



ICICI VENTURE FUNDS MANAGEMENT COMPANY LIMITED

Corporate Social Responsibility Policy

October 2014

Corporate Social Responsibility Policy

Contents

A. Introduction.....	03
B. Scope	03
C. Governance Structure.....	03
D. Operating Framework.....	04
E. Monitoring	05
F. Disclosure.....	05
G. Corporate Social Responsibility Activities.....	05

A. Introduction

Corporate Social Responsibility ("CSR") is the commitment of companies to provide resources and support activities focused on enhancing economic and social development. It is the effort made by companies to improve the living conditions of the local area in which they operate and the society at large. The activities taken up as part of corporate social responsibility reflect the intent to create a positive impact on society without seeking any commensurate monetary benefits.

CSR has been a long-standing commitment at ICICI Venture and the ICICI Group and forms an integral part of our activities. The group's contribution to social sector development includes several pioneering interventions, and is implemented through the involvement of stakeholders within the Group and the broader community. ICICI Bank Limited established the ICICI Foundation for Inclusive Growth ("ICICI Foundation") in 2008 with a view to significantly expand the ICICI Group's activities in the area of CSR. Over the last few years ICICI Foundation has developed significant projects in specific areas, and has built capabilities for direct project implementation as opposed to extending financial support to other organisations.

ICICI Venture's objective is to pro-actively support meaningful socio-economic development in India and enable a larger number of people to participate in and benefit from India's economic progress. This is based on the belief that growth and development are effective only when they result in wider access to opportunities and benefit a broader section of society. ICICI Venture aims to identify critical areas of development that require investments and intervention, and which can help to realize India's potential for growth and prosperity.

The Corporate Social Responsibility Policy ("CSR Policy") of ICICI Venture sets out the framework guiding the CSR activities. The CSR Policy also sets out the rules that need to be adhered to while taking up and implementing CSR activities.

B. Scope of Corporate Social Responsibility Policy

The CSR Policy would pertain to all activities undertaken by ICICI Venture towards fulfilling its corporate social responsibility objectives. The CSR Policy would also ensure compliance with Section 135 of the Companies Act, 2013 ("the Act").

C. Governance structure

The Corporate Social Responsibility Committee (CSR Committee) is the governing body that will articulate the scope of CSR activities for ICICI Venture and ensure compliance with the CSR Policy. The CSR Committee would comprise of three or more Directors including at least one Independent Director.

The CSR Committee shall:

- i. Formulate and recommend to the Board the CSR Policy and any amendments thereto;
- ii. Indicate the activities to be undertaken by ICICI Venture as specified in the Act;
- iii. Review and recommend the CSR plan to the Board;
- iv. Monitor the CSR activities and compliance with the CSR Policy from time to time; and
- v. Review and implement, if required, any other matter related to CSR initiatives.

The Board of Directors shall:

- i. Based on the recommendation of the CSR Committee, review and approve the CSR Policy which shall indicate the activities to be undertaken by ICICI Venture ; and
- ii. Approve the CSR activities and CSR plan based on the recommendation of the CSR Committee.

D. Operating framework

1. CSR activities will be undertaken in areas identified by the CSR Committee in line with the activities identified by ICICI Group which is in compliance with the Act.
2. CSR activities may be undertaken by ICICI Venture or by ICICI Foundation.
3. ICICI Foundation will continue to be funded by ICICI Bank Limited ("the Bank") as well as by subsidiaries of the Bank. Contributions by ICICI Venture (subsidiary of the Bank) will form part of ICICI Venture's CSR outlay.
4. Activities undertaken by ICICI Venture may include projects being implemented directly by ICICI Venture as well as contributions to not-for-profit entities other than ICICI Foundation for CSR projects that ICICI Venture agrees to finance as part of CSR. Such entities & projects shall be supported after ascertaining the credibility of the agency and its track record in implementing projects. The entity shall generally have a track record of three years in implementing such projects.
5. The plan shall incorporate the following:
 - i. The prescribed outlay on CSR as per the Act and related rules as amendments from time to time;
 - ii. Key CSR activities proposed to be undertaken during the year, including analysis of their eligibility for classification as CSR under the Act and related rules as amended from time to time, their conformity with the CSR Policy and their implementation schedules;
 - iii. Proposed outlay on each activity;
 - iv. Activities to be undertaken by ICICI Venture and ICICI Venture's contribution to ICICI Foundation;
 - v. Activities to be undertaken by ICICI Venture directly;
 - vi. Activities to be undertaken by other entities and ICICI Venture's contribution to such entities; and
 - vii. Aggregate proposed outlay and reasons for shortfall, if any, compared to the prescribed outlay.
6. Funds would be disbursed either in tranches or as one-time payment. The terms, conditions and timing of disbursement would be conditional upon the nature and requirement of the CSR project or programme.

E. Monitoring

The CSR Committee shall ensure a transparent monitoring mechanism for implementation of the CSR activities undertaken by ICICI Venture.

1. The CSR Committee shall review the progress of CSR activities at least once a year, including the annual review.
2. The office of the Chief Financial Officer shall be responsible for monitoring expense on CSR activities with respect to the plan and submission of the same to the CSR Committee and the Board.
3. The Board of Directors shall review the progress of CSR activities at least annually.
4. The activities of ICICI Foundation would also be overseen by the Governing Council of ICICI Foundation.

F. Disclosure

ICICI Venture shall include in its annual report, commencing with the annual report for the year ending March 31, 2015, the following information on CSR:

- i. A description of contents of the CSR Policy;
- ii. An overview of the CSR activities;
- iii. The composition of the CSR Committee;
- iv. Average net profit for the preceding three financial years;
- v. Prescribed CSR expenditure;
- vi. Details of amount spent in the prescribed format;
- vii. Amount unspent, if any, and reasons for not spending the amount; and
- viii. Responsibility statement of the CSR Committee that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and CSR Policy.
- ix. Such other matters as may be specified from time to time for inclusion in the annual report.

The above information shall also be displayed on ICICI Venture's website.

G. Corporate Social Responsibility Activities

The CSR Committee would consider and approve the projects or programmes that ICICI Venture should undertake as CSR in India. Any project or programme that is exclusively for the benefit of ICICI Venture employees would not be considered as CSR.

ICICI Venture's primary focus areas for CSR activities are:

1. Education

(Schedule VII (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects)

Education represents a critical area of action to realise India's growth potential as also make it inclusive, by enabling children from all sections of society to have access to quality basic education that equips them for taking up higher education or job-oriented skill training. At the

same time, India's institutions of higher learning also require investment in capacity building to support India's growing and evolving needs and become global centres of excellence.

ICICI Venture, through ICICI Foundation, will continue to work with state governments and other not-for-profit organisations to improve the quality of education in government and municipal schools, which account for the vast majority of school-going children in the country.

2. Health care

(Schedule VII (i) Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive health care and sanitation and making available safe drinking water; (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups; (x) Rural development projects)

The healthcare challenge in India spans a number of dimensions, including access to affordable healthcare for the poor; sanitation, awareness of health issues & available facilities/ benefits among the less privileged segments of society and specific vulnerable sections of the population; and child malnutrition, which impairs the capacity of a child to lead a healthy and productive life. Addressing this challenge is essential to achieve the objective of inclusive growth.

ICICI Venture through ICICI Foundation will continue to focus on developing innovative models with the potential to scale up and bring about improvements in the delivery of healthcare to the marginalised segments of society. These will seek to enhance the availability of affordable healthcare to low income households, improve health seeking behaviour among low-income and vulnerable groups through higher awareness, and improve child nutrition. ICICI Venture through ICICI Foundation will also focus towards improvement in the areas of sanitation, including in schools. Initiatives to promote access to healthcare backed by insurance will continue to be a focus area and will also support initiatives to make available clean and safe drinking water.

3. Skill development and sustainable livelihoods

(Schedule VII (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects; (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups)

Enabling India's youth to gain skills that can provide employment is key to realizing the potential of India's demographic dividend and driving inclusive growth. Improving employability of the youth from lower-income sections of society is hence an important focus area.

ICICI Venture through ICICI Foundation will support the ICICI Academy for Skills which has been set up across the country to provide job-oriented skill training to youth. Several centres have been set up across the country. In this initiative, ICICI Foundation is also leveraging the skills and training capabilities of large corporates in developing training modules in their respective domains. ICICI Foundation is also liaising with corporates and businesses to get the trained youth employed, through a job portal.

4. Financial inclusion

(Schedule VII (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups (x) Rural development projects)

ICICI Group strongly believes that to improve the overall economic condition of the low-income population and to empower them with means to overcome adversities or inequalities, access to financial services is an important factor. Increasing the participation of the rural population as well as the urban poor and migrant workers in the economic mainstream and the formal financial system is imperative for India to leverage its growth potential. The Group recognizes the need for critical interventions in promoting rural development and will initiate programmes that would empower the rural people.

The Group's initiatives in this area include using various channels like branches and business correspondents, and leveraging technology, to make banking services accessible to low-income groups and the rural population, including the urban poor and migrant workers. The Group will continue to focus on further expanding outreach and increasing the number of customers with access to banking services, with special focus on rural and under-banked/unbanked areas. ICICI Venture through ICICI Foundation and Group at large will continue to support the financial inclusion initiatives.

5. Support employee engagement in CSR activities

ICICI Venture supports the involvement of its employees in CSR activities. ICICI Venture will encourage employees to participate in CSR activities of ICICI Venture and ICICI Foundation.

6. Capacity building for corporate social responsibility

ICICI Venture, through ICICI Foundation will continue to promote incubation of expertise for implementing corporate social responsibility initiatives. ICICI Foundation will also work towards providing a platform for organisations engaged in social initiatives, and discussion & thought leadership on critical challenges to inclusive growth. ICICI Foundation will continue to support initiatives that promote individual and corporate philanthropy.

7. Other areas

ICICI Venture will continue to provide support to specific needs such as during natural disasters, through financial as well as logistical support.