



**BHARAT**  
Financial Inclusion Ltd  
Prayaas se pragati

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**A 100% subsidiary of IndusInd Bank Limited**

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**CORPORATE SOCIAL RESPONSIBILITY POLICY OF  
BHARAT FINANCIAL INCLUSION LIMITED  
(FORMERLY 'INDUSIND FINANCIAL INCLUSION LIMITED)**

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## **1. SHORT TITLE & APPLICABILITY:**

- 1.1. This policy, which encompasses Bharat Financial Inclusion Limited's ("BFIL" or "the Company") philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large, is titled as the Corporate Social Responsibility Policy of BFIL ("CSR Policy").
- 1.2. This CSR Policy shall apply to all CSR initiatives and activities ("CSR Programs") taken up at the various branches and offices of the Company, for the benefit of different segments of the society, specifically the deprived, underprivileged and differently abled persons.

## **2. VISION STATEMENT AND OBJECTIVE:**

- 2.1. In alignment with the *vision* of the Company, through its CSR Program, the Company aims to actively contribute to the social and economic development of the communities in which it operates, through its services, conduct and initiatives, so as to promote sustainable way of life for the weaker sections of society and the community, in fulfilling its role as a socially responsible corporate.
- 2.2. The key objectives of the CSR Policy are to:
  - 2.2.1 Ensure an increased commitment at all levels in the organization to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders;
  - 2.2.2 Directly or indirectly take up CSR Programs that benefit communities at large and contribute to, over a period of time, enhancement in the quality of life and economic well-being of the local populace;
  - 2.2.3 Generate, through its CSR Programs, community goodwill for the Company and also help in reinforcing a positive and socially responsible image of the Company as a corporate entity;
  - 2.2.4 Encourage alignment with development goals related to gender sensitivity, skill enhancement, entrepreneurship development, ecological sustainability, etc.

## **3. RESOURCES AND ALLOCATION OF FUNDS**

- 3.1 Every year a budget for CSR activities shall be decided by the Board on the recommendation of the CSR Committee. Such a budget shall not be less than 2% of the average net profit made by the Company during the three immediately preceding financial years;



- 3.2 The earmarked annual budget for CSR shall be transferred to a separate account called “BFIL CSR Fund”;
- 3.3 Any unspent/ unutilized amount of CSR Fund of a particular year, shall be carried forward to the following year, i.e. the CSR budget will be non-lapsable in nature.
- 3.4 CSR Programs will be planned according to the budget allocation;
- 3.5 The allocation of funds for CSR Programs shall be decided by the Board on the recommendation of the CSR Committee.
- 3.6 In addition to BFIL CSR Fund, the Company may also collaborate with IndusInd Bank Limited (IndusInd Bank) for undertaking CSR Programs with the funding support in such manner as may be agreed between the Company and IndusInd Bank.

#### 4 PLANNING

##### 4.1 Identification of Thrust Areas

As a part of its CSR strategy, in line with the aims and objectives specified above, the following thrust areas have been identified:

- i. Education and Skill Development
- ii. Health
- iii. Community Development
- ii. Environment
- v. Any other activity as may be identified by the CSR Committee.

The list is only indicative and does not restrict inclusion of additional/ fresh activities under CSR. An indicative list of CSR activities are mentioned in detail in **Annexure –A** of the CSR Policy.

##### 4.2 Evaluation/ Impact Assessment

- i. CSR Programs will be undertaken within the defined ambit of the identified thrust areas. Such activities/ programs shall be developed on the basis of need identification studies or internal need assessment or receipt of proposals/ requests etc.;
- ii. On advice of CSR Committee, the Internal Audit Department could conduct evaluation/ impact assessment studies based on the parameters set by the CSR Committee on a half yearly basis;
- iii. An annual impact assessment could be conducted by an independent third party at the absolute discretion of the CSR Committee by engaging specialized agencies like



NGOs/Trusts/ Societies/ Government or Semi-Government organizations/ private agencies for any assignment, who have requisite expertise of carrying out the identified activities/ Programs;

**5. IMPLEMENTATION:**

- 5.1 The CSR Committee shall formulate a plan for efficient implementation of identified CSR Programs. Such a plan shall *inter alia* contain milestones and deadlines;
- 5.2 As per requirement, the Company may engage specialized agencies/ NGOs/Trusts/ Government or Semi-Government organizations/ private agencies for any assignment, who have requisite expertise of carrying out the identified CSR Programs. The CSR Committee may discontinue any CSR Program, if the implementation of the said CSR Program is found that the implementation of the same is practically not feasible, at its sole discretion;
- 5.3 Implementation plans for the CSR Programs shall be drawn by the CSR Committee;

**6. MONITORING AND FEEDBACK**

- 6.1. To ensure effective implementation of the CSR Programs undertaken, a monitoring mechanism will be put in place. The progress of CSR Programs under implementation will be reported by the Internal Audit Department on a half yearly basis to the CSR Committee.
- 6.2 The progress report of CSR Programs under implementation in the format given in Annexure B shall be placed before the Board on a half yearly basis.
- 6.3 The CSR Committee may conduct an annual impact study of the CSR Programs at its absolute discretion by engaging specialized agencies like NGOs/Trusts/ Societies/ Government or Semi-Government organizations/ private agencies for any assignment, who have requisite expertise of carrying out the identified activities/ Programs;
- 6.4 CSR Programs undertaken by the Company shall be reported in the Annual Report.

**7. CONSTITUTION AND MEETING OF CSR COMMITTEE**

**7.1 Constitution**

- a. The CSR Committee shall consist of three or more directors.

**7.2 Meeting**

The CSR Programs of the Company will be coordinated and monitored by a CSR Committee for the successful implementation of the CSR Policy. The CSR Committee shall meet as and when required to carry out its duties effectively.





### 7.3 Role and responsibilities of CSR Committee

The key role and responsibility of the CSR Committee would be to implement the CSR Policy. Broadly the roles and responsibilities are the following:

- Formulation of broad guidelines for selection of CSR projects, planning, execution, monitoring and evaluation.
- Selection of CSR projects in accordance with policy framework and guidelines.
- Submission of annual budgetary requirement for each project along with the targets.
- Formulation of strategies for efficient implementation of projects.
- Periodic reporting of all CSR programs, as required.

## 8. **GENERAL**

- 8.1 All CSR activities and expenses made thereon will be subject to audit;
- 8.2 The Company reserves the right to modify, cancel, add, or amend any of the above rules/ guidelines.
- 8.3 Any or all provisions of the CSR Policy shall be subject to revision/ amendment in accordance with the applicable laws/ rules/ guidelines on the subject, from time to time.
- 8.4 In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to the CSR Committee. In all such matters, the interpretation and decision of the Managing Director & CEO shall be final.



### Annexure-A

- i. eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- ii. promoting 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;
- 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 recognised 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), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Biotechnology (DBT), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs) rural development projects.
- 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 reconstruction activities.



**Annexure – B**

S No.	CSR Activity	Sector in which the CSR Activity is covered	Area where the CSR Activity is undertaken	Amount outlay (budget) for CSR Activity	Amount spent on CSR Activity (Direct Expenditure)	Amount spent on CSR Activity (Overheads)	Cumulative Expenditure up to the reporting period	Amount spent directly or through implementing agency
	<b>Total</b>							

