



# Strugence Ashray Fund

**AFFORDABLE HOUSING  
WATER  
HEALTH CARE  
SOLAR POWER  
SKILLS DEVELOPMENT & EDUCATION  
SANITATION  
2 MILLION TREES  
HERITAGE**



# Overview

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- Section 135 of Companies Act 2013 stipulates that companies having Net worth of INR 500 crore or more; or Turnover of INR 1000 crore or more; or Net Profit of INR 5 crore or more during any financial year shall be covered within the ambit of CSR provisions where the company has to spend 2% of Profit on CSR activities stated in the act.
- MCA report 2016 reveals that less than 50% companies have complied so far. MCA has started sending show cause notices to non-Complaint companies. The reasons of non-compliance were as under:
  - Companies do not have core competence to do CSR or budgets not large enough to create CSR teams
  - Dearth of credible NGOs as there are very few good NGOs and they do not have scale to absorb so much capital
  - Lack of impact assessment capability
  - Narrow Perception Towards CSR Initiatives of NGOs, defining CSR initiatives more as donor-activity. As a result, corporates find it hard to decide whether they should participate in such activities at all in medium and long run.

# Strugence Proposition

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- Strugence Ashray Fund, (**Ashray**) is a Securities and Exchange Board of India (SEBI) registered Category I Alternative Investment Fund under sub category Social Venture Fund.
- Primary focus on activities defined under Section 135 Schedule VII of Companies Act 2013 that mandates CSR spent by companies. The focus areas are (i) Affordable Housing, (ii) Slum Area Development, (iii) Solar Power, (iv) Potable Water, (v) Education & Skill development for improved livelihood, (vi) Health, (vii) Sanitation Initiatives viii) Environment and ix) Heritage
- Ashray Fund objective is to address all the key issues through following strategies :
  - Team capabilities for origination and structuring of CSR programs which would create strong visible social impact- Maximising Impact
  - Single point management, reporting and resource mobilization for CSR programs by ‘Fund’ would reduce administrative burdens
  - International best practices in measuring and reporting of CSR Impact
  - Self-sustaining CSR projects that can give muted Financial returns along with Social returns
  - Impeccable Investment Manager credentials with strong social project management skills
  - Social projects with large financial outlays delivering deep social impact are often outside the reach of any single corporate. Strugence Ashray Fund proposes to pool CSR funds from various companies/investors to undertake these larger socially important projects.
- **Philosophy - CSR funds are deployed for maximising impact built around Sustainable models.**

# Investment Philosophy: Social Impact with Sustainability

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The Fund would invest in areas that are permitted as per Schedule VII of the new Indian Companies Act, 2013 with primary focus on strong Social Returns and modest Financial Returns.

Some of these are as follows:

- **Affordable Housing & Slum Area Development** – develop affordable housing targeted to lower income group in urban, semi-urban and rural geographies. Slum area development which is being delayed or neglected due to lack of funding.
- **Potable Water** - Provide proper drinking water facilities which will limit health hazards for the community at large. Water processing plants will supply water at lower prices, where possible.
- **Solar Power** - Provide solar power to off grid villages and under developed areas along with water recycling plants to provide sustainable economic benefits with low carbon footprint and generate carbon credits, maintenance and part of capital costs shall be recovered through monthly charges, where possible.
- **Supporting Health Care to the under privileged** - Provide solar power to PHCs to improve services like vaccinations and emergency medical care and providing mobile health units in slum areas and rural areas for better healthcare of underprivileged. Clinics will be provided to doctors at affordable prices/rents. Alternatively, larger sized ones could be given to hospitals for running. Mobile ambulance /medical services shall be provided to various urban and rural geographies
- **Education & Skill development** - Develop education and vocational training institutes at affordable rates to enhance and improve livelihood of the underprivileged. - Educational premises will be given to NGOs and/or educationists at affordable rents and the rents will be used to create scholarships. Fees may also be paid for imparting vocational training to the underprivileged to enhance livelihood as part of an integrated development plan for the underprivileged
- **Environment** - Tree plantations and preservation of forests
- **Sanitation** - Construction of zero waste toilets on the lines of “Sulabh Sauchalaya”. Pay Toilets shall be provided to Slum Areas.
- **Heritage** - Preservation and maintenance of Heritage Sites with in a sustainable frame work.

# Vision : Impact of Strugence Ashray Fund CSR Programs

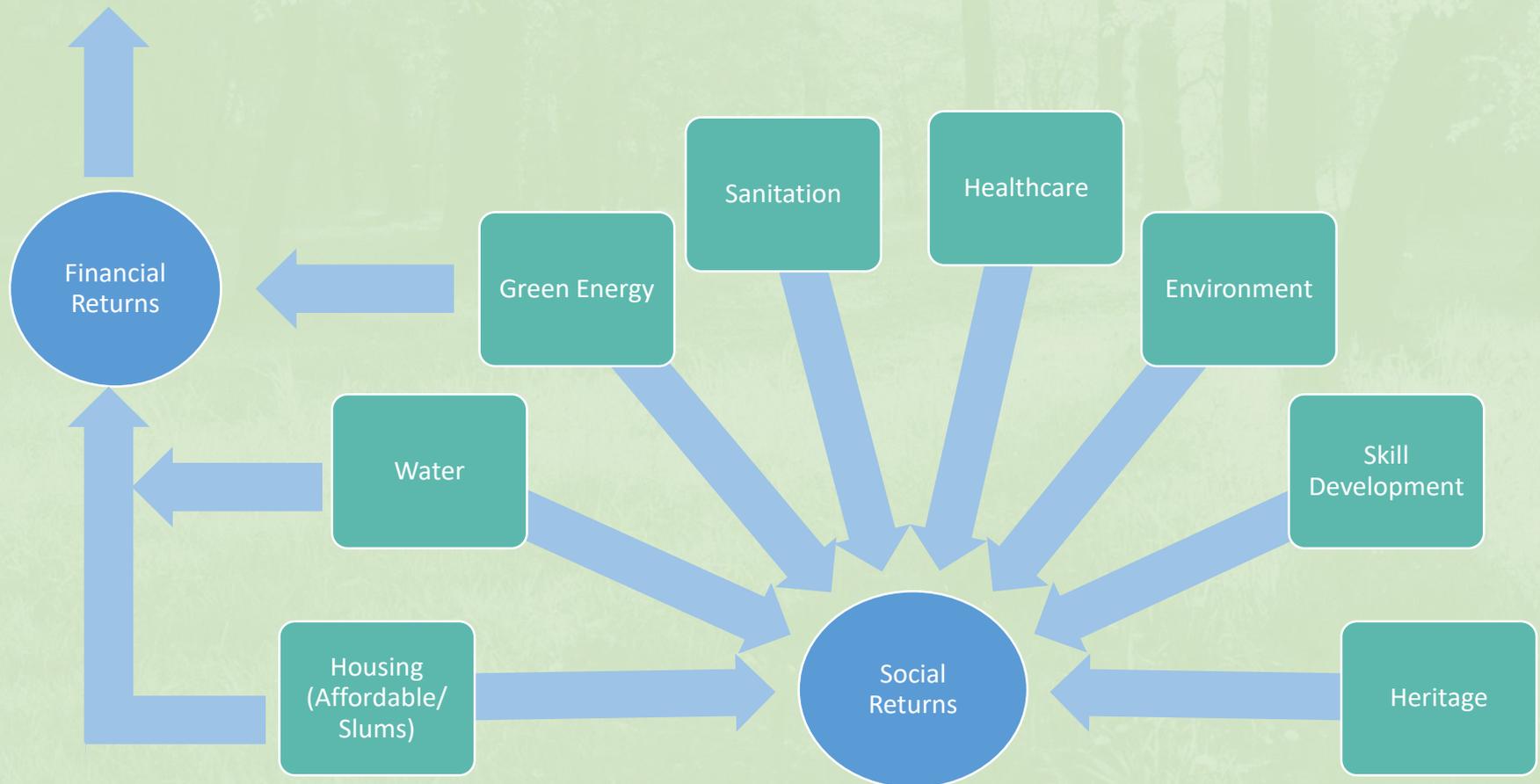


<b>6172</b> Slum and Affordable Housing	Potable Water	<b>50</b> Mobile Health Clinics	<b>100000</b> Solar power to poor homes	<b>500</b> PHCs to be solar powered	<b>75000/yr</b> NSDC led Vocational courses for livelihood generation	<b>25000</b> Zero waste Toilets	<b>2 million</b> Tree Plantation	Heritage Preservation	Indirect Impact Job Creation
Housing Dwellers <b>37,000</b>	<b>3500 Bn</b> litres of water	<b>Patients</b> <b>10,00,000</b>	<b>CO2</b> <b>eliminated</b> <b>3525 MT</b>	<b>Patients</b> <b>10 million</b>	<b>Impacted population</b> <b>7.4 million</b>	<b>Impacted population</b> <b>1 million</b>	<b>Impact</b> <b>CO2</b> <b>eliminated</b> <b>45000 MT</b>	<b>Restoration</b> <b>of Heritage sites</b>	<b>Man Days</b> <b>3.6 million</b>

- **Directly Impacting 22 Million Population ...**
- **Creating economic value equivalent to approx.3.6mn man days ...**
- **Reducing Carbon Footprint of over 48,525 MT ...**

# Ashray Fund Sustainable Model for Social and Financial Returns

## STRUGENCE ASHRAY FUND



## Key Fund Participants

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Sponsor	Strugence Benevolent Foundation and Strugence Sustainable Ventures LLP
Investment Manager	Strugence Sustainable Ventures LLP
Investment Committee	<ul style="list-style-type: none"><li>• Mr. S. Sridhar</li><li>• Mr. Ashok Dutt</li><li>• Mr. Ashok Shinkar</li></ul>
Trustee	Strugence Trustee Private Limited
Legal Advisor	M G Subramaniam / Crawford Bayley & Co.
Tax Advisor	PWC / KPMG (proposed)/ Minesh Shah & Co.
Auditor	To be appointed
Implementing Agencies	Tie-ups with sector experts to ensure CSR programs are properly implemented

## Fund- Trustee

- **Mr. S B Mathur (Independent Director)**, B.Com., FCA, ICWA has over 45 years of experience in the Insurance and Housing Finance fields. In his illustrious career he has served as the Chairman of Life Insurance Corporation of India, as the Non-Executive Chairman of National Stock Exchange of India Ltd. as the Chairman of IDFC Trustee Co. Limited, Orbis Financial Corporation Limited, UTI Technology Services Ltd., UTI Infrastructure & Services Limited, LIC HFL Care Homes Limited, Grasim Industries Ltd. He has been a Director on ITC Foods Limited, UTI Bank Limited; IL & FS Limited; National Investment Fund; National Stock Exchange of India Ltd.; National Collateral Management Services Limited; Munich Re India Services Private Limited; EMD Locomotive Technologies Private Limited; AIG Trustee Company (India) Private Limited; Universal Sampo General Insurance Company Limited, AXIS Bank Limited, Ken India Assurance Company Ltd.; National Commodities & Derivatives Exchange Limited and National Housing Bank. He has been a Non-Executive Independent Director of ITC Limited, as an Independent Director of Samruddhi Cement Ltd., Havells India Ltd., DCM Shriram Industries Ltd., UltraTech Cement Limited, Housing Development and Infrastructure Limited, ITC Hotels Ltd. He is a Fellow Member of the Institute of Chartered Accountants of India and also a Member of the Institute of Cost and Works Accountants of London. He was also sponsored by the United States Agency for International Development (USAID) for training program on housing finance at the Wharton Business School of the University of Pennsylvania.
- **Mr. R.A. Shah** is a leading Solicitor and a Senior Partner of M/s. Crawford Bayley & Co., a firm of Advocates & Solicitors. He specializes in a broad spectrum of corporate laws in general, with special focus on Foreign Investments, Joint Ventures, Technology and License Agreement, Intellectual Property Rights, Mergers and Acquisitions, Industrial Licensing, and Anti Trust Laws, Company Law and Taxation. He is the Chairman/Director of various public limited companies and Chairman/member of Audit Committees.
- **Mr. S.C. Bhargava (Independent Director)**, B.Com. (Hons), FCA has been a Financial Consultant of Bank of Rajasthan and IL & FS Investsmart since August 2005. Mr. Bhargava has over 39 years of experience that encompasses investments, treasury management, finance, accounts and inspection. He joined Investment Department as Central Office, Mumbai in 1993 and served as the Deputy Secretary and since then worked in various capacities as Secretary (Investment), Chief (Investment) and this period he managed treasury, Government Bonds, debt both corporate as well as PSUs and Equity- sale and purchase. He worked with the Life Insurance Corporation of India from 1967 to 2005. He served Life Insurance Corporation of India (LIC) for 38 years and retired in 2005 as Executive Director (Investment). During his association with the Life Insurance Corporation of India, he served in various capacities such as deputy secretary, secretary(investment) and chief (investment). He serves as the Chairman of A. K. Capital Services Limited and OTC Exchange of India. He has been an Independent Non-Executive Director at Cox & Kings Limited since October 1, 2007; and Jaiprakash Associates Limited since December 2005. He has been an Independent Director of Aditya Birla Nuvo Limited from April 29, 2004. He serves as a Director of Antique Finance Private Limited, Jaypee Cement Limited, IL&FS, OTC Securities Limited, UTI AMC Limited; A.K. Capital Services Limited; UTI Retirement Solution Limited; G.K. Industrial Park Private Limited; Escorts Construction Equipment Limited; OTC Exchange of India; Max Mobile Communications Limited and S.C. Bhargava & Company.
- **Mr. Jayant S. Chiney (Executive Director)**, a senior commercial banker, has over 35 years of commercial banking experience covering all aspects of banking, including credit, treasury and international banking operations. Mr. Chiney was General Manager in Bank of India, and earlier was the CEO of Bank of India's European operations. Mr. Chiney has significant experience in credit and lending operations across various sectors and geographical markets, and has dealt with both, the large corporates, as well as the small and medium sized enterprises. Mr. Chiney's credit experience includes extending credit to the real estate sector, to both – the large developers as well as the medium and small sized developers. Mr. Chiney's credit experience covers geographical markets of Mumbai, across Maharashtra, Gujarat and Kolkata, and has good corporate relationships in these markets. Other key functions handled by Mr. Chiney include, international banking, giving him the experience and deep insights into the various facets of International Banking. Besides, Mr. Chiney was the Treasury Head, which apart from managing the local treasury operations, also oversaw the entire overseas operations of the Bank, which has a long established presence in 19 countries.
- **Mr. Dasharath Satam (Executive Director)** is a Chartered Accountant and Chartered Financial Analyst. He has been a hardcore banker with 17 years of experience. He has worked with UTI and IDBI (DFI). He is experienced on both sides of the Balance Sheet. He has represented IDBI at various Judicial / Quasi-Judicial Forums viz. BIFR, AAIFR, DRT, DART and CDR. He was also involved in setting up of Insurance JV of IDBI.

## Fund- Investment Committee

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- **Mr. S Sridhar** (Independent) is an eminent banker with about 38 years of experience in banking in which he has worked 10 years at CEO/Board level. He was previously the Chairman and Managing Director of Central Bank of India, Chairman, and Managing Director of National Housing Bank and Executive Director of Exim Bank. His core strength to the Fund is wide lending experience and relationships across the business community, regulators, banks and financial institutions and Government of India. He was instrumental in setting up agenda for low cost housing, Rural Housing Fund, Housing Microfinance, Interest Subsidy for Housing Urban Poor, Mortgage Repository and Electronic Registry etc. He also introduced Reverse Mortgage for senior citizens. He is widely travelled and has been an invited speaker at many national and inter national conferences organized by the World Bank, UNCTAD, UNESCAP, Commonwealth Secretariat etc. Sridhar had an excellent academic record and holds a M.Sc. (Physics) degree from IIT Delhi. He is an Associate of Indian Institute of Bankers and was awarded the Lord Aldington Banking Research Fellowship.
- **Mr. Ashok Dutt** (Independent) is former Executive Director of Dena Bank. He has a wide banking experience of over 32-years, including in the fields of human resource management and retail banking, the release further said. Prior to this, he was working as General Manager in Allahabad Bank.
- **Ashok Shinkar** is the Managing Partner of the Investment Manager and has over 20 years of experience in finance, lending, investment banking and project development having worked in leading positions in Capital First, JM Morgan Stanley, SSKI Corporate Finance etc.

## Fund- Team

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- **Ashok Shinkar** is the Managing Partner of the Investment Manager and has over 20 years of experience in finance, lending, investment banking and project development having worked in leading positions in Capital First, JM Morgan Stanley, SSKI Corporate Finance etc. Prior to this, Mr Ashok Shinkar was CEO Corporate Lending at Capital First Limited, a leading non-banking financial Company with a corporate lending book exceeding Rs. 20 billion. He has been instrumental in fund raising of debt /equity exceeding Rs. 150 billion across sectors, geographies and corporate and deployment of over Rs. 60 billion. He also has an experience in complex deal structuring, angel funding, turnaround, stress asset resolutions, enforcement of securities and real estate development. He is also the Managing Partner of Strugence Investment Advisors which has a Cat 2 AIF – Strugence Debt Fund which is focussed on investing in Real Estate. He has been closely associated with Slum Area Developments having invested in several SRA projects. He has promoted CSRNoble.com, which is an online portal that showcases various social projects in various fields to donors and also maps such projects to interested donors as per their preferences. He is also the promoter of Strugence Benevolent Foundation, a “not for profit organisation”. The Foundation has recently launched a programme called “Heal the Heels of India” where the programme envisages providing medicinal cream containing lanolin which results in quick healing of heels which is a highly neglected area in rural India due to lack of hygiene. Cracked heels, especially of rural women, results in deep-rooted physical and resultant social problems. He is planning to inter alia seriously fight this ailment.
- **Sanjeev Verma** has been working in the field of CSR, sustainability and impact investing for past several years. He co-founded Indian Centre for Corporate Social Responsibility as advisory, training and research firm to advice Indian companies on CSR & sustainability strategy. As a part of capacity building in the sector, he launched India’s first Master of Sciences Program in CSR & Ethical Management in association with University of Applied Sciences, Vienna. He has advised companies on CSR /Sustainability Strategy, Reporting, Impact Analysis and Social Return on Investment. He conducted training at Indian Institute of Banking and Finance for banking professionals on responsible finance. He was speaker for sustainability in CII conference. He worked with several NGOs to make their programs sustainable and improve reporting standards. He is well versed with Equator Principle which is ESG risk management framework for financial institutions. Prior to that he was part of leadership team of India’s most successful technology media start-up that managed joint ventures with Vogel Media, CBS Interactive, and UBM Media. He worked in European retail before heading home to India. He also headed media division of AdFactor Group. He is an MBA from Southeastern University, Washington DC. and B.Tech. from MNNIT. He has attended Master Class on CSR & Sustainability by John Elkington (University College of London) and Climate Change Program.
- **Prem Shinkar** has been an Entrepreneur having spent 23 years in the Printing & Publishing, IT space. He is a Director at Strugence Business Platforms Private Limited and has translated Business Vision into IT enabled technology platforms [www.growthvistas.com](http://www.growthvistas.com) and [www.assetvistas.com](http://www.assetvistas.com). He is involved in the architecture, project management, branding, promotions as well as operations and administration of the Portals.

# CSRNOBLE and Strugence Benevolent Foundation

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- Strugence has setup a portal called **CSRNOBLE (www.csrnoble.com)** to facilitate Social project sourcing, real-time project progress reporting and monitoring, project financials reporting and funding gaps in various projects.
  - 50 NGOs/ projects are currently being showcased for funding.
  - Of the 5 focus areas of Ashray, Strugence is already working on Slum Area Development, Affordable Housing and Solar segments
  - Strugence also has tie ups with facility providers in the healthcare sector for provision of ambulances and mobile clinics
- Strugence has set up a “Not for Profit Organisation” called **Strugence Benevolent Foundation** for taking up some of the CSR initiatives of the Fund
- Team Strugence (CSR)/ Strugence Sustainable Ventures is spearheaded by Mr. Sanjeev Verma who has over a decade of experience in CSR Advisory, SROI measurement and has been shaping the CSR initiatives of various corporate and banks
- Team Strugence has been working closely with Domestic - Corporate, Banks, Financial Institutions, NBFCs, HNIs, Family Offices and International Investors - Multilateral Agencies, Global Social Funds and Philanthropists for ensuring complete fund mobilisation as contemplated

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**Thank you**