



Corporate Social Responsibility

Dr. O P Goel

Head - Bosch India Foundation

Agenda



1

CSR as a Law and the landscape

2

Implications for different Stakeholders

a

Corporates

b

NGOs

c

Academia

CSR as a Law

Effective 1st April' 2014

2% of the annual profit

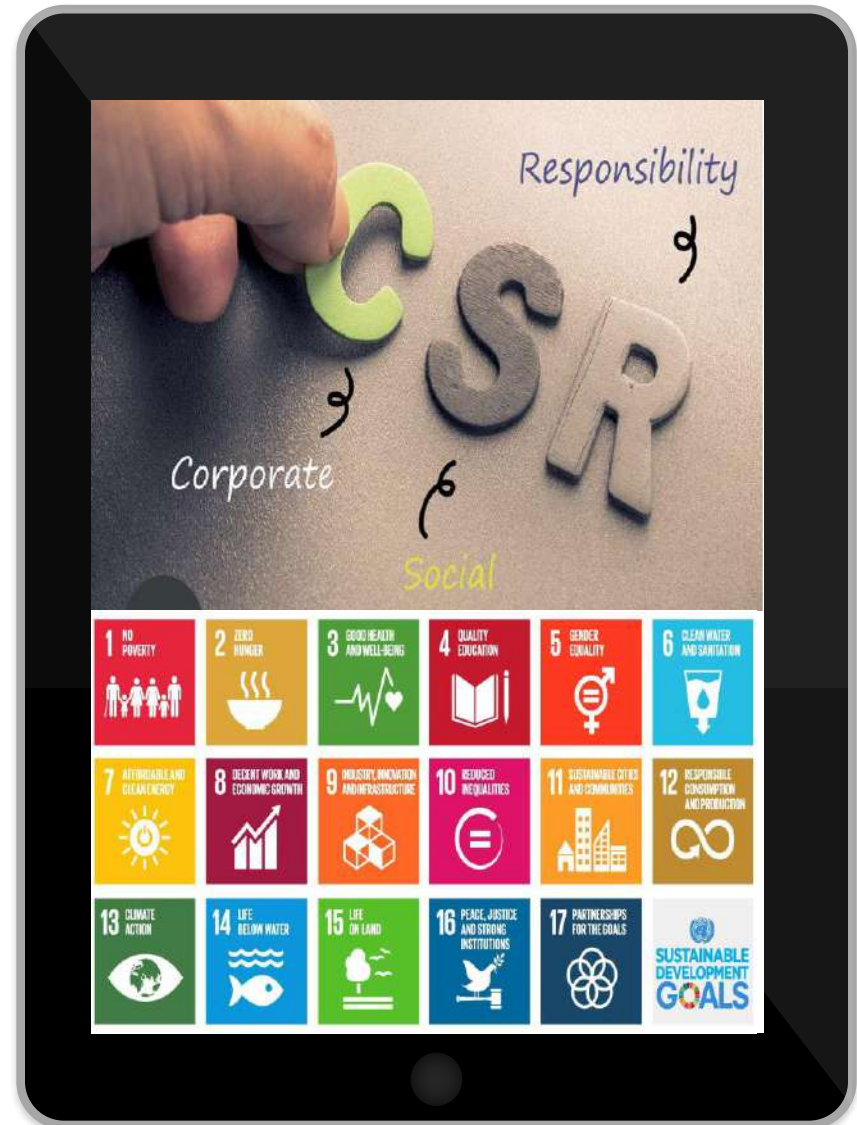
Annual Turnover of Rs. 1000 Crores
or Net worth of Rs. 500 Crores
or Net Profit of Rs. 5 Crores
(during any one of the three preceding years)

Spend on schedule VII items

Board Level CSR Committee

Publish data on company's website

Multiple changes in the rules since then.
From recommendatory to Mandatory ?



No. of companies and year-wise CSR expenditure

CSR expenditure for the Financial Years 2014-15 to 2018-19

Nature of Companies	Year of Filing									
	FY 2014-15		FY 2015-16		FY 2016-17		FY 2017-18		FY 2018-19	
	No. of Companies	Total Amount Spent (in Cr.)	No. of Companies	Total Amount Spent (in Cr.)	No. of Companies	Total Amount Spent (in Cr.)	No. of Companies	Total Amount Spent (in Cr.)	No. of Companies	Total Amount Spent (in Cr.)
PSU	493	2,816.82	532	4,214.67	546	3,295.98	527	2,553.36	609	3,835.87
NON PSU	16,055	7,249.11	17,758	10,302.52	18,993	11,033.55	20,870	11,067.15	24,293	14,817.44
Total	16,548	10,065.93	18,290	14,517.19	19,539	14,329.53	21,397	13,620.51	24,902	18,653.31

* Number of companies in the Table include companies which are eligible for CSR. The figures are as per the filings made by the Companies upto 31st March, 2020.

Source : Ministry of corporate affairs

~ 25,000 companies !

What does 2 % mean ?

Annual spend : > Rs. 22,000 crores (Listed - 68%)

2019-20		2018-19	
Company Name	Amount spent (Rs Cr.)	Company Name	Amount spent (Rs Cr)
Reliance Industries Limited	908.71	Reliance Industries Limited	849.32
Tata Consultancy Services Limited	602.00	Oil And Natural Gas Corporation Limited	586.85
Infosys Limited	359.94	Indian Oil Corporation Limited	468.15
ITC Limited	326.89	HDFC Bank Limited	443.78
J. P. Morgan Services India Private Limited	204.93	Tata Consultancy Services Limited	434.00
Tata Steel Limited	183.80	Infosys Limited	342.04
Wipro Limited	181.80	Mahanadi Coalfields Limited	334.32
Maruti Suzuki India Limited	168.09	ITC Limited	306.95
Mahanadi Coalfields Limited	165.50	Tata Steel Limited	305.47
Larsen and Toubro Limited	145.29	NTPC Limited	285.46

*Based on government data available as on 28 Jan, 2021



CSR rules – focus areas

SCHEDULE VII – CSR THEMATIC AREAS

1. Eradication of extreme hunger and poverty, sanitation, Health

2. Promotion of education, special education and vocational training

3. Gender Equality-Women empowerment + senior citizens

4. Protection of National Heritage, art and culture

5. Benefit of armed force veterans, war widows

6. Ensuring environmental sustainability, ecological balance, wildlife conservation

7. Technology incubators within academic institutions

8. Rural sports, Paralympic and Olympic sports,

9. PM relief funds, Disaster relief work etc.

10. Rural Development projects

Where are the funds going ? (year 2018-19)

Education – 5717 Cr

Healthcare – 3216 Cr

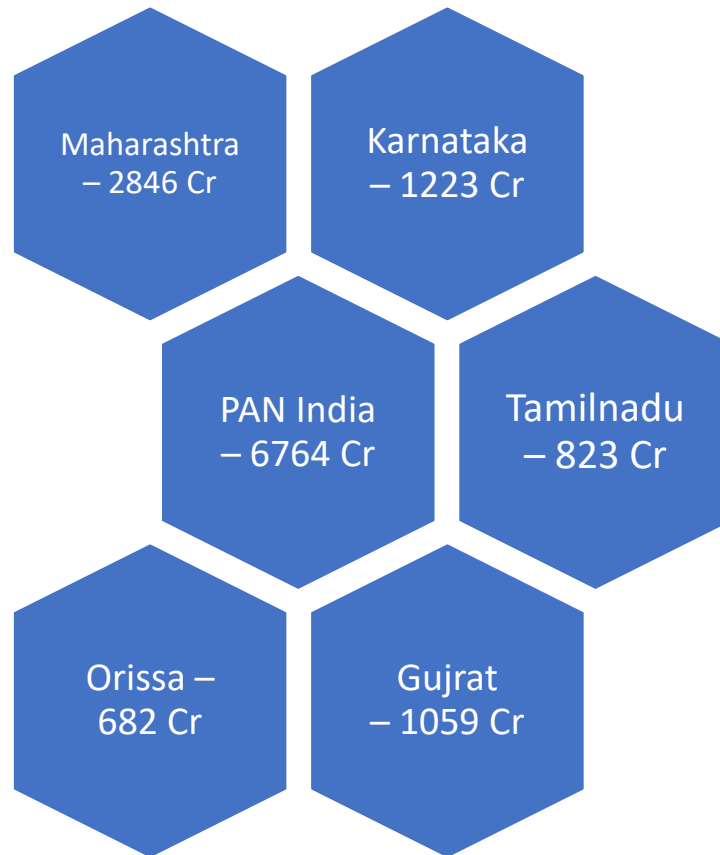
Rural Development
– 2308 Cr

Environmental Sustainability
– 1292 Cr

Eradicating Poverty,
Malnutrition, Hunger
– 1090 Cr

Vocational Training
– 758 Cr

State-wise Spending (Sample year : 2018-19)



Delhi : 662 CR

Implications for different Stakeholders

Corporates

Opportunity to
make a
difference

Meeting Legal
Requirements

NGOs

Availability of
Funds

Capacity Building
& Long term
Sustainability

Academia

Build & Share
Expertise

Collaborations

Opportunity for Corporates to make a difference



- Many businesses believe in caring for society as an important stakeholder
- Everything else being equal, customers would want to buy the products of socially responsible companies
- Volunteering for social projects can be one of the best employee engagement program

Areas where Corporates need help

Legal aspects

- Reporting
- Impact Assessment

Social Projects

- Selection of focus areas
- Partners selection and project management

People

- Recruitment
- Training and Development

What can NGOs do ?



- Register on MCA website and get a certificate
- Understand CSR rules
- Need to build capacity
- Professional work culture (different than donations based working)
- Learn and track Best practices

Academic Institutions have a role too !



People Development

- Reskilling of existing staff
- Introduce CSR courses including entrepreneurship
- Create awareness among the students about their responsibilities and opportunities
- NGOs capacity building

Projects Design & Management

- Conduct local needs assessments and design programs / projects
- Impact Assessments
- Volunteering and employees engagement
- CSR internships

Collaborations and Partnerships

- Track Govt schemes and share updates
- CSR rules changes/ update
- Document and publish CSR best practices
- Create collaboration hubs

Thank you !