

# Annexure II to the Directors' Report

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

### 1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY, INCLUDING OVERVIEW OF PROJECTS OR PROGRAMMES PROPOSED TO BE UNDERTAKEN AND A REFERENCE TO THE WEB-LINK TO THE CSR POLICY AND PROJECTS OR PROGRAMMES.

The Board of Directors of your Company (hereinafter referred to as the "Board") approved the Corporate Social Responsibility ("CSR") Policy of your Company in the FY2014-15 as recommended by the CSR Committee pursuant to Section 135 Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

It is a constant endeavor of the Company to work towards building sustainable livelihoods and for the upliftment of the undeserved in the society. The Company wishes to transcend the boundaries of conventional business and industry modalities and integrate good business practices with community development. The Company seeks to promote and strengthen the trust of its shareholders, other stakeholders and the public, operating in accordance with good Corporate Governance and CSR practices which is inherent in the Group's Philosophy. The Group has upheld its tradition of community service across the country and reached out to the undeserved in order to empower their lives and provide holistic development. CSR activities and efforts are constantly being made by Group Companies in the core focus areas of providing quality educational support to students from the disadvantaged sections of society, improved access to healthcare services and awareness building regarding efficient use of energy resources. Thus, we strive to reach out to the community at large and provide services that create holistic development and operate in alignment with the Group's philosophy. With this in view, your Company has framed its CSR Policy called as Firstsource Solutions CSR Policy (the "CSR Policy").

The objective of the CSR Policy is to formalize and institutionalize Company's efforts in the domain of CSR. The CSR Policy serves as a guiding document to help identify, execute and monitor CSR projects in keeping with the spirit of the CSR Policy. Our vision is to be recognized for our strong commitment towards the community and to uphold the values of community service. The Company seeks to be a good corporate citizen in all aspects of its operations and activities. The Company seeks to undertake programmes in the areas of Healthcare, Education, Environment, Arts & Culture, Promotion of Sports as well as support initiatives towards Gender Equality and Empowerment of Women. The CSR at the Company is a platform for giving back to the communities in which we live and work. Our CSR Policy focuses on leveraging the full range of the Company's resources viz. people, skills, expertise and funding to broaden access to basic facilities for the undeserved in India. As part of its initiatives under CSR, the Company through its employee engagement activities has contributed in a variety of areas. Our Social initiative areas across the geographies include Employee

Volunteering, Response to disasters and Participating in popular fundraising events, etc. The full details of initiatives taken by the Company in India and in other geographies in which the Company operates through its subsidiaries are given in the Directors' Report under the CSR initiatives section.

The CSR Committee of the Company has identified the following thrust areas around which your Company shall be focusing its CSR initiatives and channeling the resources on a sustained basis:

#### I. Healthcare

- a. Setting up Hospitals, health centers and rural dispensaries;
- b. Providing better sanitation services to the community;
- c. Collaborating with organizations that deliver localised community healthcare programs and awareness campaigns in nearby villages/municipalities; and
- d. Family Welfare.

#### II. Education

- a. Support technical training institutes, skill development centers, non-formal vocational programmes for the purpose of creating livelihood opportunities, soft skill training etc. to the rural youth;
- b. Enhancing the access to employment opportunity by providing vocational or special training/ skills training related to the field of IT enabled services, BPO services etc.;
- c. Support to or collaboration with technical/vocational training institutions for overall self development and capacity building of the youth; and
- d. Undertake adult literacy programmes for the disadvantaged sections of society.
- e. Set up school of top standard.

#### III. Environment

- a. Undertaking tree plantation drives within the community (including taking care of the saplings) and work towards 'Green Belt Development';
- b. Undertaking projects such as provision of sanitary landfills and/or other environmentally sensitive waste management techniques; and
- c. We will support disaster relief efforts through NGOs working in this area where possible.

#### IV. Art & Culture

- a. Preservation of ancient Indian manuscripts;
- b. Preserve cultural heritage by protecting the monuments, preserving the archival materials and safeguarding the classical, folk and tribal traditions;
- c. Maintenance and conservation of the monuments and sites of archaeological and heritage value;

- d. Promotion of literary, visual and performing arts and preservation of ancient traditions such as ancient Indian musical instruments;
- e. Collaborate with organisations promoting and propagating Indian art and culture;
- f. Maintenance, preservation and conservation of archival records and archival libraries; and
- g. Promotion and strengthening of regional and local museums.

**V. Gender Equality and Women Empowerment**

- a. Building and strengthening partnerships with civil society organisations, particularly women’s organisations for spreading awareness in rural areas, regarding the equal rights for women in all spheres – political, economic, social, cultural and civil; and
- b. Empower women by supporting them in the formation of self-help groups and facilitate establishing linkages with financial institutions for availing loans to start small enterprises.

**VI. Contribution to PM’s National Relief Fund/ any other fund set up by the Central Government**

Weblink to CSR Policy: The Company’s CSR policy is posted at the link <https://www.firstsource.com/wp-content/uploads/2016/06/fsl-corporate-social-responsibility-policy.pdf>.

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

Sr. No	CSR Projects/ Activities identify	Sector in which project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	Amount Outlay (Budget) Project or programs wise	Amount Spent on the project or programs		Cumulative Expenditure up to reporting period (₹ In Million)	Amount spent: Direct or through implementing agency
					1. Direct Expenditure (₹ In Million)	2. Overheads (₹ In Million)		
1	Admin Expenses for Give India	-	-	-	0.20	Negligible	0.20	-
2	Light of Life Trust- sponsorship of fundraising event	Education and women empowerment	Maharashtra and Madhya Pradesh	-	0.20	Negligible	0.20	Direct
3	Foundation for Excellence - Scholarship for Underprivileged	Education	Bangalore (Karnataka)	-	0.20	Negligible	0.20	Direct
4	Personal Hygiene session with a hygiene kit for about 800 Govt. school students	Healthcare/ COVID-19 response	Bangalore (Karnataka)	-	0.22	Negligible	0.22	Direct
5	Visit to Kangaru Karunai Illam old age home	Healthcare	Tiruchirappalli (Tamil Nadu)	-	0.01	Negligible	0.01	Direct
6	Visit to Amma old age home	Healthcare	Vijaywada (Andhra Pradesh)	-	0.01	Negligible	0.01	Direct
7	Donation of learning aids at Pragati Foundation for intellectually disabled children.	Education	Gandhinagar (Gujarat)	-	0.01	Negligible	0.01	Direct
8	Daan Utsav	Education & Healthcare	Across all offices in India	-	0.72	Negligible	0.72	Direct

**2. THE COMPOSITION OF THE CSR COMMITTEE:**

- i) Mr. Shashwat Goenka, Chaiman (Non Independent, Non – Executive Director)
- ii) Mr. Vipul Khanna (Managing Director & CEO)
- iii) Mr. Subrata Talukdar (Non Independent, Non – Executive Director)
- iv) Mr. Pradip Roy (Independent, Non – Executive Director)

**3. AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE FINANCIAL YEARS: ₹ 2047.08 Million**

**4. PRESCRIBED CSR EXPENDITURE (TWO PERCENT OF THE AMOUNT AS IN ITEM 3 ABOVE): ₹ 40.94 Million**

**5. DETAILS OF CSR SPEND FOR THE FINANCIAL YEAR:**

- a. Total amount spent for the financial year: ₹ 40.52 Million
- b. Amount unspent, if any: ₹ 0.42 Million\*\*

Sr. No	CSR Projects/ Activities identify	Sector in which project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	Amount Outlay (Budget) Project or programs wise	Amount Spent on the project or programs		Cumulative Expenditure up to reporting period (₹ In Million)	Amount spent: Direct or through implementing agency
					1. Direct Expenditure (₹ In Million)	2. Overheads (₹ In Million)		
9	Rohi Foundation- Sponsoring education for 3rd and 4th standard children alongwith one day's meals for all the beneficiaries at the NGO	Education & Healthcare	Bangalore (Karnataka)	-	0.09	Negligible	0.09	Direct
10	INALI Foundation- Setup IVRS to aid in management of calls from across the globe	Healthcare	Madhya Pradesh	-	0.27	Negligible	0.27	Direct
11	Contribution to RP-Sanjiv Goenka Group CSR Trust	Projects will be undertaken by the Group CSR Trust in accordance with applicable Rules/ Regulations	Kolkata (West Bengal)	-	38.59	-	38.59	Through the corpus of "RP – Sanjiv Goenka Group CSR Trust"*
<b>TOTAL</b>				-	<b>40.52</b>	-	<b>40.52</b>	

**Note:**

\*RP – Sanjiv Goenka Group CSR Trust" ("Group CSR Trust") was formed on February 17, 2015 to pursue CSR activities as may be permitted under the Companies (Corporate Social Responsibility) Rules, 2014 as amended.

\*\* Further, amount of ₹ 0.42 Million is yet to be spent as a result of the various limitations caused by the COVID - 19 pandemic.

**RESPONSIBILITY STATEMENT**

The Responsibility Statement of the CSR Committee of the Board of Directors of the Company, is reproduced below:

'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.'

**Vipul Khanna**

Managing Director & CEO

May 26, 2020

**Shashwat Goenka**

Chairman, Corporate Social Responsibility Committee