

ANNUAL REPORT

2014-15



Annual Report on CSR activities for the Financial Year 2014-15

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Tech Mahindra Limited (TML) is a leading provider of solutions and services in the Information, Communications & Technology industry. The CSR vision of TML is *Empowerment through Education*. All social investments of the company are accordingly aligned to the attainment of this overall vision.

The TML has established Tech Mahindra Foundation (TMF) in 2007 and Mahindra Educational Institutions (MEI) in 2013, under Section 25 of Companies Act, 1956 (referred to as a Section 8 Company in Companies Act, 2013) with dedicated professionals to carry out its CSR activities. The TMF has been focusing on implementation projects related to education and employability while MEI implements higher education projects. A brief profile of the projects undertaken by TMF and MEI are given below.

Projects	Description
Tech Mahindra Foundation: Promoted quality education and employability for vulnerable sections of society through vibrant and innovative partnerships with the Government, NGO's, CBO's and other organisations across ten major cities of India.	
School Education: Projects are aimed to improve the quality of school education through infrastructure improvement, capacity building of all stakeholders and supplementary education.	
ARISE	All Round Improvement in School Education
ARISE+	ARISE for children with disabilities
Shikshaantar	Training/Capacity Building of Teachers
Shiksha Samvardhan	Remedial and Supplementary Education
Employability: Projects supported the Government of India's larger vision of skill development of youth through developing their market-oriented skills and linking them to potential employers. These projects seeks to benefit school drop-outs, people with disabilities and those unable to go into higher education, among others with specific focus on women.	
SMART	Skills-for-Market Training
SMART+	SMART for youth with disability
SMART-T	SMART with Technical trades
Mahindra Educational Institutions: Established institutions of higher education, promoted research and development and collaborated with other renowned institutions to contribute towards the goal of high quality technical education systems in India.	
Technical Education: The Mahindra École Centrale (MEC) project provided high quality technical education in engineering and computer technology for the students.	
MEC is an international quality, technology school with assured career progression for engineering aspirants. It focuses on multi-disciplinary knowledge, personality development, and critical-creative thinking. MEC College of Engineering, heralds the Rise of the New Engineer in India.	

A copy of Tech Mahindra's **CSR Vision and Policy Document** is available online at:
http://www.techmahindra.com/sites/ResourceCenter/Brochures/Society/CSR_Policy.pdf

2. Composition of the CSR Committee.

The Corporate Social Responsibility (CSR) Committee of the Company is composed of the following:

Mr. Vineet Nayyar, Chairman

Mrs. M. Rajyalakshmi Rao, Member

Mr. Ulhas N. Yargop, Member

3. Average net profit of the Company for the last three financial years.

Following is the net profit* before tax (PBT) for the last three financial years:

FY 2011-12 : ₹ 578 Crores

FY 2012-13 : ₹ 817 Crores

FY 2013-14 : ₹ 3,237 Crores

The average net profit before tax comes to : ₹ 1,544 Crores

* The net profit includes profits earned by overseas branches.

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

₹ 30.88 Crores (that is, 2% of ₹ 1,544 Crores)

(Two per cent of the average profit before tax of the immediately preceding three years)

5. Details of CSR spend during the financial year

(a) Total amount spent for the financial year 2014-15: ₹ 53.21 Crores

(b) Amount unspent, if any: Nil

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

(1) S. No	(2) CSR Project or activity identified	(3) Sector in which the project is covered	(4) Projects or programs: (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs-wise	(6) Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	(7) Cumulative expenditure up to the reporting period	(8) Amount spent Direct or through implementing agency
			Programme	Budget (₹ Crores)	Spent (Unspent) (₹ Crores)	Spent (Unspent) (₹ Crores)	
1	Employability	Schedule VII, Item 2 (promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects)	- SMART	8.37	7.85 (0.52)		100% amount spent through implementing agencies
			- SMART+	1.33	1.31 (0.02)		
			- SMART T	0.32	0.32 (0)		
			- Research / Advisory	0.31	0.26 (0.05)		
				10.33 (total)		9.74 (0.59)	
			- Programme Administration (like Communication, Volunteering, Training, Consultancy etc)	0.75 (approx)	0.68 (approx)	0.68 (.07)	
				11.08 (grand total)		10.42 (0.66)	

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			Programme	Budget (₹ Crores)	Spent (Unspent) (₹ Crores)	Spent (Unspent) (₹ Crores)	
2	School Education	Same as (1)	- ARISE	5.66	5.36 (0.30)		100% amount spent through implementing agencies, except for two projects: (a) Shikshak Samman Award (b) In-Service Teacher Education Institute
			- ARISE+	3.39	3.32 (0.07)		
			- Shikshaantar	2.24	1.88 (0.36)		
			- Shiksha Samwardhan	6.88	6.53 (0.35)		
				18.17 (total)		17.09 (1.08)	
			- Programme Administration (like Communication, Volunteering, Training, Consultancy etc)	0.75 (approx)	0.49 (approx)	0.49 (0.26)	
				18.92 (grand total)		17.58 (1.34)	
3	Technical Education	Same as (1)	- Mahindra Ecole Centrale (MEC)	22.50	22.50 (0)	22.50 (0)	100% amount spent directly on programmes
				(₹ Crores)	Spent (Unspent) (₹ Crores)	Spent (Unspent) (₹ Crores)	
Three activities, through nine programmes, across 10 cities, delivered by two agencies – Tech Mahindra Foundation (TMF) and Mahindra Educational Institutions (MEI).				30.00 (TMF)*	--	28.00 (2.00)	
				22.50 (MEI)	--	22.50 (0)	
				52.50 (total)	--	50.50 (2.00 Cr)	

Note:

- (1) The prescribed CSR expenditure for Tech Mahindra for the financial year 2014-15 was ₹ 30.88 Crores (that is, 2% of ₹ 1,544 Crores), calculated against the average PBT for the immediately preceding three financial years (2011-12, 2012-13 and 2013-14).
- (2) Tech Mahindra operated with a budget of ₹ 52.50 Crores, and spent ₹ 50.50 Crores over the financial year, through two agencies – Tech Mahindra Foundation (TMF) and Mahindra Educational Institutions (MEI), under three activities and nine programmes across ten locations.
- (3) Against the mandated spend of ₹ 30.88 Crores, Tech Mahindra spent ₹ 50.50 Crores. As can be seen, Tech Mahindra's spending in corporate social responsibility comes out to be substantially higher than the amount prescribed/mandated under Companies Act, 2013.

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

Tech Mahindra has spent substantially more than the average net profit of the last three financial years (₹ 50.50 Crores actual against mandated ₹ 30.88 Crores).

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

The implementation and monitoring of projects and programmes is in compliance with CSR objectives and policy of the Company. The Company's CSR expenditure is substantially more than the amount statutorily mandated.

Sd/-

Mr. C. P. Gurnani
(Managing Director & CEO)

Sd/-

Vineet Nayyar
(Chairman – CSR Committee)

For and on behalf of the Board

Place: Mumbai
Date: May 26, 2015

Anand G. Mahindra
Chairman



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