

IDBI Bank Corporate Social Responsibility Policy 2018

Vision

IDBI Bank's vision for CSR is to make a meaningful contribution to the welfare of the society through sustained interventions to create long-term social and economic value for the society and assume leadership role in CSR.

Objectives

The Bank's CSR objective is to make material, visible and lasting difference to the lives of disadvantaged sections of the society by identifying gaps and extending need based contribution for their betterment. The Bank seeks to achieve this through direct intervention as well as acting as a catalyst for development and creating a partnership with the beneficiaries.

Focus Areas

IDBI Bank shall focus on areas outlined under Schedule VII of the Companies Act, 2013 and Government guidelines issued from time to time.

Certain activities are specifically excluded from the purview of this policy as required under section 135 of the Companies Act, 2013 and Government guidelines issued from time to time.

Strategy

Recognising the limitation of in-house expertise and availability of suitable manpower, the Bank proposes to follow a two pronged strategy for implementation, which will be done through agencies that are well equipped, already active, and have earned good reputation in the areas of proposed intervention. Suitable training will be imparted to staff to build and enhance capacity for supervision and monitoring. At a more general level, the employees will be sensitized about CSR.

Expected Outcome

The CSR initiatives undertaken by the Bank shall be aligned with the vision of ‘being the most preferred and trusted bank’. The Bank, through its CSR initiatives aims to focus on holistic development of target communities. This shall help to create value and make a material, visible and lasting difference to the society. It shall also develop a positive image of the Bank in the minds of the stakeholders.

Monitoring and Assessment

- The Bank would monitor all projects and also assess the actual impact of the CSR initiative vis-à-vis envisaged impact.
- Depending on the value and complexity of the project, monitoring / impact assessment may be undertaken through CSR team at HO, local branches or through reputed professional institutions/ agencies.
- Regular field visits at pre-defined intervals, scrutiny of expenditure and other documents, feedback from beneficiaries, local community and other stakeholders.
- The team undertaking the monitoring would submit progress reports to Nodal CSR Division, Corporate Centre at quarterly intervals or as per predefined milestones agreed in the terms of disbursement.

Annual Budget for undertaking Bank’s CSR Activities

- IDBI Bank shall allocate a Budget for CSR initiatives for each financial year equivalent to at least 2% of its average net profits (as calculated as per provisions of section 135 of the Companies Act) made during the last three financial years.
- The unspent yearly CSR budget shall be carried forward to the next year.

CSR Governance Structure

CSR Committee of the Board

- The CSR Committee of the Board as mandated under Section 135 (3) of the Companies Act, 2013, shall (a) formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Bank as specified in Schedule VII of the Act; (b) recommend the amount of expenditure to be incurred on the activities referred to at point (a); and (c) monitor the CSR Policy of the Bank from time to time. The Committee will, *inter alia*, review the progress and performance on a half-yearly basis and suggest need-based modification to the Policy for the consideration of the Board when circumstances so warrant. The CSR Committee of the Board shall have no sanctioning powers.
- CSR activities would be governed by Delegation of Powers (DoP) as approved by the Board and operational framework as decided by the Bank from time to time.

Operational Modalities

Implementation of CSR programs

- In order to implement the approved CSR projects, the Bank may involve trusts/ NGOs/ specialized agencies, etc. as it deems suitable. The Bank may also implement the approved CSR projects through its nodal CSR team and/ or through its local branches.
- The Bank may support initiatives of central/ state government, district administration, local administration, self-help groups, etc.
- While selecting an organization to implement a CSR initiative, the criteria as stipulated by the Bank from time to time shall be followed. The Bank would explore identifying the institutions working at grass root level for better CSR impact.

Reporting of CSR Initiatives

- A progress report on the various CSR initiatives taken up by IDBI Bank shall be submitted half-yearly to the CSR Committee of the Board for their consideration.
- Details of the CSR activities undertaken by IDBI Bank and amounts spent along with reasons for spends below levels stipulated by the Act, if any, shall also be reported in IDBI Bank's Annual Report as per applicable guidelines.
- The Policy shall be displayed on the Bank's website.

Review of the Policy

IDBI Bank 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.