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# CORPORATE SOCIAL RESPONSIBILITY POLICY

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## **INDIAN INSTITUTE OF BANKING & FINANCE**

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Adopted in Governing Council Meeting held on  
30<sup>th</sup> December 2016. Broadened by Governing  
Council in its Meeting held on 20<sup>th</sup> December  
2019

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## **CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY OF INDIAN INSTITUTE OF BANKING AND FINANCE**

### **▪ INTRODUCTION**

With the advent and introduction of the provisions of Section 135 of the Companies Act, 2013, all Companies that meet the criteria specified in sub-section (1) of Section 135 of the Companies Act, 2013 are required to spend 2% of the average Net Profit of the preceding three financial years towards Corporate Social Responsibility (CSR) activities and initiatives.

All CSR activities and initiatives must be guided by the CSR Policy of the Company.

Indian Institute of Banking & Finance (IIBF) has been providing educational skill development and certification services to its members and others over 88 years and intends to carry forward these goals through its CSR Policy.

### **▪ OBJECTIVES**

IIBF wants to achieve the objectives with the activities covered under Schedule VII to the Companies Act, 2013 which are as follows:

- i. eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- ii. promotion of 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;
- iv. 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 clean Ganga Fund set-up by Central Government for rejuvenation of river Ganga;
- v. 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 arts and

handicrafts;

- vi. measures for the benefit of armed forces veterans, war widows and their dependents;
- vii. training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- viii. contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- ix. Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), ICAR, ICMR, CSIR, DAE, DRDO, etc.
- x. rural development projects.
- xi. 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.

- xii. Disaster Management, including relief, rehabilitation and reconstructive activities.

## ▪ **UNDERTAKING CSR ACTIVITIES**

The Institute shall undertake all CSR Activities that are approved by the CSR Committee of the Institute, under this policy or otherwise. Further, all CSR initiatives and activities of the Institute, shall be guided and will fall within the ambit of Schedule VII to the Companies Act, 2013.

The CSR Initiatives, programs, projects and activities of the Institute, may be undertaken by the Institute by itself, or through an implementing agency, such as through any Registered Section 8, Registered Trust, Registered Society or any other permitted entity and by itself or in association with any Holding, Subsidiary or Associate Company, as permitted, from time to time.

## ▪ **LOCATION OF CSR ACTIVITIES**

In keeping with the intent of the legislation, CSR activities, programs, projects will primarily be conducted in and around the area of operations of the Institute. However, the CSR Committee may also recommend any specific area or location, where in its opinion, the CSR activities of the Institute would be highly beneficial to the interests of the society at large.

The manner of implementation of the CSR programs, projects, initiatives shall be either by itself or through an implementing agency, as permitted by the Companies Act, 2013.

The CSR Activities as may be undertaken by the Institute shall be monitored by the CSR Committee from time to time.

In the event of the implementation being undertaken in association with any other entity or through an Implementing Agency, the CSR Committee shall determine and establish the modalities of utilization of funds, manner of implementation and monitoring of activities undertaken by such implementation agency, on a case to case basis.

- **CSR COMMITTEE**

#### COMPOSITION

The CSR Committee shall consist of three members of the Governing Council as decided by the Governing Council from time to time. The quorum of the meeting will be at least two members of the Committee.

#### RESPONSIBILITIES

It shall be the responsibility of the CSR Committee to:

- a. Recommend to the Council, the activities and initiatives to be undertaken from time to time.
- b. Recommending the amount for CSR activities for every Financial Year, including recommending the budget for each initiative
- c. Monitoring CSR activities from time to time.

- **CSR BUDGET**

The budget for CSR Spend to be undertaken in any Financial Year, shall be 2% of the average of the Net Profit of the previous three Financial Years.

The Net Profit to be calculated for determining the average shall be in the manner specified in Section 135(5) read with Section 198 of the Companies Act, 2013. The interpretation of net profit for the purpose of CSR spend in case of not for profit companies to be followed.

- **MANDATORY DISCLOSURES**

The surplus arising out of the CSR projects, programmes, initiatives and activities of the Institute shall not form part of the Business surplus of the Institute.

Further, such surplus if any, along with the income, if any, shall form a part of the CSR corpus, over and above the mandatory CSR spend required to be undertaken by the Institute as per the provisions of Section 135 of the Companies Act, 2013.

- **RESPONSIBILITIES OF THE COUNCIL**

It shall be the responsibility of the Council to:

- (a) Ensure that the Institute spends 2% of the average of the Net Profit of the preceding three Financial Years towards CSR in every Financial

Year. (The interpretation of net profit for the purpose of CSR spend in case of not for profit companies to be followed).

- (b) Institute makes the mandatory disclosure in the Council Report, as required U/s 134 of the Companies Act, 2013 read with the Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014, as amended from time to time
- (c) Disclose by way of Notes to the Income & Expenditure Account, the CSR expenditure undertaken during the Financial Year
- (d) Place a copy of the approved CSR Policy on the website of the Institute

- **EFFECTIVE DATE**

The effective date of this Policy is 30<sup>th</sup> December, 2016. CSR Policy was broaden by Governing Council on 20<sup>th</sup> December, 2019.

- **CHANGES IN POLICY:**

Any changes in the CSR Policy shall be only on the recommendation of the CSR Committee and subject to the approval of the Governing Council and will be effective from the date of such Council approval.