

To: All Members  
From: Amit Bhatia, CEO-IIC  
Date: 27 February 2015

## Update & Members Convention on 9-10 April 2015

Dear All,

It is my pleasure to enclose for you an update for January & February 2015 ahead of the 2015-16 Union Budget. I will eagerly see if IIC finds some beginner's luck in the FM's speech tomorrow- I am hopeful about the SVF tax pass-through!

At the outset, I'd first like to thank all 32 attendees from 24 organizations who came for our 28 January Members' Convention. We had 22 executives represent 17 member funds and 10 executives represent 7 partners at the meeting. Please find attached in Annexure 1 the Minutes of the Meeting and in Annexure 2 the names of the Attendees. Additionally, you will find links to Convention Records both on our website and our YouTube page linked to [www.iic.in](http://www.iic.in)

Second, IIC met SEBI on 9 February to push amendments regarding the SVF definition. Mona (Caspian), Anu (Omidyar) and Vijayan (Charioteer) joined me for the meeting.

Third, IIC submitted an updated Representation to Shri Arun Jaitley, Finance Minister based on feedback received from all discussions. This memo is also attached herewith and as you will see, we have re-written definitions of "Social Enterprises" and "Impact Investors" to facilitate legislation. I thank Nishith Desai Associates who provided pro-bono assistance for the same.

Fourth, our website [www.iic.in](http://www.iic.in) is up and running. I request you all to please share 100-word profiles of your investee companies, along with a pic, so we may host the same. Also, if you'd like your Fund's description updated, please send us the details. All our social pages are also operational.

Finally, our next members' convention will be on **9-10 April** on the sidelines of Sankalp Forum. IIC is a Knowledge Partner for Sankalp this year and your special registration code (**SFIIC2015**) includes a component of IIC costs, along with early-bird discount of 15% for registrations before 15 March. We will have 4 hours of IIC-only Programming on the sidelines of Sankalp. The agenda will follow soon.

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In summary, we have made our presence felt with the Government of India and we will continue our advocacy. We hope that SVFs and AIF Category 1 will get tax pass-through in this budget but the rest will be known tomorrow. I look forward to meeting all of you on 9-10 April 2015 at our next Members' Convention at Vigyan Bhawan.

Regards,



**ANNEXURE 1: IIC MEMBER  
CONVENTION - MINUTES (28<sup>th</sup> Jan  
'15)**

**Session 1: Joint Session (with IVCA, TiE,  
NASE & IAN) with Shri Jayant Sinha**

The first session of the day saw the Working Group for Business & Social Entrepreneurial Impact present a joint representation for the Union Budget 2015-16 to Shri Jayant Sinha, Minister of State for Finance. The working group consisting of India's five leading industry associations- Impact Investors Council (IIC), Association (IVCA), Indian Angel Network (IAN), The Indus Entrepreneurs, Delhi-NCR (TiE), National Association of Social Enterprises (NASE). The group presented specific policy representations for the Union Budget 2015-16 that can nurture the growth of the entrepreneurial eco-system in India. The minister appreciated the Working Group's efforts and stated that the Working Group shares the government's priorities namely (a) simplifying the tax code (b) improving the ease of doing business in the country (c) sparking entrepreneurship (d) sparking capital access of all forms. He recommended that as a next step the working group identify specific policy amendments in existing laws and acts and present to the Finance Ministry.

**Session 2: IIC Members' Meeting**

The session was an IIC members-only event, which opened with screening of a video on IIC. This was followed by discussion by members on four key topics (a) Risk Management & SRO (b) Government Interface & Advocacy (c) Impact Measurement, and (d) Press Relations, Branding & Profiling. There was consensus on the fact that in order to conduct effective advocacy with



India Private Equity & Venture Capital



Images 1&2: Heads of all the 5 industry associations and IIC present a token of thanks to Shri Jayant Sinha



Image 3: IIC members in discussion

government bodies it was important for all members to align with a common vision and definition of impact investing in India. All members along with IIC should work actively to promote this common vision through media channels and public events thereby projecting a consistent image of the impact investing community in India. It was also agreed that given the target segments that impact investors work with and keeping in mind the microfinance experience it is important to evaluate future regulatory risks that may emerge as the industry expands. Thus, there should be a fine balance between public communication on impact investing in India and working with regulatory bodies to mitigate any anticipated risks. IIC will lead on this front by interfacing with the



government and regulatory bodies as well as defining the common vision of the impact investing industry and consistency of communication.

**Session 3: Press Conference (addressed by IIC Board; supported by Members)**

The press conference commenced with the screening of the IIC video, followed by a walk-through on IIC's budget representation by the board members – Anuradha Ramachandran and Mona Kachhwaha to the members of the media. Journalists from leading publications such as Pioneer, Mint, Hindustan Times, and Business Today etc. were present in the audience. This was followed by a brief Q&A on IIC's aims and policy agenda. Members of the media also connected one-on-one with the IIC members and Amit to gain a better understanding of the impact investing industry in India.



**Session 4: IIC Session with Shri Manoj Joshi, Joint Secretary, Ministry of Finance**

The final session saw Shri Manoj Joshi, Joint Secretary, Ministry of Finance join the IIC members. The board members presented IIC's five budget representations namely (a) Recognition of social enterprises, impact investors and the Impact Investors Council as a self-regulatory industry association (b) Representation to SEBI on Social Venture Fund guidelines in Alternate Fund Investment Regulations (AIF), 2012 (c) Extending Priority Sector Lending to social enterprises (d) Increasing access to External Commercial Borrowing (ECB) funding by social enterprises (e) National standards for social impact measurement. The Joint Secretary took a keen interest on each of the representations and provided his own inputs with respect to each. He shared that IIC should identify the exact regulatory institutions each of these representations correspond to and commence communication with them. He was also of the view that while representations to SEBI were clearly articulated the ones on priority sector lending and ECB should be fine-tuned further.

Image 5: Amit Bhatia and Mona Kachhwaha share the IIC budget representation with Shri Manoj Joshi



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The session was closed with the Joint Secretary indicating that he would review IIC's impact investing definitions and could consider recognition of impact investing in the upcoming Union Budget.

The proceedings of the day concluded with finalization of the next member convention to be held on 9 April 2015 in Delhi, at the sidelines of the Sankalp Innovation Expo.

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## ANNEXURE 2: LIST OF ATTENDEES

1. Ajit Mahadevan, Acumen
2. Anand Chandani, responsAbility
3. Anil Sinha, IFC
4. Anuradha Ramachandran, Omidyar Network
5. Bhavesh Himani, Lok Capital
6. Eric Savage, Unitus Capital
7. Gaurav Gupta, Ananya Finance
8. Geeta Goel, Michael and Susan Dell Foundation
9. Ipshita Sinha, Intellectap
10. Jinesh Shah, Omnivore Partners
11. Katharina Kuehn, GIZ
12. Kartik Desai, Asha Impact
13. Ketaki Suklik, Acumen
14. Mona Kachhwaha, Caspian
15. M Balasubramanian, DFID
16. Nisha Dutt, Intellectap
17. Rachana Ramchandran, Asha Impact
18. Raghavendra Badaskar, Intellectap
19. Rajat Bansal, Lok Capital
20. Rakesh Rewari, GIIN
21. Sandeep Farias, Elevar
22. Saneesh Singh, Dia Vikas Capital
23. Srikrishna Ramamurthy, Unitus Fund
24. Vishal Mehta, Lok Capital
25. Varun Bhalla, Khosla Impact Ventures
26. Tanya Jairaj, Upaya Social Venture
27. Yuvraj Ahuja, IFC
28. Vineet Rai, Aavishkaar
29. Vishal Mehta, Lok Capital
30. Wei Wei Hsing, Acumen
31. Wolfgang Leidig, GIZ
32. Yuvraj Ahuja, IFC

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