

CORPORATE SOCIAL RESPONSIBILITY POLICY

Change Matrix	
Title:	Corporate Social Responsibility (CSR) Policy
DOC ID:	IDBIAMC-CSRP-1.1
Policy Owner:	Legal & Secretarial Department
Policy Administrator:	Administration
Policy Adherence by:	Departments of IDBI AMC
Release Date:	25/04/2017
Last Date of Update:	25/04/2017
Version Number:	1.1
Reviewed By:	Board of IDBI AMC
Approved By:	Board of IDBI AMC
Propriety:	This document is the sole property of IDBI Asset Management Limited. Any use or duplication of this document without express permission of IDBI Asset Management Limited is strictly forbidden and illegal.
Note:	This Policy is prepared keeping in mind the industry practice and is in line with the CSR Policy of IDBI Bank Limited and Companies Act, 2013 .The manual shall be reviewed and updated as and when required as per the extant provisions of the Companies Act, 2013 and rule made there under.

IDBI ASSET MANAGEMENT LIMITED (IDBI AMC)

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. INTRODUCTION

IDBI Asset Management Limited (IDBI AMC) is a subsidiary of IDBI Bank Limited. As a part of the IDBI Group, it is our endeavor to follow the footsteps of our parent company and work in harmonization with the IDBI Bank and contribute towards CSR activities for the society at large. Accordingly IDBI AMC CSR Policy is driven by intent to make a material, visible and lasting difference to the lives of disadvantaged sections of the society and a sustained positive contribution to the welfare of society at large through a dedicated CSR budget carved out of profits for assorted but deserving CSR initiatives on pan-India basis.

The IDBI AMC CSR policy has been prepared in line with the Section 135 of the Companies Act, 2013 (“the Act”) and amendments thereto from time to time and would include the activities as covered under the Schedule VII of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.

2. CSR OBJECTIVES

- 2.1** As per the Act and the accompanying operational guidelines, Corporate Social Responsibility has been explained as “.....*a way of conducting business by which corporate entities visibly contribute to the social good and use CSR to integrate economic environmental and social objectives with the company’s operation and growth*”. IDBI AMC being a subsidiary of IDBI Bank Limited would like to ensure that the Company’s CSR activities are not performed in silos and accordingly that its CSR activities are skillfully and inextricably woven into the fabric of the Bank’s CSR activities.
- 2.2** CSR projects are an important source of innovation and a good way of engaging employees. The IDBI AMC CSR policy is designed to focus on holistic development of target communities, including employees and endeavor to create long-term social and economic value for the organization and society.
- 2.3** In pursuance of the aforesaid key objectives, the Company will address a slew of associated objectives in the conduct of its CSR intervention as under: -
- a. Act as a good corporate citizen by making a sustained positive contribution to the welfare of society at large;
 - b. Identify gaps and extent need based contribution for the betterment of the society, particularly its disadvantaged sections;
 - c. Contribute for the sustainable and holistic development of the underserved communities through various programmers having multi-dimensional impact; and
 - d. Generate community goodwill by making proactive interventions that will create an enduring image of the Company as a socially responsible entity.

3. CSR COMMITTEE

The Board of Directors of IDBI AMC would constitute a Corporate Social Responsibility (CSR) Committee to review the CSR activities, scope of the CSR Policy, recommend the amount to be spent/ contribution to be made for CSR activities/ projects, lay down the process for undertaking CSR activities, mechanism for monitoring and reviewing the implementation of the projects undertaken under IDBI AMC's CSR initiatives.

1. CSR POLICY

4.1 Policy

IDBI AMC has adopted the following core areas for its CSR initiatives in lines with CSR policy of IDBI Bank, all of which are culled from the activities spelt out under Schedule VII of the Companies Act, 2013, as redrawn through the Ministry of Corporate Affairs (MCA) notification dated 27th February, 2014: -

- a. Promoting Healthcare (including preventive healthcare and sanitation) and poverty eradication;*
- b. Promoting Education (including specialized and employment oriented vocational skills) and livelihood enhancement projects;*
- c. Promoting gender equality and Socio-economic Empowerment;*
- d. Ensuring Environmental Sustainability;*
- e. Protecting and Preserving National Heritage, Culture and Art;*
- f. Welfare measures for Armed Forces Veterans and their dependents;*
- g. Promotion of sports activities;*
- h. Contribution to Central Government Relief and Welfare funds;*
- i. Contribution/ Funding to GOI approved Technology Incubators; and*
- j. Rural Development Projects.*

4.2 Nodal Officer

The Head of Human Resources will act as the nodal officer for the CSR activities of the Company.

4.3 Involvement of other Agencies

In order to implement the approved CSR projects, IDBI AMC may work closely with the IDBI Bank and/or may involve specialized agencies, which include NGOs, Trusts, Self-Help Groups, Government/Semi-Government/ autonomous organizations, Educational institutions, Professional Consultancy Organizations, Registered Voluntary Organization or other appropriate agency/ authorities.

4.4 Other

The time-period/ duration over which a particular program will be spread and shall depend on its nature, extent of coverage and the intended impact of the program, which will be assessed in the beginning.

5. ANNUAL BUDGET FOR UNDERTAKING COMPANY'S CSR ACTIVITIES

5.1 Budget

As set out in the Act, IDBI AMC shall allocate a budget for CSR initiatives for each financial year equivalent to 2% of its average net profits (before tax as per the provisions of Section 135 of the Act) made during the last three financial years.

The Company may, with the approval of the CSR Committee constituted in this regard and of the Board, explore making a voluntary contribution in the CSR activities of IDBI Bank or any of the group Companies subject to necessary due diligence as may be required.

5.2 Incidental Expenses

It is imperative to carry out appraisal, monitoring, documentation and dissemination of CSR activity effectively in order to create the desired impact. Towards this end, the expenses on preparation of reports, documentation, monitoring, coordination of activities, fees to external experts such as designers/ engineers/ professional consultants etc., the expenditure on social audit and for organizing dissemination activities etc. shall be allocated from the overall CSR budget and would be covered under CSR.

5.3 As notified by Ministry of Corporate Affairs (MCA), the surplus arising out of the Company's CSR projects or programs or activities shall not form part of the business profit of the Company.

6. IMPLEMENTATION PROCESS

6.1 The process of identification of CSR programs shall involve the following steps: -

- a. Need-based identification studies to be carried out internally by the IDBI AMC on receipt of proposal/ requests from NGOs, Trusts, State/ District Administration or Local Authorities, other agencies, etc.
- b. The project proposal should fall under the realm of CSR policy indicating detailed timelines, expenditure break-up and other such details to enhance transparency.
- c. A visit may be undertaken either by the nodal CSR officer or any other senior official from IDBI AMC to correctly assess the need and extent of intervention.

Wherever required the above process may be carried out in association with the IDBI Bank.

6.2 Approach for implementing the projects: -

The Company shall follow a project/ activity based accountability approach, setting clear milestones/ objectives to emphasize its stress on long term sustainability. The CSR plans shall be distinguished as follows: -

a.	Short Term	Duration up to 1 year
b.	Medium Term	Duration of 1 year to 3 years
c.	Long Term	Duration of 3 years and above

6.3 Engaging Outside Agencies/ Partners

IDBI AMC may involve outside agencies for implementation of CSR programs undertaken in co-ordination with IDBI Bank Limited. These may include: -

- a. Government, Semi-Government and Autonomous Organizations;
- b. NGOs, Voluntary Agencies, Trusts, Missions, Self-Help Groups, etc;
- c. Elected local bodies such as Panchayats;
- d. Academic Institutions/ Organizations;
- e. Mahila Mandals/ Samities;
- f. Professional Consultancy Organizations; and
- g. Any other agency/ organization, etc. as may be decided by the Company.

6.4 Criteria for identifying the Executing Agencies/ Partners

In case IDBI AMC engages outside agencies/ partners for executing CSR projects activities, the following criteria shall be ensured: -

- a. The Agency/ Organization should have a permanent office/ address in India and basic infrastructure of the Agency/ Organization should be in place. The Agency/ Organization should be in existence for at least three completed financial years;
- b. The Agency/ Organization should possess a valid Income-Tax exemption certificate, if applicable;
- c. The Agency/ Organization must have a proven track record in the proposed generic Area and deeper community engagement;
- d. The Agency/ Organization should preferably have accreditation with and/ or recognition from governments, local administration and international bodies; and
- e. Any other criteria as may be stipulated by IDBI AMC from time to time.

After conducting the due-diligence exercise by the authorized representative of the Bank, if any Agency is recommended for partnership for executing the CSR project/ activities, IDBI AMC shall enter into Agreement/ MOU with the said agency, in case of smaller engagements, it may be way of exchange of letters. In case the project is carried out in association with IDBI Bank, the due-diligence carried out by IDBI Bank shall be deemed to be due-diligence for the purpose of this sub-clause.

7. MONITORING AND ASSESMENT

7.1 Release of funds to external Agencies/ Organizations

7.1.1 The release of funds shall be linked to progress of the project and as per the deliverables matrix, mentioned in the MOU/ sanction letter. After release of the first installment for initiation of the work, further release of funds shall be based on projected progress of the work plan and production of utilization certificate for the previous disbursement(s) by the respective agency.

7.1.2 At the end of the program, utilization certificate for the entire funds disbursed shall be submitted to IDBI AMC, detailing the total expenditure on various project components and duly certified by the Statutory Auditors of the Agency/ competent authority in the organization to which sanction was made.

7.2 Monitoring, Assessment & Reporting Mechanism

7.2.1 The nodal officer shall institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by IDBI AMC. A time frame shall be given for all CSR projects/ activities for their timely completion with suitable milestones. The Company shall monitor the project's progress (including impact assessment/ evaluation) either directly or through professional institutions/ independent research institutions/ other outside agencies.

7.2.2 IDBI AMC shall reserve the right to visit the activity centers/ premises at a mutually convenient time.

8. REPORTING OF CSR INITIATIVES

8.1 A progress report on the various CSR initiatives taken up by the IDBI AMC shall be submitted periodically (half yearly) to the CSR Committee of the Board for consideration.

8.2 Details of the CSR activities undertaken by IDBI AMC and amounts spent along with the reasons for spend below budgeted levels, if any, shall also be reported in IDBI AMC's Annual Report under Director's Report. The policy shall also be displayed on the company's website.

9. GENERAL

9.1 In case of any clarification with regard to any provision of the policy and also in respect of matters not specifically covered herein, a reference has to be made to the Nodal CSR Officer. In all such matters, the decision of the Chairperson of the Company or such person as the Chairperson may delegate shall be final.

9.2 However, the same would be in accordance with revisions/ modifications in the statute, rules and guidelines issued by the Government, from time to time.

9.3 IDBI AMC reserves the right to modify, cancel, add or amend all/ any of the clause(s) of this Policy, with the approval of the Board based on the recommendation of the CSR Committee of the Board.

10. REVIEW OF THE POLICY

IDBI AMC CSR Policy would be reviewed after every three years or earlier, as may be necessary based on experience, statutory requirements and if warranted by changes in Government guidelines issued from time to time or provisions of the Companies Act, 2013.
