



BUSINESS RESPONSIBILITY REPORT

SECTION **A** GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company : L65191TN1997PLC037415

2. Name of the Company :
IDFC Limited

3. Registered address:
KRM Towers, 7th Floor, No. 1, Harrington Road, Chetpet, Chennai 600 031, Tamil Nadu.

TEL: +91 (44) 44 4564 4201/4202/4223
FAX: +91 (44) 44 4564 4222

4. Website:
www.idfc.com

5. E-mail id:
mahendra.shah@idfc.com

6. Financial Year reported
2018-19

7. Sector(s) that the Company is engaged in (industrial activity code-wise):

IDFC Limited holds a certificate of registration bearing no. B-07.00718 issued by the Reserve Bank of India ("RBI") to carry on the activities of a Non-Banking Financial Company ("NBFC") under Section 45 IA of RBI Act, 1934 in the category of Investment Company.

8. List three key products / services that the Company manufactures / provides (as in balance sheet)

IDFC provides services in the following domain through its subsidiaries:

- Institutional Equities Broking
- Public market assets management: Mutual Fund
- Trusteeship Services

9. Total number of locations where business activity is undertaken by the Company

- a) Number of International Locations: IDFC Limited has no operations in International Locations. However, our group companies have offices at Mauritius, Singapore and USA.
- b) Number of National Locations: IDFC Limited has 2 offices in India located at Chennai and Mumbai. Our group companies have 49 offices / branches across the country.

10. Markets served by the Company:
Local / State / National / International
IDFC Limited serves national market
only. Our subsidiaries serve international
markets too (namely Mauritius, Singapore
and USA).

SECTION **B** FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR)

15,963,583,160

2. Total Turnover (INR)

1,576,987,835

3. Total Profit after taxes (INR)

1,278,909,096

4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):

Please refer **Annexure 5** of Board's Report.

5. List of activities in which expenditure in 4 above has been incurred:

During the FY19, IDFC Foundation, the
implementing agency of IDFC, worked
extensively with various reputed NGOs
on the major projects / programmes as
detailed in **Annexure 5** of Board's Report.

SECTION **C** OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

• YES

2. Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s) :

BR initiatives of the parent company are
also participated by its subsidiaries.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] • YES

There are various entities that IDFC
does business which take part in our BR
initiatives. Majority of our BR initiatives
are driven through IDFC Foundation. We
engage with our business associates,
implementing partners / agencies /
registered NGOs and also clients to
carry out our BR related initiatives. Given
the nature of our operations, we have a
limited scope of such interventions but
we continue to look for opportunities
and conduct our operations responsibly.
Entities participating in the Company's BR
activities constitute less than 30%.

SECTION **D** BUSINESS RESPONSIBILITY REPORT

1. Details of Director/Directors responsible for BR

a) Details of the Director/Directors responsible for implementation of the BR policy / policies

DIN Number: **03055561**

Name: **Mr. Sunil Kakar**

Designation: **Managing Director & CEO**

b) Details of the BR head

DIN Number: **N.A.**

Name: **Mr. Mahendra N Shah**

Designation: **Company Secretary**

Telephone number: **022 4222 2000**

E-mail id: **mahendra.shah@idfc.com**

2. Principle-wise (as per NVGs) BR Policy / policies (see Table 01)

NOTE 1

- The 10 Principles of the United Nations
Global Compact
- E&S Policy
- Equator Principles Financial institution
- Signatory to Equator Principles

NOTE 2

Web-link for the policy

P1 ETHICS, TRANSPARENCY & ACCOUNTABILITY • YES

Code of Conduct: http://www.idfc.com/pdf/code_of_conduct.pdf

Whistle Blower policy: http://www.idfc.com/pdf/whistle_blower_policy.pdf

P2 SUSTAINABILITY IN LIFE CYCLE OF PRODUCT • YES

E&S Policy: http://www.idfc.com/our-firm/environment_and_social_policy.htm

P3 EMPLOYEE WELL-BEING • YES

All policies listed for this section are on
our internal portal.

P4 STAKEHOLDER ENGAGEMENT - PARTIAL

Fair Practices Code: <http://www.idfc.com/pdf/fairPracticeCode.pdf>

CSR Policy: <http://www.idfc.com/pdf/crspolicy.pdf>

The web-link to Code of Conduct has been
provided above;

01

PRINCIPLE-WISE (AS PER NVGs) BR POLICY / POLICIES

A DETAILS OF COMPLIANCE (REPLY IN Y / N)

NO.	DETAILS OF COMPLIANCE (REPLY IN Y / N)	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	N.A	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? Please refer to Note 1	Y	Y	Y	N	Y	Y	N.A	N	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	N.A	Y	Y
5	Does the company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	N.A	Y	Y
6	Indicate the link for the policy to be viewed online?	Please refer to Note 2								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	N.A	Y	Y
8	Does the company have in-house structure to implement the policy / policies.	Y	Y	Y	Y	Y	Y	N.A	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Y	N	Y	Y	Y	N	N.A	N	N
10	Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Y	N	Y	Y	Y	Y	N.A	Y	N

B IF ANSWER TO THE QUESTION AT SERIAL NUMBER 1 AGAINST ANY PRINCIPLE, IS 'NO', PLEASE EXPLAIN WHY: (TICK UP TO 2 OPTIONS)

NO.	DETAILS OF COMPLIANCE (REPLY IN Y / N)	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									
	Currently, IDFC does not have any policies for Principle 7; the Company already has taken several initiatives in the field of responsible lending and actively engages with clients, regulators, lenders and other business partners. The Company had published the 'India Infrastructure Report' with specific insights. Hence, the need for a separate policy on public policy advocacy has not been felt. If necessity arises, a specific policy will be developed in the future.									

P5 PROMOTION OF HUMAN RIGHTS • YES

The Web-link for Whistle Blower Policy has been provided above; other policies are available on our internal portal.

P6 ENVIRONMENTAL PROTECTION • YES

E&S Policy: http://www.idfc.com/our-firm/environment_and_social_policy.htm

P7 RESPONSIBLE PUBLIC POLICY ADVOCACY • N.A.

P8 INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT • YES

CSR Policy: <http://www.idfc.com/pdf/csrpolicy.pdf>

P9 CUSTOMER VALUE • YES

Equator Principles: <http://www.idfc.com/pop.html>

5 Governance related to Business Responsibility

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Company reviews its BR performance annually.

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?

The Company publishes BR Report Annually which is available on the website www.idfc.com/investorrelations/annual_report.htm

SECTION E PRINCIPLE WISE PERFORMANCE

PRINCIPLE 1

ETHICS, TRANSPARENCY & ACCOUNTABILITY

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

IDFC has developed its Code of Conduct and Whistle Blower Policy which pertain to ethics, bribery and corruption. The Code of Conduct and the Whistle Blower policy are applicable to IDFC and our group companies. Furthermore, all our major suppliers are also required to agree to conform to the Code of Responsible Business Conduct (which covers ethical business practices) for the duration of their contract with IDFC.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

There were no stakeholder complaints received in the reporting period with regard to ethics, bribery and corruption.

PRINCIPLE 2 SUSTAINABILITY IN LIFE CYCLE OF PRODUCT

a. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.

Post Demerger, IDFC is an Investment Company holding investment in its subsidiaries.

b. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional).

Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain? - N.A.

Reduction during usage by consumers (energy, water) has been achieved since the previous year? - N.A.

c. Does the Company have procedures in place for sustainable sourcing (including transportation)? If Yes, what percentage of your inputs was sourced sustainably?

IDFC, being a Financial Institution, is relatively less resource intensive in terms of material inputs. Our major material requirements are office, communications and IT related equipment. 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. It would not be possible to ascertain the percentage of inputs that are sourced sustainably.

d. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If Yes, what steps have been taken to improve their capacity and capability of local and small vendors?

We will prefer locally available goods and services, other considerations being comparable. We have taken several initiatives for the development of local suppliers of goods and services. Some of the examples are:

- We conduct dedicated capacity building programs for local and small vendors.
- We undertake regular trainings to upgrade skills of our housekeeping and security staff;

e. Does the Company have a mechanism to recycle products and waste? If Yes what is the percentage of recycling of products and waste (as <5%, 5-10%, >10%).

YES. We recycle <5% of total waste generated from our operations.

PRINCIPLE 3

EMPLOYEE WELL-BEING

1. Please indicate the total number of employees - 9

2. Please indicate the total number of employees hired on temporary / contractual / casual basis - NIL

3. Please indicate the number of permanent women employees - 5

4. Please indicate the number of permanent employees with disabilities - NIL

5. Do you have an employee association that is recognised by management? - NO

6. What percentage of your permanent employee(s) is a member(s) of this recognised employee association? N.A.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

e) Child labour / forced labour / involuntary labour NIL

f) Sexual harassment - NIL

g) Discriminatory employment - NIL

8. What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?

Permanent Employees: 100%

Permanent Women Employees: 100%

Casual / Temporary / Contractual Employees: 100%

Employees with disabilities: N.A.

PRINCIPLE 4

STAKEHOLDER ENGAGEMENT

1. Has the Company mapped its internal and external stakeholders? Yes / No

YES

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?

YES

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders?

YES, IDFC regularly undertakes initiatives to engage with its internal and external stakeholders. These are briefly described below.

EMPLOYEES STAKEHOLDER GROUP

- We have processes in place to ensure upholding of the rights of our employees and protect them against any form of discrimination.
- We conduct regular learning and development activities for our employees for their skill enhancement.

COMMUNITIES STAKEHOLDER GROUP

IDFC, through IDFC Foundation, undertakes various CSR initiatives with primary focus in the areas of education, healthcare and livelihood. We support and collaborate with various agencies to carry out our CSR activities aimed at inclusive growth.

BUSINESS ASSOCIATES STAKEHOLDER GROUP

- We conduct dedicated capacity building programs for local and small vendors.
- Our Code of Responsible Business Conduct for our major suppliers encourages them to carry out their operations with a focus on labour standards, environment and ethical business practices.

SHAREHOLDERS / INVESTORS STAKEHOLDER GROUP

We have robust mechanisms in place which ensures full, fair, accurate, timely and understandable disclosures to all our Shareholders and investors.

CLIENTS STAKEHOLDER GROUP

Our Fair Practices Code specifies 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.

PRINCIPLE 5

PROMOTION OF HUMAN RIGHTS

1. Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

IDFC is a signatory to UNGC since 2001. All our business operations are guided by a set of principles outlined in UNGC and this include principles on human rights as well. This is applicable to all our group companies and service providers.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? NIL

PRINCIPLE 6

ENVIRONMENTAL PROTECTION

1. Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?

Our policy pertaining to environmental protection is applicable to all our group companies.

2. Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.?

YES, IDFC as one of the leading and responsible organisation, has undertaken several initiatives to minimise its environmental impact. The details of which can be found in our website http://www.idfc.com/our-firm/environment_management.htm

3. Does the Company identify and assess potential environmental risks? YES

4. Does the Company have any project related to Clean Development Mechanism? If Yes, whether any environmental compliance report is filed? NO

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.

NO

6. Are the Emissions / Waste generated by the company within the permissible limits given by CPCB / SPCB for the financial year being reported?

N.A.

7. Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

NIL

PRINCIPLE 7

RESPONSIBLE PUBLIC POLICY ADVOCACY

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

IDFC group is an active member of several trade bodies and associations. Some of the major ones are listed below:

- Indian Bank's Association
- ASSOCHAM
- Confederation of Indian Industry
- FICCI
- Bombay Chamber of Commerce & Industry
- Indian Merchants Chamber
- Bombay Management Association
- Asia Society India Centre
- Association of Business Communicators of India
- Indo-American Chamber of Commerce
- World Economic Forum

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good?

We provide thought leadership and advocacy in areas of infrastructure policy and governance, with a thrust on sustainable infrastructure. Climate change, urban, water, education, land acquisition are some of the pressing issues that IDFC focuses on and also advocates through its policy advocacy initiatives.

IDFC is actively working with Government agencies, other financial institutions and industry associations like CII and FICCI on formulating innovative financing mechanism to attract private sector investment in the low carbon sector. IDFC has been part of the Committee for reforms on Infrastructure financing and reforms on roads and railways.

PRINCIPLE 8

INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1. Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8?

The IDFC Foundation, the CSR implementing agency of the IDFC Group has initiated a number of activities to support inclusive growth and equitable development. The following is a brief summary of the efforts:

Livelihood enhancement through financial inclusion

India has been making major strides in reducing poverty. The Government of India has been working tirelessly to support the most vulnerable communities including the elderly, widows, disabled, daily wage earners, poor migrants, women, SC/ST communities etc. The increased number of bank accounts and DBT through Aadhaar linkage has helped the government transfer social assistance like pensions, subsidies and wages into the bank accounts of the beneficiaries. However, millions of poor in continue to face difficulties in accessing these entitlements from their bank accounts due to the following reasons:

- *Distance:* Community members across thousands of villages still have to travel 10-15 kms every time to deposit or withdraw cash from their bank accounts.
- *Time:* Remote villages are usually the least connected. The absence or limited frequency of transport result in long waits.
- *Cost:* The travel and out of pocket expenses that the poor have to bear to access the DBT is very high.
- *Apprehensions:* Many among the vulnerable groups hesitate to engage with the banks (unless absolutely required) given the paper work, processes and systems.

The opportunity cost of the time spent in accessing own funds is very significant particularly in the case of daily wage earners. In the case of the elderly, disabled and women, the sheer effort proves

prohibitive

The financial inclusion initiative of IDFC Foundation, implemented with the help of IDFC FIRST Bank, has focused on enabling this much needed last mile access. The financial inclusion model has two key components: a) the financial inclusion device and b) village based micro-entrepreneurs as Mitras.

a) *The financial inclusion device*

The most important component of the model is the financial inclusion device. The foundation has been able to leverage IDFC FIRST Bank's award winning and cutting edge banking technology to enable services across banks even in remote locations. The A4 size state-of-the-art integrated tab along with the banking application has been custom built to provide services to beneficiaries using debit cards and/or Aadhaar linked bank accounts at negligible or no cost. The following are the key features of the Device:

- The financial inclusion device can be used to perform a variety of financial and non-financial transactions
- The beneficiaries can deposit, withdraw, transfer funds and do balance enquiry.
- Authentication can be done either through Aadhaar biometric or ATM PIN
- The A4 size device is portable and can be easily carried from one place another
- The device is equipped with biometric scanner, printer and camera and print outs a receipt after every transaction
- The device gets connected on WI-FI and GPRS. For GPRS, the Mitra can use SIM of any network operator with 2G/3G data

b) *Mitras:* For effective

implementation of the financial inclusion model, it is important to have a Mitra at the village level. A person who already has an existing micro enterprise in the village would be identified as a Mitra. By doing this, it will be ensured that the Mitra is able to i) run the services in a truly entrepreneurial manner ii) has existing working capital and iii) has a larger stake since any non-performance on the financial inclusion program will also adversely impact his/her enterprise. Given that the Mitra is part of the community and known to everyone in the village, the community members would find it easy to avail his/her services.

The financial inclusion program has resulted in creation of over 10,000 social entrepreneurship opportunities across 25

states and 3 union territories. The initiative has been effective in reaching out to the poor and vulnerable in over 43,000 villages across the country. In the state of Andhra Pradesh alone, around ₹ 175 crore of pension disbursements have been made till date.

In addition to its work on last mile access to financial services, the foundation has also been actively promoting financial literacy. 80,000 community members have participated in the financial literacy sessions in FY19.

Rural development through dairy farming: the Shwethdara Program

Dairy farming is a key source of income for around 70 million households in rural India. Poorer households which depend on farming for a living, prefer dairy farming. This is primarily because dairy farming has one of the best cash flows among all farm based activities. The biggest challenge in dairy farming in India is low productivity of milch animals. A number of reasons have contributed towards low productivity. These include inadequate knowledge of good dairy farming practices among farmers, low quality of dairy animals, suboptimal access to veterinary and breed improvement services etc. The low productivity of dairy farming thus traps poor households in a low income cycle. The 'Shwethdara-cattle care program', initiated by the foundation, has been focusing on increasing the income of small and marginal farmers in the states of Madhya Pradesh and Karnataka. The foundation carries out a number of activities to promote the productivity of dairy animals.

In order to address the issue of inadequate knowledge, Shwethdara program invested heavily in awareness and capacity building. During FY19, the foundation carried out more than 800 community level trainings to disseminate best practices on dairy farming. These trainings focused on key aspects of dairying like breed improvement and nutrition.

The capacity building exercise was complemented with mechanisms that promote behaviour change among farmers. Over 200 Shwethdara groups met every month to discuss the best practices in dairying. During these meetings, the members reviewed the adoption of best practices among themselves and supported one another in case of any difficulty. This process was duly supported by a cadre of village level volunteers called the Gram Sakhis.

As part of the Shwethdara program, the foundation established 7 pashu vikas kendras (PVK) in rural and under served areas. The PVKs acted as an important

source of information for the farmers in nearby villages. These kendras are also manned by a veterinary doctor and extension officers. The last mile service delivery is being carried out by a cadre of artificial insemination technicians (AITs). The AITs provide the farmers a range of dairy related services including artificial insemination, pregnancy diagnosis, infertility treatment, deworming, deticking etc. at their doorstep.

The program has enabled over 10,000 rural households across over 200 villages, access good quality inputs and services required for effective dairy farming. During the year, the AITs engaged with the program have provided around 5000 breed improvement services. The veterinary doctors not only managed overall support and supervision but also provided veterinary services on call at the farmers' doorstep.

Projects of social importance

During FY19, the IDFC foundation also implemented selected projects of social and environmental importance. The foundation quickly responded to the devastating floods in Kerala with prompt relief measures. Based on a rigorous need assessment, the foundation provided targeted relief support to over 8500 affected families across 6 districts of Kerala.

During the year, the foundation continued to support Masoom, a Mumbai based NGO, in implementing the 'night school transformation program' in 10 night schools. The program has been working towards transforming the quality of education in these schools by enhancing the school infrastructure, management systems and education techniques. More than 800 students from underprivileged backgrounds benefited from this program.

The foundation also supported the environmental efforts of municipal corporation of Gurugram in redeveloping the Badshahpur corridor as a green corridor and public space for the citizens of the city.

IDFC Institute

IDFC Institute has been set up as an independent, not-for-profit, think/do tank to investigate the political, economic and spatial dimensions of India's ongoing transition from a low-income, state-led country to a prosperous market-based economy. Our approach to public policy issues rests on a solid foundation of evidence-based research. The Institute's research focuses on two broad areas: a) growth and job creation in the context of India's transition from farm to non-farm, rural to urban and informal to formal

economic activity; and b) improving the delivery of essential services and welfare. All our research, reports, databases and recommendations are in the public domain and freely accessible through our website: www.idfcinstitute.org.

IDFC Institute's survey, safety trends and reporting of crime (SATARC), was a 4-city, 21,000 household, crime victimization survey that measured the gap between the true extent of crime and official crime records. Earlier this year, the ministry of home affairs' bureau of police research and development announced the launch of a nationwide crime victimisation survey at the national level, modeled on the initial IDFC Institute survey. IDFC Institute will serve on the Executive Committee, which will guide and monitor the survey.

In June 2018, Hardeep Singh Puri, union minister of state for housing and urban affairs, government of India launched our "India Infrastructure Report 2018: Making Housing Affordable". The report focused on key supply-side constraints in the housing market in urban India.

IDFC Institute continues to be a thought leader for the urban sector. The Institute has been nominated to be a part of a working group convened by the ministry of housing and urban affairs for formulating a road map for cities to build a culture of data driven governance. The first output of this working group - a strategy document and a data maturity assessment framework, was officially launched by the ministry at the second apex conference of smart city CEOs held in February.

IDFC Institute has also been nominated to the core working group of the newly launched National Urban Learning Platform (NULP) initiative at the National Institute of Urban Affairs. NULP is a priority initiative for which the core working group will drive design and implementation across the nation.

2 Are the programmes / projects undertaken through in-house team / own foundation / external NGO / Government structures / any other organisation?

IDFC Foundation, a not-for-profit company within the meaning of Section 8 of the Companies Act,

2013 (erstwhile Section 25 of the Companies Act, 1956) was incorporated in India on March 4, 2011 and is a 100% subsidiary of IDFC Limited.

IDFC Foundation is acting as an implementing agency on behalf of IDFC Ltd. and its group Companies to carry out CSR activities as per CSR policy adopted by IDFC and its group Companies in line with Section 135 and read with the schedule VII of the Companies Act, 2013. IDFC Foundation would primarily focus on CSR activities as well defined projects or programmes that would include promoting and development of

- (a) livelihoods,
- (b) rural development projects,
- (c) promoting healthcare including preventive health care,
- (d) education,
- (e) community engagement / development,
- (f) environmental sustainability,
- (g) disaster relief,
- (h) research and studies in all or any of the activities mentioned in Schedule VII of the Companies Act, 2013 and
- (i) Others;

3 Have you done any impact assessment of your initiative?

IDFC Foundation has a system of reviewing of all its initiatives wherein the progress of each initiative is evaluated along with its impact on the touch points. The desired objectives (performance parameters) of the initiatives are generally stated at the commencement stage of the initiative and reviewed periodically and course correction measures are taken, if required.

4 What is your Company's direct contribution to community development projects—Amount in Rs. and the details of the projects undertaken? Please refer to Annexure 5 of Board's Report.

5 Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

In implementing its initiatives, IDFC Foundation undertakes a considerable amount of capacity building of the partner organisations in order to ensure the quality and sustainability of outcomes.

PRINCIPLE 9

CUSTOMER VALUE

1 What percentage of customer complaints / consumer cases are pending as on the end of financial year.

All the customer complaints that were received in the reporting period have been resolved and there are no complaints pending as at the end of FY19.

2 Does the Company display product information on the product label, over and above what is mandated as per local laws? N.A.

3 Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as on end of financial year?

There are no cases filed / pending as at the end of FY19.

4 Did your Company carry out any consumer survey / consumer satisfaction trends?

IDFC periodically measures the satisfaction among its customers, understand their expectation and essentially to gauge our competitiveness in the industry.