normal conditions and 9,624 with high-risk conditions have benefited from SNEHA’s engagement with the municipal health system in Greater Mumbai.

The organisation works with a population of over 650,000 across eight municipal wards in Mumbai in the areas of maternal and infant health, child health and nutrition, prevention of violence against women & children and sexual & reproductive health.

maternal and infant health, child health and nutrition, prevention of violence against women & children, and sexual & reproductive health. The aim is to bring down the rates of maternal, neonatal, infant and child mortality, malnutrition and incidences of violence against women & children.

SNEHA’s model is to be facilitator, trainer and in some circumstances, a moderator between the Government and urban underprivileged communities to affect better nutrition, health, education and change.

Our Contribution

IDFC Foundation assists SNEHA with a 3-year and non-monetary capacity. The monetary support is in the form of grant for facilitating, advocating and providing training to municipal corporations of Mumbai, Thane, Kalyan-Dombivli, Mira Road and Bhayander. The training goals are increased commitment, and improvement in quality of delivery of maternal and neonatal health care in urban slums. Funding support is also being provided to implement a pilot project wherein an on-site community resource centre would be established to provide a range of health services and products.

Non-monetary support includes enhancing support in the areas of finance & accounting, communication, IT, legal, and HR.

SNEHA HAS DESIGNED REFERAL NETWORKS FOR THE AREAS IT WORKS IN, AND SNEHA IS NOW MAKING EFFORTS TO ENGAGE MUNICIPAL LEADERSHIP AND KEY PUBLIC HEALTHCARE PROVIDERS TO ACTUALLY BUILD THE NETWORK.

The Impact

SNEHA’s initial version of the model and it covers facets such as improving content design and delivery, engaging with authorities and ensuring that they meet adequate infrastructural inputs.

Our Contribution

The Foundation has been assisting Masoom in development of its management structure, accounting and providing funding support to help build an ecosystem for night schools in Mumbai.

In FY 2013, the focus was on absorbing learnings from existing schools and crystallising an effective night school management model that can be replicated and scaled rapidly. The Foundation has created an initial version of the model and it covers facets such as improving content design and delivery, engaging parents, providing comprehensive attendance, leveraging skills for networking impact and engaging the local community to increase impact, and create a path to sustainability.

‘Masoom’ is the first organisation in Maharashtra to run a comprehensive intervention programme for night schools. With a unique three-pronged intervention programme, this NGO remains steadfast in ensuring quality education for night schools.

Rights to Quality Education | Enhancing the innocence of childhood with Masoom

The right to education for all is an unattainable goal. But for those who are born into basic disparities like food, the priority to earn takes centre stage and the need for education becomes a distant luxury. Night schools are an alternative that enable the underprivileged to learn while they continue to earn in their day jobs. But most night schools suffer from on-going challenges like managerial and governance oversight, lack of funds and lack of motivation.

Intervention Model

Educational Infrastructure and Inputs

- Facilitating workshops, mobile science laboratories, maths kits, supplementary classes and special remedial sessions for students appearing for SSC (Secondary School Certificate) examination, etc.

- Providing comprehensive training for teachers as well as support for students through modules like psychological counselling, field visits, home visits, vocational guidance and nutritional support.

- Including night schools on the development agenda of authorities and ensuring that they have adequate infrastructural inputs.

Future Plans

In the coming months, SNEHA will continue to focus its efforts on:

- Building regional referral networks in Thane and Kalyan-Dombivli.
- Standardising the quality of service delivery and outreach (primary care for mothers and newborns).
- Improving and sustaining access to 29 free antenatal care clinics established jointly with Municipal Corporation of Greater Mumbai.
- Improving access to public antenatal care among pregnant women living in the most under-served slum communities in Thane, Kalyan-Dombivli and Mira Road-Bhayander.

EDUCATION

4% of Indian children never go to school. 58% don’t complete primary schools and 90% don’t complete secondary school, and only 10% attend college.

Lack of education compounded with other issues like poverty, ignorance and malnourishment add to inequitable growth and an imbalanced society.

By providing professional assistance and funding support to Masoom, IDFC is enabling a better childhood and future for underprivileged children through access to education.
Financial literacy bestows an individual with the knowledge to make informed and adequate decisions with their financial resources. While India is immensely blessed with the sense of saving, the younger generation seems to be averse to it.

Produced by KfW Foundation and directed by Arna Gupta, the noted Indian film director, the film, a hitspreader in an engaging manner, the power that accrues when one takes responsibility of one’s finances.

With screenings across multiple schools and colleges, this film connects with generation next and encourages them to start early on the path to saving and investing.

Financial literacy bestows an individual with the knowledge to make informed and adequate decisions with their financial resources. While India is immensely blessed with the sense of saving, the younger generation seems to be averse to it. It is critical to start saving and investing from an early age.

The focus will be on supply side inputs (infrastructure support, books, labs, equipment) to an ‘Enabler’ by making stakeholders accountable through its School Accountability framework. The objective is to address the skill gap in the construction industry, thereby not only building a stronger society but also a stronger nation.

Masoom has also developed an organisational and programme sustainability plan with the aim of scaling up operations from 2015 onwards. It is currently working on developing interventions in varied areas of development. These NGOs are driven by a vision to make a difference. What they need is support to actualise their area.

What they need is support to actualise their area. At any point in time, there are multiple Non-Governmental Organisations (NGOs) administering numerous programmes. We support Pipal Tree Ventures by volunteering our time and expertise for the greater good – we can build the India of our dreams. With this in mind, the youth need to actualise their vision.

Today’s youth will become the leaders of tomorrow. They need to participate in decision-making processes at an early age. The NGO aims to bridge the gap between the government and the youth by enabling them to voice their opinions and participate in the decision-making processes.

The NGO aims to bridge the gap between the government and the youth by enabling them to voice their opinions and participate in the decision-making processes. It trains and provides training to unemployed youth in rural areas. The objective is to address the skill gap in the construction industry.

The NGO aims to bridge the gap between the government and the youth by enabling them to voice their opinions and participate in the decision-making processes. It trains and provides training to unemployed youth in rural areas. The objective is to address the skill gap in the construction industry.
INCLUSIVE INFRASTRUCTURE

As enablers of nation building, we remain committed to ‘Infrastructure for all’. The approach is to formulate replicable business models focussed on infrastructure delivery to the underprivileged and disadvantaged communities in India.

Support Services

The IDFC Foundation through its Programme Support Services proposes to assist governments in the implementation and management of high-impact programmes in the sectors of Roads | Powerway | Renewable Energy | Telecom | IT infra | Housing and Education; thereby having a wider and deeper impact on society.

High-priority, Low-cost Housing

IDFC Foundation is assisting Delhi Urban Shelter Improvement Board (DUSIB) in developing a low-cost housing model for the Economically Weaker Sections (EWS). Under a Memorandum of Cooperation signed with the DUSIB, IDFC Foundation is providing Programme Support Services for the redevelopment of slum clusters at their original location and implementation of Rajiv Awas Yojna in Delhi.

A pilot project involving same site redevelopment that would benefit 150 households is currently being developed for implementation under a Public-Private Partnership (PPP) structure. Based on the outcome of the pilot project, redevelopment work of other slum clusters will also be undertaken through PPPs.

In addition to these, IDFC Foundation is assisting DUSIB in fine-tuning its strategy for efficient operation and management of night shelters in Delhi, and also towards enhancing DUSIB’s project delivery capacity.

Relief & Rehabilitation - CPACT

In June 2013, Uttarakhand was devastated by floods and landslides caused by sudden cloudbursts in the region. The Civil Society & Corporate Partnership for Action (CPACT) is an initiative by IDFC to support Government of Uttarakhand in its rehabilitation and reconstruction efforts in the state. CPACT plays the role of a Technical Support Unit to facilitate, foster and coordinate efforts among different partners that include State Government and its agencies, corporate entities and the civil society.

Since its inception in December 2013, CPACT has documented the dire needs of people across the five severely impacted districts of Uttarkashi, Rudraprayag, Chamoli, Pithoragarh and Tehri and has initiated more than 140 projects.

The core-objective of CPACT is to act as a resource centre for enhancing knowledge networks, related partnerships and coordinated recovery planning. It will also work to:

- Provide information on disaster rehabilitation experiences in India and abroad
- Give guidance on the relevant regulatory frameworks
- Provide linkage to specialists, technical experts and organisations
- Act as a one-stop resource for Government orders and guidelines and other Government held information like list of affected persons
- Map and chart the activities of Government departments, civil society organisations and corporate entities
- Hold data related to baseline surveys, needs assessments, technical parameters like approved plans for school buildings, etc.

The following initiatives are an example of how rehabilitation and reconstruction is being facilitated with coordination from CPACT:

Pratham Shelter

A two-stage temporary bridge was constructed at Vijaynagar (Augustyamuni), Rudraprayag District which restored access for Raas, Fule, Chamrola and Pathal Dhar villages to Augustyamuni town. Constructed by Public Works Department (PWD) and funded by Abeda Launching Trust, the bridge was completed in approximately 100 days. The project was implemented by Society of Himalayan Agricultural & Rural Development (SHARD) and funded by Care India Building Shelters.

Owner Housing Construction

Owner Driven Housing construction is an initiative supported by Malankara Orthodox Church that allows the owner to make limited modifications based on their specific needs.

Transitory Shelter

For quick construction of this transitory shelter at Bhutari Sarat village near Chandrapur, Rudraprayag district cement blocks and ferro cement technology was used. 83 shelters were constructed in approximately 100 days. The project was implemented by Society of Himalayan Agricultural & Rural Development (SHARD) and funded by Care India Building Shelters.

CAPACITY BUILDING

We enhance the capacity and capability of governmental and Non-Governmental Organisations, and assist them in their quest to deliver better service to the community.

The approach is to build capacity and mobilise operational efficiencies.

Training and active hand-holding is provided to enable:

- Rigorous project identification and preparation
- Appropriate analysis and project structuring
- Transparent selection of contractors and private developers under equitable implementation frameworks
- Proactive monitoring over the project life cycle

The aim is to empower organisations with better decision-making and undertake work more systematically.

Thereby enabling them to substantially scale their activities and become self-sustainable.

NATIONAL PPP CAPACITY BUILDING PROGRAMME

IDFC Foundation is the executing agency for implementing a National Private-Public Partnership (PPP) Capacity Building Programme (NPCBP), on behalf of the Department of Economic Affairs (DEA), Ministry of Finance, Government of India. This programme trains officials of State Governments, urban local bodies and select Central Government departments, through existing Administrative Training Institutes (ATIs) across fifteen states and two Central Training Institutes.

The programme seeks to build the capacity of senior and middle-level government officials to conceptualise, implement and monitor PPP infrastructure projects by mainstreaming PPP training.

Commitment to train 10,000 senior and middle-level government officials

In FY 2014, 1,841 officials were trained in 58 programmes.

In three years since roll out, over 4,000 government officials have been trained across all participating states and institutions.
Training of Trainers (ToT) Programme
In FY12, 36 trainers from 7 states were trained.

Till date, a national cadre of 146 trainers across 15 states and 2 Central Institutes has been developed through 9 ToT programmes held over an 18-month period.

Inclusion of New States
At the request of the Kerala State Planning Board and IDEA, IDFC Foundation developed and delivered an advanced course on PPP project development to a select group of officials from various state infrastructure departments in Kerala.

Training for Railway Officials
The Foundation directly led training programmes on project development for PPPs for railway officials at the National Academy of Indian Railways (NAIIR), Vadodara and a workshop on procurement for senior officials of the Government of Meghalaya as part of the Meghalaya Basin Development Programme.

IDFC Foundation is the Regional Capacity Building Hub (RCBH) for the Ministry of Housing Affairs of the Government of India. RCBH is a network of 44wiki government offices across 15 states and 2 Central Institutes, functioning as Training of Trainers (ToT) Programmes.

REGIONAL CAPACITY BUILDING HUB
IDFC Foundation is the Regional Capacity Building Hub (RCBH) for the Ministry of Housing Affairs of the Government of India (MoHUA) in training elected representatives, municipal staff and officials from para-state agencies under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) in three regions of the country: Northern region (states of Uttar Pradesh, Bihar, Rajasthan and Haryana), Eastern Region (all eight states) and Western Region (Gujarat and Madhya Pradesh). The programme is active under way and covers all civic authorities in these states.

The Foundation and its partners organised 48 programmes for a total of 1,175 officials and elected representatives.

IDFC Foundation has successfully completed its mandate as the RCBH for 3 regions across the country covering 14 states.

Capacity Building of IAS officers
IDFC Foundation participated in training for different levels of IAS officers at LBSNAA, Mussoorie. IDFC was also invited to conduct a one-day module on Infrastructure as part of Phase V training for IAS officials with over 25 years of experience.

Training for Audit Service Officers
IDFC Foundation has developed curriculum and capacity building plan for training Audit Service Officers. The curriculum and content was submitted to the office of Comptroller and Auditor General (CAG) of India for review.

IDFC Foundation also supported the nodal institution of the CAG – International Centre for Information Systems and Audit (ICISA) in conducting training for senior and mid-level officers (ICISA). This included capacity building initiatives related to audit of PPP infrastructure projects.

Programmes Beyond India
IDFC Foundation has conducted capacity building programmes in the neighbouring countries of Nepal, Bangladesh, and Nigeria as part of the India-Nepal Watershed Development Programme.

The programmes included capacity building programmes for the Nepal National Planning Commission and the Bangladesh Rural Development Board.

Programmes forids the Ministry of Urban Development (MoUD), that has also provided technical assistance to the Ministry of Rail and other central departments.

The focus areas of our policy research and advocacy include:

• Social infrastructure related to Education and Healthcare
• Urbanisation Challenges
• Rural Transformation

Some of the initiatives/programme in these areas:

INDIA INFRASTRUCTURE REPORT - PRIVATE SECTOR IN EDUCATION
The Annual India Infrastructure Report - 2012 (IIR) focuses on the education sector.

A result of a collective effort led by the IDFC Foundation, this report brought together a range of perspectives from academicians, researchers and practitioners to enhance educational practices.

The report discusses challenges in the education sector - elementary, secondary, higher and vocational education. The report discussed the policy and regulatory frameworks, capacity building strategies for constructive change and opportunities for the private sector.

IDFC Foundation has already jointed projects and services for the new capital city of India.

Other initiatives
• The Foundation has a MoU with the Administrative Staff College of India, Hyderabad under which sector programmes are being jointly conducted for urban sector would like to carry out impactful policy that can strengthen the system. One of the objectives of our research and advocacy arm is the development of responsible and inclusive research. The focus areas of our policy research and advocacy work during FY 2013 included:

POLICY RESEARCH AND ADVOCACY
Enabling access to domain knowledge and ground level experiences to policymakers who can undertake impactful policy that can strengthen the system. One of the objectives of our research and advocacy arm is the development of responsible and inclusive research. The focus areas of our policy research and advocacy work during FY 2013 included:

— Capacity Building of IAS officers
— Infrastructure Development Scheme for Small and Medium Towns
— Training for Audit Service Officers
— Programme Beyond India
— Training for Railway Officials
— Inclusion of New States
COLLABORATING FOR RURAL DEVELOPMENT

IDFC Foundation’s Rural Development Network collaborated with India’s leading research institutes and experts to prepare ‘India Rural Development Report 2013’.

The report provides a comprehensive landscape of rural India. It comprises debates on topical issues, provides empirical analysis and synthesises literature across a spectrum of issues including regional disparity and deprivation, the changing nature of livelihoods, the need to develop new strategies for farm livelihoods, sustainability of natural resources, the changing role of the state and local self-governance.

The report was reviewed by an Advisory Council chaired by Member, Planning Commission and has received encouraging response from stakeholders.

A valuable resource for policymakers, state and local bodies, researchers and the private sector, the report highlights multiple ground realities of Indian hinterlands.

PUBLISHING FOR SOCIAL CHANGE

We published quarterly research notes on affordable rental housing, intermediate public transport for an urbanising India and a water-led transformation of a village.

To view the comprehensive list of publications across triple bottom lines, refer section Stakeholder Engagement on page no. 04

GOVERNMENT ADVISORY AND PROGRAMME SUPPORT SERVICES

Over the years IDFC has advised various central and state governments in the development of policy, regulatory and sectoral frameworks, transparent procurement processes, equitable concession documents and thorough transaction advisory services for specific Public-Private Partnership (PPP) projects across various sectors.

IDFC Foundation now uses these skill sets to support government agencies to implement development programmes that would have a greater impact and deliver better services to citizens, optimally utilising existing resources within the government.

IDFC facilitates the strengthening of government bodies by extending them support through advice/consultations towards development of policies that enable them to cascade their efforts to effectively empower/impact organisations.

TRANSACTION ADVISORY SERVICES

IDFC Foundation has been providing transaction advisory services to government departments and agencies that demonstrate a propensity to promote private sector engagement in new areas of infrastructure and provide improved standards of service to users.

OTHER ADVISORY SERVICES

• Development of projects in areas of traditional medicine on behalf of the Department of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH)

• Conceptualizing an investment strategy for private sector infrastructure projects in India for the UK Government’s Department for International Development (DFID)

• Drafting city development plans for ten small towns in Madhya Pradesh

• Feasibility study for development of 3 industrial corridors in Madhya Pradesh

• Study on competition issues in the onion market in India, in partnership with National Council of Applied Economic Research (NCAER), on behalf of the Australian Centre for International Agricultural Research (ACIAR)

• Development of an infrastructure financing policy for the Central Bank of Nigeria (with international partners)

As enablers of nation building, IDFC remains committed to ‘Infrastructure for All’.

The approach is to formulate replicable business models focused on infrastructure delivery to the underprivileged and disadvantaged communities in India.

As enablers of nation building, IDFC remains committed to ‘Infrastructure for All’.
GRI INDEX

1. Strategy and Analysis

1.1 Statement from the most senior decision maker of the organisation. Fully 1

1.2 Description of key impacts, risks, and opportunities. Fully 3

2. Organisational Profile

2.1 Name of the organisation. Fully IDFC Ltd

2.2 Primary brands, products, and/or services. Fully 10-11

2.3 Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures. Fully 12

2.4 Location of organisation’s headquarters. Fully Back cover of this report

2.5 Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report. Fully 10

2.6 Nature of ownership and legal form. Fully http://www.idfc.com/investor_relations/sharing_pattern.htm

2.7 Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries). Fully 10-11

2.8 Scale of the reporting organisation. Fully 10-11, 15, 39

2.9 Significant changes during the reporting period regarding size, structure, or ownership. Fully There have been no significant changes during the reporting period.

2.10 Awards received in the reporting period. Fully http://www.idfc.com/investor_relations/awards.htm

3. Reporting period

3.1 Reporting period (e.g., fiscal calendar year) for information provided. Fully 2012-2014

3.2 Data of most recent previous report (if any). Fully This is our first sustainability Report.

3.3 Reporting cycle (annual, biennial, etc.) Fully This is our first sustainability Report.

3.4 Contact point for questions regarding the report or its contents. Fully 3

3.5 Process for defining report content. Fully 2

3.6 Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report. Fully 10

3.7 State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope). Fully 3

3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, joint operations, and other entities that can significantly affect comparability from prior period and/or between organizations. Fully 3

3.9 Data measurement techniques and the bases of calculations, including assumptions and techniques underlying restrictions applied to the compilation of the indicator and other information in the report. Fully 16, 23

3.10 Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statements (e.g., mergers/acquisitions, change of base year/periods, nature of business, measurement methods). Fully Not Applicable

3.11 Significant changes from previous reporting period in the scope, boundary, or measurement methods applied in this report. Fully Not Applicable

3.12 Table identifying the location of the Standard Disclosures in the report. Fully 56

3.13 Policy and current practices with regard to seeking external assurance for the report. Fully 5

4. Governance, Commitments, and Engagement

4.1 Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight. Fully 12

4.2 Indicate whether the Chair of the highest governance body is also an executive officer. Fully 12

4.3 For organisations that have a tiered board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members. Fully http://www.idfc.com/investor_relations/investor_contact.htm

4.4 Mechanisms for stakeholders and employees to provide recommendations or observations to the highest governance body. Fully 5, 40 Website - http://www.idfc.com/investor_relations/investor_contact.htm

4.5 Linkage between compensations for members of the highest governance body, senior managers, and executives. Fully 40 Director’s Report in IDFC Annual Report 13-14

4.6 Processes in place to ensure that conflicts of interest are avoided. Fully 40 Website http://www.idfc.com/pdf/code_of_conduct.pdf

4.7 Processes for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity. Fully 40 We are an equal opportunity organisation.

4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance. Fully 40 We are an equal opportunity organisation.

4.9 Processes for evaluating the highest governance body for overseeing the organisation’s identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles. Fully 40 Website http://www.idfc.com/investor_relations.htm

4.10 Processes for evaluating the highest governance body’s own performance, particularly with respect to economic, environmental, and social performance. Fully 56 Director’s Report in IDFC Annual Report 13-14

4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organisation. Fully 13

4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses. Fully 13

4.13 Membership in associations (such as industry associations) and/or national/international advocacy organisations. Fully IDFC is an active member of ASSOCHAM, CII, FICCI, BCCI, IMC, Bombay Management Association, Indo-American Chamber of Commerce and World Economic Forum.

4.14 List of stakeholder groups engaged by the organisation. Fully 4

4.15 Basis for identification and selection of stakeholder with whom to engage. Fully 5-6

4.16 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group. Fully 5-6

4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its system, reporting process, or other initiatives. Fully 5-6
## GRI INDEX

### STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)

<table>
<thead>
<tr>
<th>DMAs</th>
<th>Description</th>
<th>Reported</th>
<th>Cross-reference / Direct Answer (Ref. Page)</th>
</tr>
</thead>
<tbody>
<tr>
<td>DMA EC</td>
<td>Disclosure on Management Approach EC</td>
<td>Fully</td>
<td>19</td>
</tr>
<tr>
<td>DMA EN</td>
<td>Disclosure on Management Approach EN</td>
<td>Fully</td>
<td>21</td>
</tr>
<tr>
<td>DMA LA</td>
<td>Disclosure on Management Approach LA</td>
<td>Fully</td>
<td>36</td>
</tr>
<tr>
<td>DMA HR</td>
<td>Disclosure on Management Approach HR</td>
<td>Fully</td>
<td>42</td>
</tr>
<tr>
<td>DMA SO</td>
<td>Disclosure on Management Approach SO</td>
<td>Fully</td>
<td>44</td>
</tr>
<tr>
<td>DMA FR</td>
<td>Disclosure on Management Approach FR</td>
<td>Fully</td>
<td>28</td>
</tr>
</tbody>
</table>

### STANDARD DISCLOSURES PART III: Performance Indications

<table>
<thead>
<tr>
<th>Performance Indicator</th>
<th>Description</th>
<th>Reported</th>
<th>Cross-reference / Direct Answer (Ref. Page)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EC1</td>
<td>Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and other items.</td>
<td>Fully</td>
<td>38</td>
</tr>
<tr>
<td>EC2</td>
<td>Financial implications and other risks and opportunities for the organization’s activities due to climate change.</td>
<td>Fully</td>
<td>16</td>
</tr>
<tr>
<td>EC3</td>
<td>Coverage of the organization’s defined benefit plan obligations.</td>
<td>Fully</td>
<td>16</td>
</tr>
<tr>
<td>EC4</td>
<td>Significant financial assistance received from government.</td>
<td>Fully</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>EC5</td>
<td>Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operations.</td>
<td>Fully</td>
<td>4, 6</td>
</tr>
<tr>
<td>EC6</td>
<td>Procedures for local hiring and proportion of senior management and workforce hired from Fully</td>
<td>We are an equal opportunity employee</td>
<td></td>
</tr>
<tr>
<td>EC7</td>
<td>Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.</td>
<td>Fully</td>
<td>50</td>
</tr>
<tr>
<td>EN1</td>
<td>Materials used by weight or volume.</td>
<td>Fully</td>
<td>24</td>
</tr>
<tr>
<td>EN2</td>
<td>Direct energy consumption by primary energy source.</td>
<td>Fully</td>
<td>21</td>
</tr>
<tr>
<td>EN3</td>
<td>Indirect energy consumption by primary source.</td>
<td>Fully</td>
<td>21</td>
</tr>
<tr>
<td>EN4</td>
<td>Total direct and indirect greenhouse gas emissions by weight.</td>
<td>Fully</td>
<td>23-24</td>
</tr>
<tr>
<td>EN5</td>
<td>Other relevant indirect greenhouse gas emissions by weight.</td>
<td>Fully</td>
<td>23-24</td>
</tr>
<tr>
<td>LA1</td>
<td>Total workforce by employment type, employment contract, and region, broken down by gender.</td>
<td>Portal</td>
<td>39</td>
</tr>
<tr>
<td>LA2</td>
<td>Percentage of employees covered by collective bargaining agreements.</td>
<td>Fully</td>
<td>none</td>
</tr>
<tr>
<td>LA3</td>
<td>Education, training, counseling, preventing, and risk-reduction programs to assist workforce members, like families, or community members regarding serious illnesses.</td>
<td>Fully</td>
<td>42</td>
</tr>
<tr>
<td>LA4</td>
<td>Rates of basic salary and remuneration of women to men by employee category.</td>
<td>Fully</td>
<td>40</td>
</tr>
</tbody>
</table>

### ECONOMIC

- **EC1**: Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and other items. Fully 15, 16
- **EC2**: Financial implications and other risks and opportunities for the organization’s activities due to climate change. Fully 16
- **EC3**: Coverage of the organization’s defined benefit plan obligations. Fully 16
- **EC4**: Significant financial assistance received from government. Fully Not Applicable
- **EC5**: Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operations. Fully 4, 6
- **EC6**: Procedures for local hiring and proportion of senior management and workforce hired from Fully We are an equal opportunity employee
- **EC7**: Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement. Fully 50

### ENVIRONMENT

- **EN1**: Materials used by weight or volume. Fully 24
- **EN2**: Direct energy consumption by primary energy source. Fully 21
- **EN3**: Indirect energy consumption by primary source. Fully 21
- **EN4**: Total direct and indirect greenhouse gas emissions by weight. Fully 23-24
- **EN5**: Other relevant indirect greenhouse gas emissions by weight. Fully 23-24

### SOCIAL LABOR PRACTICES AND DECENT WORK

- **LA1**: Total workforce by employment type, employment contract, and region, broken down by gender. Portal 39
- **LA2**: Percentage of employees covered by collective bargaining agreements. Fully none
- **LA3**: Education, training, counseling, preventing, and risk-reduction programs to assist workforce members, like families, or community members regarding serious illnesses. Fully 42
- **LA4**: Rates of basic salary and remuneration of women to men by employee category. Fully 40

### ACRONYMS

- **ACCR**: Australian Centre for International Agricultural Research
- **AIC**: Asset Management Company
- **BFSI**: Banking, Financial services and Insurance
- **BKC**: Bandra Kurla Complex
- **BSE**: Bombay Stock Exchange
- **CAG**: Comptroller and Auditor General
- **CBU**: Capacity Building for Urban Development
- **CEO**: Chief Executive Officer
- **CFL**: Compact Fluorescent Lamp
- **CSI**: Confederation of Indian Industry
- **CPACT**: Civil Society & Corporate Partnership for Action
- **CSR**: Corporate Social Responsibility
- **DCM**: Data Centre Infrastructure Management
- **DEA**: Department of Economic Affairs
- **ESG**: Environmental, Social and Governance
- **EP**: Equitable Principles
- **ERS**: Environment Risk Group
- **ESG**: Economic, Social, and Governance
- **FCCI**: Foreign Investors’ Chamber of Commerce and Industry
- **GHG**: Greenhouse Gas
- **GIZ**: Deutsche Gesellschaft für Internationale Zusammenarbeit
- **GRI**: Global Reporting Initiative
- **GW**: Giga Watt
- **HSBC**: Hong Kong and Shanghai Banking Corporation Limited
- **IR**: India Infrastructure Report
- **IT**: Indian Institute of Technology
- **IPCC**: Intergovernmental Panel on Climate Change
- **LCD**: Liquid crystal Display
- **LED**: Light-emitting Diode
- **LEED**: Leadership in Energy & Environmental Design
- **LOD**: Liquid crystal Display
- **LIRD**: Localised Indicators of Development Surveys
- **MBA**: Master of Business Administration
- **MBC**: Managing Director
- **MGH**: Microgrid
- **MID**: Ministry of Industries
- **MIS**: Municipal Solid Waste
- **NMCI**: National Mission for Clean Ganga
- **NPA**: National Pollution Control Authority
- **NPCB**: National Pollution Control Board
- **PAP**: Power Action Plan
- **PR**: Performance/Non-performance
- **PS**: Property Services
- **RBI**: Reserve Bank of India
- **RGB**: Regional Group Building Hub
- **RCE**: Renewable Energy
- **RCS**: Royal Institute of Charteredin Surveys
- **RIS**: Research Institute for Social-Ecological Systems
- **SEBI**: Securities and Exchange Board of India
- **SOE**: Special Economic Zone
- **SRM**: Sir M. Visvesvaraya Institute of Technology
- **SWA**: Society for Nutrition, Education and Health Action
- **SSCI**: Secondary School Certificate
- **SSRI**: Society for Social Research in India
- **TPA**: Territorial Planning
- **UNGC**: United Nations Global Compact

---

**ACRONyms for Key Concepts**

**ESG**: Environment, Social, Governance

**PB**: Public Benefit

**PR**: Performance/Non-performance

**PPP**: Public-Private Partnership

**PB**: Public Benefit

**PUE**: Power Usage Effectiveness