



# CORPORATE SOCIAL RESPONSIBILITY POLICY- 2024

**BANK OF BARODA**  
**CORPORATE SOCIAL RESPONSIBILITY POLICY-2024**

<b>SR No</b>	<b>Content</b>	<b>Page Nos</b>
1.	Preamble	3
2.	Vision	3
3.	Objective	3
4.	Background	4-6
5.	Policy Statement	6-7
6.	Revised CSR Policy	8
7.	Focus Areas	8
8	Guidelines a. Structure b. Budget c. CSR Annual Action Plan d. Scope of activities e. Eligibility criterion for partner f. Processing of Proposals g. End Use of Fund h. Monitoring i. Evaluation	9-11
9.	Pillar-I-Baroda Swarojgar Vikas Sansthan(BSVS) a. Activity b. Structure c. Budget d. Financial power of sanction e. End Use of Fund f. Monitoring g. Evaluation	12-13
10.	Pillar-II-Eligible Areas for Donations a. Structure b. Budget c. Eligibility d. Financial Powers for Sanction e. Processing of Proposals f. Accounting procedure g. End Use of Fund	13-16
11.	Annex-1 Eligible Activities for CSR Donations as specified in Schedule-VII of Companies Act 2013	17-18
12.	Annex-2- Check List for Processing Proposals Seeking Grant/ Donations from Bank	19-20
13.	Annex-3: Guidelines for CSR Annual Action Plan	21
14.	Annex 4- Performance under CSR Annual Action Plan	22
15.	Annex 5- Chapter of Compliance	23

## **1. PREAMBLE:**

Corporate social responsibility (CSR) is a self-regulating model that helps a company be socially accountable to itself, its stakeholders, and the public. By practicing corporate social responsibility, also called corporate citizenship, companies can be conscious of the kind of impact they are having on all aspects of society, including economic, social, and environmental.

Bank of Baroda's Corporate Social Responsibility Policy is founded on the premise that business owes its existence to the society. The Policy builds on the legacy and tradition of 116 years of glorious service to the nation wherein the Bank has endeavored to practice sustainable development and Corporate Social Responsibility through meticulous planning and effective designing of policy frameworks and delivery of innovative services. This policy will be the guiding light for exerting concerted efforts to make significant positive impact and influence its employees and partners in fostering a sense of social commitment for the different stakeholders. The Bank will strive to make meaningful contribution to the socio-economic development of the country by encouraging gainful activities in the realm of education, health, human welfare and other social activities which are mainly linked to rural masses such as imparting training to unemployed youth and knowledge dissemination and promoting financial literacy.

The Companies Act, 2013 has brought the idea of corporate Social Responsibility to the forefront by mandating companies to set aside 2% of their net profits solely for social activities. They also framed the definition of CSR and guidelines of CSR spend. Banks, however is required to spend upto 1% of its profits on CSR as per RBI regulations.

## **2. VISION:**

To promote sustainable and inclusive development as a responsible corporate citizen.

## **3. OBJECTIVE:**

To explicitly enunciate the unflinching commitment to sustainable development and corporate social responsibility. As a responsible corporate citizen, the Bank strives to contribute to the welfare of the society from where it derives its strength, apart from ensuring adherence to the mandatory targets fixed by GoI/ RBI. The objective of the policy is to lay down the broad strategy which drives the Bank in striking a balance between its internal (employees, shareholders, investors) and external (institutions of public governance, community members, civil society groups, other enterprises) stakeholders.

#### 4. BACKGROUND:

In India government remains committed to sustainable growth and human development and also requires care for environment.

Bank of Baroda has always proactively participated in the development initiatives of the Government. The evolution of the Bank's CSR policy has been in sync with the mandate from the government and regulators.

4.1 Reserve Bank of India, vide their circular no. DBOD DIR.BC.50/13.01.01/2005-06 dated 21.12.2005, communicated that policy related to donations given by Banks to various entities may be formulated by the Bank's Board of Directors. Accordingly our 'Bank's "Donation Policy' was approved by the Board on 24.05.2006 keeping in the following RBI guidelines:

- i. The profit making Banks may make donations during a financial year up to one per cent of their net profit in the previous year. Banks can also create funds for specific purposes to encourage research and development in fields related to Banking. The Board of the Banks may determine the amount of contribution to be made to such funds. The contribution made to such funds in a year will be reckoned for computation of the one percent ceiling.
  - ii. The donations for the research and development funds should normally be made for setting up professional chairs, granting fellowships, scholarships for studies and research at universities and approved institutions and for commissioning special projects for analysis and research in areas pertaining to banking, finance, statistics, management, economics etc.
  - iii. The donations to Prime Minister's National Relief Fund and subscriptions/contributions to professional bodies / institutions related to banking industry like Indian Banks' Association, National Institute of Bank Management, Indian Institute of Banking and Finance, Institute of Banking Personnel Selection and Foreign Exchange Dealers' Association of India may be excluded from the one percent limit.
  - iv. Loss-making banks were allowed to donate a maximum of Rs.5/- lacs in a financial year including donations to exempted entities / funds indicated in Para (iii) above.
  - v. Unutilized portion of the limit of one percent should not be carried forward to the next year.
  - vi. The banks may continue to submit annual review of donations to their Boards of Directors.
- 4.2 As per clause (f) of sub regulation (2) of regulation 34 of Listing Regulations, the annual report shall contain a business responsibility report (BRR) describing the initiatives taken by the listed entity from an environmental, social and governance perspective, in the format as specified by the Board. Accordingly, listed entities shall be guided by the format as per Annexure I.

**Business Responsibility Report (BRR):** Bank will publish the details of CSR activities in BRR report every year as per circular no CIR/CFD/CMD/10/2015 issued by SEBI as given below

#### **FINANCIAL DETAILS OF THE COMPANY**

1. Paid up Capital (INR)
2. Total Turnover (INR)
3. Total profit after taxes (INR)
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)
5. List of activities in which expenditure in 4 above has been incurred:-

- 4.3 Looking to the fast changing scenario in the area of Corporate Social Responsibility (CSR) in the country and to align the Bank's policy with the prevailing circumstances, the Bank envisaged an "Integrated Approach Towards Corporate Social Responsibility" which was adopted by the Board on 05-04-2013.
- 4.4 The provisions of Companies Act 2013 were amended in 2014 to make CSR spending mandatory for Corporates and Companies. However, Public Sector Banks are not registered under the Companies Act, the provisions of Sec. 135 of Companies Act, 2013 on CSR are not applicable for the Bank.
- 4.5 The donation/CSR activity is to be undertaken by the Bank as a proactive and voluntary step for development of the well-being of less fortunate/under-privileged members of the society, keeping in view the philosophy of giving back to the society.
- 4.6 In adherence to guidelines from various Government Agencies, the Bank initially adopted the 'Bank of Baroda Sustainable Development & Corporate Social Responsibility Policy' on 10-06-2014. Subsequently, this policy underwent a comprehensive review by the Board on 20.07.2015, leading to the formulation of a new policy named the 'Bank of Baroda Corporate Social Responsibility Policy.'
- 4.7 Recognizing the evolving landscape, the Steering Committee of the Board on Financial Inclusion and CSR, in its meeting dated 19.07.2016, emphasized the need to revise the policy with a focus on Corporate Social Responsibility, Baroda Swarojgar Vikash Sansthan & Donations, and Steering Committee of the Board on Agri, FI, and CSR. This resulted in the approval of the "Bank of Baroda Sustainable Development & Corporate Social Responsibility Policy-2016" by the Board on 11.11.2016. The policy was subsequently reviewed by the Board on 29.06.2017 and remained valid until 31.03.2018.
- 4.8 The Steering Committee, on 13.03.2018 (agenda no-8), renewed the policy with certain modifications, naming it "Sustainable Development & Corporate Social Responsibility Policy-2018," effective until 31.03.2019.
- 4.9 Another renewal took place on 13.03.2019 (agenda no-6), resulting in the approval of the "Corporate Social Responsibility Policy-2019," extending its validity until 31.03.2020.

4.10 Subsequently, the Steering Committee, on 27.02.2020 (agenda no-9), renewed the policy with a few modifications, designating it as the "Corporate Social Responsibility Policy-2020," effective until 31.03.2021. This CSR policy received approval from the Board in its meeting on 23.03.2020.

4.11 The Steering Committee, on 25.03.2021 (agenda no-5), further renewed the policy with certain modifications, and it was approved as the "Corporate Social Responsibility Policy-2021," valid until 31.03.2024.

4.12 In the Board Strategy meet held on 13th and 14th July 2022, New CSR approach and framework i.e. from "grant mode" approach to a mission-based program" approach was discussed and the Board had approved for the following.

- Putting an implementation program for setting up CSR Foundation.
- Carving out a CSR & Sustainability Committee of Board from the existing Steering Committee of the Board on Agriculture, FI & CSR to focus on CSR and ESG Agenda.
- Finalization of CSR Focus Themes which can be run on a multi-year mission mode.

4.13 In view of the above, Board of Directors in its meeting dated 28th December, 2022 accorded approval for constitution of 'CSR and Sustainability Committee' of the Board

## **5. POLICY STATEMENT:**

Bank of Baroda believes that Corporate Social Responsibility (CSR) extends beyond the ambit of business and should focus on a broad portfolio of resources viz, human, physical, environmental and social. Bank already has set up Baroda Swarojgar Vikas Sansthan (BSVS) Trust (established on 19<sup>th</sup> December 2003 as a society registered under Societies Registration Act, 1860 and also under Public Trust Act 1950) in addition to having internal departments, managerial and administrative wings, committees etc. to cater to issues pertaining to CSR.

Going forward, the following elements will underpin the essential features of the CSR initiatives of the Bank

- i. In accordance with the broad scope of activities permitted under Schedule VII of the Companies Act, 2013, the Bank will undertake CSR activities as approved by CSR and Sustainability Committee of the Board. The implementation of CSR activities will be undertaken either through the BSVS Trust or such other organizations as approved by the CSR & Sustainability Committee of the Board
- ii. Bank shall fund activities of the BSVS Trust through donations, grants, aids, subsidies, contributions etc. In case of BSVS Trust, if donation or grant is not available for meeting the recurring and capital expenditure, Bank will make available the fund to the Trust from its profit and loss account.

- iii. Bank shall fund CSR activities through Specialised institutions which are recognized as charitable institutions under section 12A of the Income Tax Act, 1961, and which may be registered as non-profit institutions under the Societies Registration Act, 1860 and its state level derivative law; or under the Indian Trusts Act, 1882; or under Section 8 (earlier section 25) of the Indian Companies Act, 2013.subject to norms and policies of the Bank from time to time.
- iv. Bank shall endeavor to provide managerial and administrative support in the form of deputing staff, nominate staff as ex-officio members of the committee as observers on the Boards of the grantee Societies/Trusts/Charitable Companies, and arrange necessary training for its staff members to carry out developmental works.
- v. Bank shall endeavor to provide functional autonomy and encourage decentralized decision making in its sponsored institutions, organizations, committees etc. to further the cause of CSR.
- vi. Bank shall make all efforts to adopt systematic mechanisms to plan, devise, execute, fund and monitor the CSR initiatives and need based decision may be taken for impact study.
- vii. Bank shall strive to institute necessary awards/recognition to motivate its staff, general public and external agencies to contribute in development activities.
- viii. Bank at its sole discretion, may allow jointly sponsored centers to accept grants, subsidies, donations, aids in any form of assets that will assist the centers to carry out the defined objectives.
- ix. Bank shall adopt a policy to safeguard the assets and properties of its and/or jointly formed centers and shall not allow the centers to alienate, sell, transfer any of its properties. However, the Bank reserves the prerogative of transferring such assets to the like-minded agencies in course of time at its sole discretion. The Bank also reserves the right to take over the ownership/physical possession of assets in the interest of protecting the property from misuse. The sponsored centers shall generally be barred from raising loans and advances without the specific consent of the bank.

In keeping with the above guidelines, the Bank will carry out our CSR activities as under:

**(A).Baroda Swarojgar Vikas Sansthan Trust (BSVS Trust)-Pillar-I**, as detailed in this policy.

**(B). Donations for undertaking activities-Pillar-II** listed in Annexure-1, to non-profit societies/trusts/companies which have been subjected to due scrutiny as per Annexure-2.

## 6. REVISED CSR POLICY:

This Policy shall be effective from April 1st, 2024, and shall be valid for a duration of three years or until renewal, whichever occurs earlier. The CSR & Sustainability Committee of the Board will review the policy and suggest any necessary modifications or amendments for approval by the Board. In instances where the policy cannot be reviewed by the due date, the CSR & Sustainability Committee of the Board or MD & CEO may extend the policy's validity for a maximum of six months from the review deadline.

In case of any ambiguity/contradiction/clarification with regard to this Policy, the CSR & Sustainability Committee of the Board shall be the final deciding authority. All expenditure concerning donation, CSR programs/activities will be diligently documented in the CSR Department. The power of deviating from this Policy is vested with the CSR & Sustainability Committee of Board.

## 7. FOCUS AREAS:

Though the Bank is open to interventions in the Sustainable Development & CSR in a multitude of areas, it will focus on the following three areas-

- i. Promoting Employment Enhancing Skill Training Programs, with focus on **youth**
- ii. Improving Financial Literacy, including digital literacy, particularly for **women**
- iii. Enhancing incomes of the disadvantaged groups, particularly **farmers, workers etc.**
- iv. Any other activities falling within the broad scope of Schedule VII of the Companies Act.2013 and identified by CSR & Sustainability Committee of the Board.



## 8. GUIDELINES:

### a. STRUCTURE

There shall be a Committee i.e. CSR & Sustainability Committee **of the Board** to oversee all activities under this Policy. This committee shall institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the bank.

**Composition of the CSR & Sustainability Committee of the Board:** It shall be headed by the Chairman of the Bank. The regular members of the committee shall be Managing Director & CEO, All Executive Directors and Two Non-Executive Directors.

Head (CSR) shall act as the Nodal Officer and the CSR & Sustainability Committee of the Board can co-opt other members with suitable expertise as it deems fit from time to time.

**Quorum:** The quorum for the meetings will be minimum of four members including at least one Non-Executive Director.

**Meetings:** The CSR & Sustainability Committee of the Board shall meet as and when required, but at least once in each quarter and the Board Secretariat/CSR Department is tasked with organizing the committee meetings on a quarterly basis.

**Minutes:** The minutes of the CSR & Sustainability Committee meetings will be placed before the Board for information and review.

### b. BUDGET:

As per Reserve Bank of India directives, vide its communication No. 237/2205-06 DBOD.No.Dir.BC-50/13.01.01/2005-06 dated 21st December, 2005:

Bank may make Donations during a financial year aggregating upto one percent of published profits of the Bank for the previous year. In case of loss, the Bank can spend up to Rs.5.00 lac per annum.

The contributions made by Bank to Prime Minister's Relief Fund and subscriptions to Professional Bodies/Institutions like Indian Bank's Association, National Institute of Bank Management, Indian Institute of Banking and Finance, Institute of Banking Personnel Selection and Foreign Exchange Dealer Association of India are exempted from the above ceiling.

The unutilized portion of the limit of one percent will not be carried forward to the next year.

In view of the aforesaid RBI guidelines, we suggest that Annual Budget for Donation/ CSR be limited upto 1 % of published net profits of the Bank for the previous year or upto Rs.5.00 lacs per annum in case of loss.

#### **c. CSR ANNUAL ACTION PLAN:**

The CSR Department shall prepare a CSR Annual Action Plan (CSR-AAP) as per guidelines in Annexure 3, every year by the end of June Quarter, once the profit for the previous year is declared and get it approved before 30th June by the CSR and Sustainability Committee of the Board. The Committee would review the proposed CSR-AAP, suggest any modifications therein and advise the Board for approval for the expenditure during the ongoing financial year.

#### **d. SCOPE OF ACTIVITIES**

The CSR and Sustainability Committee will approve activities to be undertaken under CSR activities, partially or fully, through BSVS Trust or any other registered trust or society or company.

The Bank may also collaborate with other banks or companies for undertaking projects or programmes under CSR activities.

Scope of interventions and expected outputs and outcomes shall be clearly defined for each programme with clearly defined timelines.

#### **e. ELIGIBILITY CRITERION FOR PARTNER**

The Bank can partner with registered Trust/Society/Company for undertaking CSR activities who meet the following minimum eligibility criteria:

- Should be registered as a non-profit institutions under Society Registration Act/ Indian Trust Act/ Companies Act (Sec 8/ earlier Sec. 25).
- Should not have any political or religious affiliations.
- Should have been registered for a minimum 3 years as Trust/ Society/company and should have 3 years of active programme experience.
- Overhead costs of the Trust/company/ Society partner should be less than 20% i.e. at least 80% of the resources are routed to the beneficiaries.
- Trust/Society/company should not have blacklisted by any Government Body or Professional Association.

#### **f. PROCESSING OF PROPOSALS:**

Requests for CSR proposal, wherever received, should be submitted to CSR Department, HO, along with relevant supporting documents. (Annexure-2)

#### **g. END USE OF FUND**

End use of fund and summary of activities and outcomes will be monitored by the CSR Department and reported in a tabular form given in Annexure 4 to CSR and Sustainability Committee at least once a year for each and every grant made.

#### **h. MONITORING**

The CSR Department of the Bank will periodically monitor CSR programs / activities of the partners supported by the Bank. The internal monitoring process on the progress of implementation of CSR activities will be continuous in nature.

The CSR and Sustainability Committee would review the annual plans and programmes for the CSR programmes/activities of the Bank and advise the Board accordingly.

#### **i. EVALUATION**

- a) The CSR and Sustainability Committee may advise for a base line study at the approval stage so that the findings from the same can be contrasted with the output and outcome post intervention. The base line study can be entrusted to third parties.
- b) The Bank can undertake evaluation studies internally through the CSR/ any other Department identified by the CSR and Sustainability Committee.
- c) Third parties may be engaged to ensure objective assessment of the effectiveness of interventions.
- d) The CSR and Sustainability Committee will be authorized to decide whether evaluation will be internal or external/third party evaluation.

## **9. Pillar-I: (A) BARODA SWAROJGAR VIKAS SANSTHAN TRUST**

Bank established Baroda Swarojgar Vikas Sansthan on 19<sup>th</sup> December 2003 as a society registered under Societies Registration Act 1860 and also under Bombay Public Trust Act 1950 to impart knowledge and skill to the unemployed youth so as to enable them to undertake self-employment ventures.

### **a. ACTIVITIES**

Training and hand holding support to the unemployed rural youth so as to encourage self-employment on sustained basis and Financial literacy and credit counselling in rural and urban areas.

### **b. STRUCTURE**

The BSVS Trust is governed by a governing body which acts as the controlling entity for BSVS and FLCCs established in Lead Districts of the Bank all over India. The members of Governing Body are as under:

- I. Executive Director, in-charge of RRBs & RSETIs Department -President,
- II. Chief General Manager – RRBs & RSETIs Department-Vice President
- III. General Manager – RRBs & RSETIs Department-Secretary
- IV. Head – Facilities Management, Security, COA & DMS-Member
- V. General Manager – Financial Inclusion & CSR-Member
- VI. Zonal Head – Lucknow Zone-Member
- VII. Zonal Head – Baroda Zone-Member
- VIII. Deputy General Manager - RRBs & RSETIs -Member
- IX. Deputy General Manager – Financial Inclusion & CSR-Member
- X. Head - Apex Academy, Gandhinagar-Member
- XI. Assistant General Manager- RRBs & RSETIs-Member

### **c. BUDGET**

Bank will earmark funds for both revenue and capital expenses related to BSVS trust from the overall CSR budget.

### **d. FINANCIAL POWER OF SANCTION**

The request for fund of BSVS Trust will be decided by the recommendation of the governing body and approval by CSR and Sustainability Committee.

#### **e. END USE OF FUNDS**

End use of funds will be monitored by Governing Body of BSVS Trust.

#### **f. MONITORING**

The R-SETI Department and CSR Department monitors the activities and progress of the BSVS centers.

The performance and operations of BSVS Trust undergo biannual reviews conducted by its Governing Body, in addition to monitoring by the Ministry of Rural Development. The quorum for Governing Body meetings is set at half of the total members.

#### **g. EVALUATION**

The evaluation of BSVSs training centers will be carried out by National Center for Excellence of RSETIs, Bengaluru as per guidelines of Ministry of Rural Development, Government of India. The evaluation will be in terms of grading the training Centre vis a vis similar training centers sponsored by other banks at the end of financial year.

### **9. Pillar-II: (B) ELIGIBLE AREAS FOR DONATIONS**

Bank can donate money for the activities listed under **Annexure 1**

#### **a. STRUCTURE : It will be same as per structure of Pillar –I**

**BUDGET: It will be same as mentioned above.**

#### **b. ELIGIBILITY**

There are both enabling and restraining provisions which need to be meticulously followed while donating. Following are the checklists to be followed diligently while making donations:

#### **c. ENABLING**

- Donation to any organization / institution should be considered only once in a financial year.
- It should be ensured that donations are invariably made directly to Institutions without any involvement of agents / middlemen / consultants.
- Institution should be registered as a Society or a Charitable Trust or a Company under Section 8 (earlier Sec 25) of the Companies Act

- Donations should be routed through institutions having a long unblemished record of public service.
- Donations should be made only to institutions eligible for tax exemption, i.e. institution should have income-tax exemption certificate under Sec 12 A, Sec.80(G)/35 of I.T. Act, so that Bank can claim tax exemption.
- Commitment to sustainability that reflects best practice from the corporate social responsibility movement, while recognizing that voluntary measures alone are not sufficient, and that they must support regulations that will help the sector advance sustainability
- Need to integrate the concepts of Corporate Social Responsibility (CSR) and Sustainability with their business strategy through:
  - (i) Commitment to Sustainability -Bank must expand their missions from ones that prioritize profit maximization to a vision of social and environmental sustainability.
  - (ii) Commitment to 'Do No Harm'- Bank should commit to do no harm by preventing and minimizing the environmentally and/or socially detrimental impacts of their portfolios and their operations.
  - (iii) Commitment to Responsibility- Bank should bear full responsibility for the environmental and social impacts of their transactions.
  - (iv) Commitment to Accountability -Bank must be accountable to their stakeholders, particularly those that are affected by the activities and side effects of companies they finance.
  - (v) Commitment to Transparency -Bank must be transparent to stakeholders, not only through robust, regular and standardized disclosure, but also through being responsive to stakeholder needs for specialized information on bank policies, procedures and transactions.
  - (vi) Focuses on the emerging philosophy of Responsible Banking, bank can make a positive impact on economic development by influencing environmental, social and ethical outcomes by integrating the principles of Corporate Social Responsibility and Sustainable Development and Sustainable Reporting with their business strategy.

#### **RESTRAINING**

- Request for donations from institutions having caste/ religious/ communal bias and/or political overtones should not be considered.
- Donations to Government Departments or Organizations/ Institutions funded exclusively by the Government should not be given as these institutions are expected to meet their financial requirements through government budgetary grants.
- Donations to institutions which are having their own funds and/or can raise, on their own funds to meet costs of their project should be avoided.

- Donations should not to be made to individuals.
- Donations for construction activities should be discouraged. Only in very exceptional circumstances, donations may be considered for construction activities provided it directly benefits the target beneficiaries.

Donations should not generally be made as contribution towards corpus funds. In very exceptional and deserving cases, donations may also be considered.

#### **d. Sanctioning Powers**

All expenditure above Rs 100 lacs per donation including contribution to BSVS or to corpus for project or programme relating to CSR activities needs to be approved by the CSR and Sustainability Committee. For donations below Rs 100 lacs the sanctioning authority shall be as indicated below.

All donations have to be reported to the CSR and Sustainability Committee in the meeting immediately subsequent to the donation approved, irrespective of the amount involved.

Authority	Existing Financial Powers/ per Financial Year
CSR & Sustainability Committee	Above Rs.100 lakhs per donation – with a Cap of total annual CSR funds approved by the Board
Managing Director & CEO	Up to Rs.100 lacs per donation with a Cap of Rs.1000 lakhs
Executive Director (In-charge of CSR)	Up to Rs.50 lacs per donation with a Cap of Rs.500 lakhs
Head (CSR)/1 <sup>st</sup> alternate/ 2 <sup>nd</sup> alternate arrangement	Up to Rs.20 lacs per donation with a Cap of Rs 200 lakhs. (1 <sup>st</sup> alternate/ 2 <sup>nd</sup> alternate arrangement- In case the position of Head (CSR) is Vacant/ in absence )

#### **e. PROCESSING OF PROPOSALS**

Requests for CSR donations received in the Regional/Zonal offices must be forwarded to the CSR Department at the Head Office. This should be done using the prescribed Performa Annexure-2 (attached with this policy), accompanied by relevant supporting documents and endorsed by the recommendation of the Zonal Head/Deputy Zonal Head. The approval for donations is centralized at the CSR department of the Head Office, following presentation to the appropriate authority under this policy.

**f. ACCOUNTING PROCEDURE:**

The Zone/Region shall disburse the amount, as per terms of sanction received from HO, through New Inter Branch Settlement Account(xxxx0031101172), as advised vide circular no BCC:BR:109/407 dated 10.08.2017 regarding revised process for inter-branch transactions and shall send the intimation forwarding letter along with supporting documents, which shall be sent to the Nodal Officer, CSR Dept, HO for claiming reimbursement and the entry shall be reversed by the Office Administration Department, BCC, Mumbai after receipt of advice from CSR Department, HO, Mumbai.

**g. END-USE OF FUNDS:**

- Respective CSR/Marketing department at Zones, which have sponsored the projects and have subsequently disbursed funds shall have the responsibility of monitoring the utilization of funds donated. The Zones will ensure that funds are used for the purpose for which they were sanctioned. The Zone shall inspect the assets created out of donations through a senior officer of the Bank and shall keep the inspection report for records and update the CSR department.
- Zone shall ensure that the donee exhibits the Bank's name/logo on the premises where donated assets shall be kept and/or on donated assets themselves.
- The Zone shall ensure to obtain: Receipt for donated amount from donee. Attested copy of Certificate under section 80 (G) of Income Tax Act to claim exemption, if applicable. Certificate of the Chartered Accountant of the Donee, certifying the end use of donated funds as well as Impact Analysis of the project after its completion. In case, the donated amount would exceed Rs.25 lac, the zone shall ensure to obtain Report of Impact Analysis and verification of end use of donated funds through a Chartered Accountant, preferably on the panel of the bank or any other of repute. However, the Zonal Head may waive this condition if he/she him/herself is satisfied with the end use and impact of the donated funds and submits own certificate in this regard to the Corporate Office.



## **Annexure-1**

### **ELIGIBLE ACTIVITIES FOR CSR DONATIONS**

Following activities are listed under Schedule - VII of Companies Act, 2013

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
3. 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.
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
5. protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
6. Measures for the benefit of armed forces veterans, war widows and their dependents [Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.
7. Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports
8. contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women

9. Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
  
10. Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
  
11. rural development projects
  
12. Slum area development. Explanation - For the purposes of this item, the term `slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.
  
13. Disaster management, including relief, rehabilitation and reconstruction activities.

## Annexure-2

### CHECK LIST FOR PROCESSING PROPOSALS SEEKING GRANT/DONATIONS FROM BANK

(To be filled in by bank official processing the proposal)

Sr.No.	Particulars	Remarks
1.	When and which year your Institution was started and under what law, i.e. Societies Registration Act, Trusts Act or Companies Act, was it registered	If registration details are not provided with certified copies, then not eligible for further consideration
2.	If the institution is a Trust, whether it is a Charitable Trust or a Religious or Political Trust	If religious or political, then not eligible for further consideration
3.	What are the main objects of the Trust/ Institution (copy of the Main Objects of the MoA/ Trust deed may be enclosed)	If the main objects are not covered by the Bank CSR policy, then not eligible for further consideration
4.	Who are the founder Board Members/ trustees and their background?	If any trustee is a member of any political party, then not eligible for further consideration
5.	Who are the present Board members trustees/office bearers and their background	
6.	Whether your Institution is registered under Income Tax Act, 1961 (enclose copy of certificate from IT authorities and PAN/TIN number)	
7.	Whether your Institution is registered under Section 12 A of the Income Tax Act, 1961, as a non-profit institution (enclose copy of certificate from IT authorities)	
8.	Who are your patrons/main donors and their details	
9.	Are your accounts duly prepared and audited ( enclose three previous years audited financial statements)	
10.	Do you enjoy any Tax exemption under section 80 G of Income Tax Act	
11.	For what purpose you need donation/ grant from the bank (enclose detailed project report)	
12.	How the bank would be benefited in supporting you	
13.	Names of two prominent references	
14.	Copy of Bank statement	
15.	Whether anybody has filed suit or claims against you and if yes details and present status	

16.	Are you registered Trust under FCRA, if yes, details of donations and foreign donors	
17.	Whether your trustees/office bearers at any point of time were involved in money laundering or any other illegal activity.	
18.	Whether any of the Trustees/office bearer has been convicted by a court for any offence involving moral turpitude, economic offence, securities laws or fraud.	
19.	Whether any order for winding up/ solution was passed by any court	
20.	Whether any of the trustees/office bearers has been declared insolvent and has not been discharged	
21.	Whether the Trust/institution is having any credit facilities from our bank, if yes details thereof	
22.	Whether the beneficiaries of the grant/ donation are around the Service Area of the Bank	
23.	What were main CSR activities in last financial year	
24.	Whether the CSR funds will be utilized for: A) Health Care B) Sanitation C) Drinking water facility D) Education/Literacy E) Others( Please specify)	
25	Whether the CSR funds will be utilized for any other government development priority activities? If so , give details	
26	Whether the CSR funds will be utilized for Women empowerment? If yes, give details of women beneficiaries in %age and amount.	

### Annexure - 3

#### Guidelines for CSR Annual Action Plan

The CSR Department shall prepare a CSR Annual Action Plan (CSR-AAP) as per guidelines below, every year in the month of June, once the profit for the previous year is declared and get it approved before 30<sup>th</sup> June by the CSR & Sustainability Committee of the Board.

The CSR Annual Action Plan (CSR-AAP) shall cover the following topics:

- (i) An overview of CSR activities by the Bank in the previous year, indicating both the expenditure (donations) and the outcomes, in the two pillars, BSVS and Donations in a tabular form as follows:

Main CSR Activity	Expenditure (donations) by Bank in Rs Lakh	Outcomes in terms of number and type of persons benefited	Outcomes in terms of estimated Rupee value of benefits
BSVS			
Donations to others			
Total			

- (ii) A narrative report of the activities undertaken in the previous year, with the salient features of the courses offered in BSVS, and the placement percentage, and/or self-employment of the graduates from BSVS courses. Any special case studies may be given.
- (iii) A narrative report of the activities undertaken in the previous year, with donations from the Bank, and the type of benefits generated for the focus groups – farmers, women and youth. Any special case studies may be given.
- (iv) Any changes in the activities of BSVS or in donations in the current year, and reasons thereof. Budget for the year

Main CSR Activity	Expenditure (donations) by Bank in the previous year in Rs Lakh	Projected Expenditure (donations) by Bank in Rs Lakh	Outcomes in terms of number and type of persons to be benefited
BSVS			
Donations to others			
Total			

## Annexure- 4

### Performance under CSR Annual Action Plan

End use of fund and summary of activities and outcomes for each and every grant made, to be presented to the CSR & Sustainability Committee:

Main CSR Activity	Expenditure (donations) by Bank in Rs Lakh	Outcomes in terms of number and type of persons benefited	Outcomes in terms of estimated Rupee value of benefits
<b>BSVS</b>			
Donation 1			
Donation 2			
Donation 3			
Sub-total BSVS			
<b>Donations to others</b>			
Donation 1			
Donation 2			
Donation 3			
Sub-total Others			
Total CSR			

**Annexure -5**  
**Chapter of Compliance**

<b>Circular No</b>	<b>Dated</b>	<b>Gist of Circular</b>
Reserve Bank of India vide circular DBOD.DIR.BC.50/13.01. 01/2005-06	21.12.2005	As per Reserve Bank of India, policy related to donations given by Banks to various entities may be formulated by the Bank's Board of Directors. Accordingly our 'Bank's "Donation Policy' was approved by the Board on 24.05.2006
Reserve Bank of India vide circular RBI/2007- 08/216 DBOD. No.Dir. BC. 58/13.27.00/2007- 08	20.12.2007	Corporate Social Responsibility, Sustainable Development and Non-Financial Reporting – Role of Banks. The applicable points of the circular has been incorporated in the policy.
Securities and Exchange Board of India issued guidelines vide their circular no. CIR/CFD/CMD/10/2015 .	04.12.2015	We have incorporated the relevant portion of the circular in the policy related to Business responsibility Report (BRR).