

**THE ANNUAL REPORT ON CSR ACTIVITIES AS PART OF THE BOARD'S REPORT
 [Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of
 the Companies (Corporate Social Responsibility) Rules, 2014]**

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 project or program

Indbank Merchant Banking Services Ltd (IBMBS) Corporate Social Responsibility Policy (CSR) encompasses the company's philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for the welfare & sustainable development of the community at large. This policy is rooted in the Company's core values of quality, reliability and trust guided by the best practices and is driven by our aspiration for excellence in the overall performance of our business.

The objective of the Company's CSR policy is driven by the intent to make a material, visible and lasting difference to the lives of disadvantaged sections of society and a sustained positive contribution to the welfare of society at large. In the conduct of its CSR intervention, IBMBS aims to act as a good corporate citizen and a socially responsible entity, identify the gaps and extend need-based contribution for the betterment of the society, contribute for the sustainable and holistic development of the underserved communities through various programs having multi-dimensional impact and generate community goodwill by making proactive interventions.

The policy applies to all CSR initiatives and activities to be undertaken by IBMBS at various locations, within India, for the benefit of targeted segments of the society.

The policy would pertain to all activities undertaken by IBMBS towards fulfilling its corporate social responsibility objectives. The policy would also ensure compliance with section 135 of the Companies Act, 2013 and would include the activities as covered under Schedule VII to the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and as amended from time to time.

Website of the Company: www.indbankonline.com -> Policy & Procedure

2. The Composition of the CSR Committee

The CSR Committee is consisting Shri. G R Sundaravadivel, Independent Director, Chairman of the Committee, Shri. T M Nagarajan, Independent Director, Member of the Committee and Shri. P A Krishnan, Nominee Director, Member of the Committee.

3. Average net profit of the Company for last three financial years. - Rs. 420.39 Lakhs

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above) - Rs. 8.41 lakhs

5. Details of CSR spent during the financial year:

- a) Total amount spent for the financial year: - NIL
- b) Amount unspent, if any: Rs. 8.41 lakhs
- c) Manner in which the amount spent during the financial year is detailed below

Sr. No	CSR project or activity Identified	Sector in which the Project is covered	Projects or programs (1) Local area or other(2)Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through implementing agency.
NIL							

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 reasons for not spending the amount in its Board report.

IBMBS considers social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budget for the benefit of society. The Company is identifying the areas and opportunities for spending the unspent amount of Rs.13.13 lakhs including the unspent amount of Rs.4.72 lakhs pertaining to the financial year 2017-18. The Company is making all efforts to ensure full utilization of the allocated CSR budget.

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.

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR Projects and activities in compliance with our CSR objectives.

Sesha Sai P L V K
President & Whole Time Director

G R Sundaravadivel
Director/Chairman CSR Committee

ANNEXURE – 1
Ratio of Remuneration

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year; The Directors other than President & Whole Time Director & Nominee Directors are not drawing any remuneration other than sitting fees. Hence the computation relates to the remuneration of President & Whole Time Director in relation to the median remuneration of the employee.	6.16
(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	President & Whole Time Director - 5.03% Vice President & CFO 8.49%. The increase is due to increase in dearness allowance. Company Secretary & Compliance Officer - (7.38)%. (The decrease is due to the appointment of new Company Secretary from Oct 2018 after the resignation of the previous Company Secretary in April 2018)
(iii) The percentage increase in the median remuneration of employees in the financial year;	10.41
(iv) The number of permanent employees on the rolls of company;	89
(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	The average percentile increase / decrease in the salaries of employees other than managerial position and that of managerial remuneration are 9.51 % and 4.30% respectively. Hence this provision is not applicable.
(vi) The key parameters for any variable component of remuneration availed by the directors;	Not applicable.
(vii) Affirmation that the remuneration is as per the remuneration policy of the company.	The remuneration is as per the remuneration policy of the company.