



## **POLICY ON CORPORATE SOCIAL RESPONSIBILITY** **COASTAL LOCAL AREA BANK**

**Corporate Social Responsibility** is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the work force and their families as well as of the local community and society at large. Our Bank has always been on the forefront in social banking contributing to progress of economically backward sections of society through its micro finance activities and lending to priority sectors.

Government of India has come out with a notification on 27-2-2014 in this respect, and framed certain directions which are called '**The Companies (Corporate Social Responsibility Policy) Rules 2014**'.

In compliance with Section 135 and Schedule VII of the Companies Act, 2013 & the Companies (Corporate Social Responsibility Rules) 2014, the Policy on Corporate Social Responsibility is framed by the CSR Committee which will be the guiding document for the Bank in respect of its CSR activities.

### **I. Composition of CSR Committee**

The Bank's Board shall appoint a Corporate Social Responsibility Committee (CSR Committee) with a minimum of 3 Directors, majority of them shall be Independent Directors. Quorum shall be 2 Directors.

## **II. Objectives & Organization:**

- The Bank shall contribute to Corporate Social Responsibility activities as projects or programs or activities excluding the activities undertaken in pursuance of its normal course of business. The Bank shall make all efforts to spend at least 2% of the average profit before tax of the Bank for the last 3 financial years.
- The CSR Committee shall monitor the progress of the Bank in undertaking CSR activities in tune with the policies of the Bank and to record its directions in this regard.
- The Committee shall meet once in six months.

## **III. CSR Activities:**

- Bank may undertake CSR activities involving Water Conservation / Harvesting measures, Construction of Toilets in Schools, Financial Literacy Programs or any other socially benefitted activity done through Registered Trusts / Societies or through Contractors. The end use should be verified by the Bank. The Bank may stipulate the modalities of utilization of such funds on such programs / projects.
- CSR activities shall be confined to the Bank's area of operations. However, in special events like floods, cyclones etc., it can be extended to other areas in India which may be decided by the Managing Director as and when required.
- Contributions to any political party shall not be considered under CSR activities.
- CSR expenditure shall be confined to the spending on activities prescribed under Schedule VII of The Companies (CSR) Act 2013, and any other activities that may be declared by the Government of India from time to time.

- The activities that may be taken up under CSR are listed below. The list is not exhaustive and the Bank is free to take up any other activity in line with the Government guidelines.

Sl.No.	Description of activity	Relevant section of Schedule VII of the Act
a)	Promotion of Education, educating the masses.	Sch. VII (ii)“Promoting Education”
b)	Provision for aids and appliances to differently abled persons and conducting medical camps.	Sch. VII (i) “Promoting health care”
c)	Providing hygienic food to the needy.	Sch. VII (i)“Eradicating hunger”.
d)	Plantation and promoting greenery	Sch. VII (iv)“Ensuing environmental sustainability”
e)	Disaster Relief	Sch VII(xii) Disaster Management
f)	Development activities in rural areas	Sch. VII (x)“Rural Development Projects”.
g)	Contributions to established registered trusts / Associations / organizations for providing meals/ clothing to orphans.	Sch VII (i) Eradicating hunger, poverty and malnutrition
h)	Slum development activities	Sch VII(xi) Slum Area Development
i)	Water harvesting schemes	Sch VII(iv) Ensuring environmental sustainability.
j)	Financial Literacy Programs	Government directions ( part of PMJDY)
k)	COVID 19 related activities	As per the directions of Ministry of Corporate Affairs vide General Circular 10/2020 dated 23 <sup>rd</sup> March, 2021

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