

ANNEXURE - VI

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Bank.

The CSR policy of the Bank aims to identify and support all projects/programs/subjects undertaken as part of the Bank's Corporate Social Responsibilities/commitments within the framework of the Companies Act, 2013, as amended and the Schedule VII of the said Act, as amended read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, from time to time.

The policy serves as a guiding principle/document to help identify, execute and monitor CSR projects/activities as well as formulation of the annual action plan in pursuance and in keeping with the spirit of the policy.

The annual action plan for CSR activities of the Bank includes the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act, the manner of execution of such projects or programmes, the modalities of utilisation of funds and implementation schedules for the projects or programmes, monitoring and reporting mechanism for the projects or programmes, etc.

The Bank's Annual Action Plan has been consistently focused on healthcare, education, and gender equality, and the financial year 2023-24, is no exception, and the Bank in the said financial year spent more than 90% of the CSR budget for the said activities in line with the Annual Action Plan and CSR Policy of the Bank. The Bank, while selecting a project as part of its CSR plan ensures that the benefit of the programme reaches out to the maximum number of deserved people, irrespective of caste, creed or religion.

During the financial year 2023-24, the Bank has performed its CSR activities through own initiatives and also by partnering with various like-minded eligible charitable organisations. The Bank has also encouraged its business units or functions to seek out opportunities for performing CSR activities.

Bank as part of CSR Policy, is committed to continue its focus towards sustainable development and responsible banking with a clear understanding that bank has a key role of job and wealth creation in the society. CSR is generally understood to be the way an organisation achieves a balance between economic, environmental and social imperatives while addressing the expectations of shareholders and stakeholders.

2. Composition of CSR Committee:

Constitution of the Corporate Social Responsibility Committee (CSR Committee) in the Bank is in line with Section 135 of the Companies Act, 2013 and rules made thereunder. The CSR Committee is empowered to monitor the CSR activities as per the CSR policy and annual action plan and the CSR Committee is responsible for overall governance of CSR activities in the Bank as per the policy.

The composition of the CSR Committee during the financial year 2023-24, was as follows:

| Sl. No. | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|--|--------------------------------------|--|--|
| 1. | Ms. Bhama Krishnamurthy, Part-time Chairperson, Independent Director | Chairperson | 3 | 3 |
| 2. | Mr. Pralay Mondal, Managing Director & CEO | Member | 3 | 3 |
| 3. | Mr. Sumit Maheshwari, Non-Executive Director | Member | 3 | 2 |
| 4. | Mr. Sudhin Choksey, Independent Director | Member | 3 | 2 |
| 5. | Ms. Renu Kohli* | Member | 3 | 0 |

*Ms. Renu Kohli was appointed as Member of the Committee w.e.f. March 16, 2024.

Except as mentioned above, there was no change in the composition of the CSR Committee during the financial year 2023-24.

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

| | |
|-------------------------------------|---|
| Composition of CSR Committee: | https://www.csb.co.in/pdf/List_of_Sub-Committees_of_the_Board_w.e.f.25.06.2024_24062024.pdf |
| CSR Policy: | https://www.csb.co.in/sites/default/files/annexure-III_3_csr_policy.pdf |
| CSR projects approved by the Board: | https://www.csb.co.in/corporate-social-responsibility |

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Not applicable for the financial year.

5. (a) Average net profit of the company as per sub-section (5) of section 135.

| | |
|--|----------------|
| Financial Year 2020-21 | ₹ 292.89 crore |
| Financial Year 2021-22 | ₹ 595.87 crore |
| Financial Year 2022-23 | ₹ 733.81 crore |
| Average Net Profit/(Loss) before tax of the Bank for the last 3 financial years : | ₹ 540.86 crore |
| (b) Two percent of average net profit of the company as per sub-section (5) of section 135. | ₹ 10.82 crore |
| (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. | NIL |
| (d) Amount required to be set-off for the financial year, if any. | NIL |
| (e) Total CSR obligation for the financial year [(b)+(c)-(d)] | ₹ 10.82 crore |

| | |
|---|--------------|
| (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). | ₹ 7.03 crore |
| (b) Amount spent in Administrative Overheads. | NIL |
| (c) Amount spent on Impact Assessment, if applicable. | NA |
| (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. | ₹ 7.03 crore |

(e) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year (in ₹) | Amount Unspent (in ₹) | | | | |
|--|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135 | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| ₹ 7,02,95,814.00 | ₹ 3,79,04,186.00 | April 15, 2024 | | NIL | |

(f) Excess amount for set off, if any

| Sl. No. | Particular | Amount (in ₹) |
|---------|---|---------------|
| (i) | Two percent of average net profit of the company as per sub-section (5) of section 135 | 10.82 crore |
| (ii) | Total amount spent for the Financial Year | 7.03 crore |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | NIL |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NIL |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | NIL |

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

| Sl. No. | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under section 135 (6) (in ₹) | Amount Spent in the Financial Year (in ₹) | Balance Amount in Unspent CSR Account under Section 135(6) (in ₹) | Amount transferred to a fund as specified under Schedule VII as per second proviso to section 135(5), if any | Amount remaining to be spent in succeeding financial years (in ₹) | Deficiency, if any |
|----------------|-----------------------------|--|---|---|--|---|--------------------|
| | | | | | Amount (in ₹) | Date of transfer | |
| Not applicable | | | | | | | |

ANNEXURE - VI (Contd.)

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☐ Yes ☒ No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

| Sl. No. | Short Particulars of the property or asset(s) [including complete address and location of the property] | Pincode of the property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity/Authority/beneficiary of the registered owner | | |
|----------------|---|-------------------------------------|------------------|----------------------------|---|------|--------------------|
| (1) | (2) | (3) | (4) | (5) | (6) | | |
| | | | | | CSR Registration Number, if applicable | Name | Registered Address |
| Not Applicable | | | | | | | |

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram Panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

The Bank had sanctioned the Project Dialysis conducted by Fairfax India Charitable Foundation to be undertaken as an ongoing projects during the FY 2023-24 and the unspent amount of ₹ 3.79 crore pertaining to the said ongoing project were transferred to Unspent CSR account on April 15, 2024, which will be released in a phased manner up on receipt of request from the foundation or based on the progress of the project on or before March 31, 2025.

The Project Dialysis conducted by Fairfax India Charitable Foundation aims in providing affordable, quality dialysis services to patients in various parts of India where the services are limited/non-existent for dialysis infrastructure. The project was initially approved by the Board as a onetime arrangement with a contribution of ₹ 2.98 crore, however due to unforeseen reasons the project was slightly impleaded and the foundation was able to spend ₹ 2 crore only. The Bank, hence, on request of the foundation, decided to classify the project as an ongoing project with an additional contribution of ₹ 2.81 crore, which is proposed to be completed on or before March 31, 2025.

Sd/-

Pralay Mondal
Managing Director & CEO
(DIN: 00117994)
Place: Thrissur
Date: June 24, 2024

Sd/-

Bhama Krishnamurthy
Chairperson – CSR Committee
(DIN: 02196839)