

# FICCI Aditya Birla CSR Centre for Excellence

FICCI Aditya Birla CSR Centre for Excellence Newsletter

Issue 02, July- December 2012



Jury and winners of the CSR Awards 2012 with the esteemed guest ( L to R) Shri P.K. Pincha, Chief Commissioner for Persons with Disabilities [CCPD] ; Mr. RV Kanoria, President FICCI ; Shri Sachin Pilot, Hon'ble Minister of State (I/C) for Corporate Affairs, GoI ; Mrs. Rajashree Birla, Chairperson, FICCI CSR and Community Development Committee

## New Year Wishes from Secretary General

### Message



Dear All,

A very warm **"Welcome"** to a new year from the Federation of Indian Chambers of commerce and Industry!

As I take over as the new Secretary General, it will be my endeavor to make this year more thrilling and meaningful for all of you.

"As we say goodbye to 2012, let us look forward with optimism to 2013. New Year brings a new fresh hope for a better tomorrow. I think we are now in a unique position to take a leap forward in implementing and mainstreaming corporate social responsibility to usher an India which is both inclusive and entrepreneurial.

The year that has just ended was a very difficult year for the world. Economic crises, socio-economic tensions, political upheavals have all cast their shadow on 2012. Employees, customers and suppliers at local, regional and international level have all begun to feel the impact of the crisis.

Any type of economic crisis tends to surely impact society and effects the growth; this is where we need to look at the society and the country in a more holistic manner and it is in this context that in the West , there is talk of "Progressive capitalism" as the way forward. This concept is nothing but inclusive growth, which is what FICCI has been emphasizing on. Growth comes from the market economy, it comes as the industry and economy progresses, but as that growth comes we have to ensure that we look to the bottom of the pyramid to make it inclusive development.

CSR is the medium to realize inclusive growth and is possible only if it is truly embedded into the DNA of business operations and engages in an enhanced dialogue with their stakeholders to build mutual trust, competitive advantage and long term growth. There is no doubt that there is a large amount of Indian companies that are already doing CSR activities. Through 'The Companies Bill 2012' that was recently cleared in the Lok Sabha on 18th December, 2012, CSR will get a structure, a shape and form which would benefit both business and society.

With immense pleasure, I take this opportunity to introduce you all to the 2nd issue of July-December of FICCI - Aditya Birla CSR Centre for Excellence Newsletter. I hope you will enjoy reading it. We would look forward to your words of appreciation and feedback.

Dr. Alwyn Didar Singh  
Secretary General  
FICCI



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## Editor's Note

### Corporate Social Responsibility- Need of the hour!!

Owing to the present day demands of globalization and the shrinking natural resources, the business is exposed to endless demand with limited natural resources. Hence, corporations have to make a conscious effort to become socially responsible, recognizing that the role and function that they perform has a deep impact on the society as well as on their business.

CSR is about transforming business from merely selling products and services to creating a sustainable and inclusive society through their abilities of generating capital and investing it for social empowerment and equity.

Corporates have immense potential to realize the goal of sustainable and inclusive development as they are vested with resources and skill sets. The ISO 26000: Social Responsibility, the voluntary Guidelines on Corporate Governance 2009 and the Companies Bill 2012, released by the Ministry of Corporate Affairs (MCA, GoI) are examples of heightened importance to guide and regulate CSR practices both globally and nationally.

The much awaited Companies Bill, 2012 (Bill) was passed by the Lok Sabha on December 18, 2012, replacing 56-year-old Companies Act, 1956. The Bill seeks to consolidate and amend the law relating to the companies and intends to improve corporate governance and to further strengthen CSR.

The Bill is divided into 29 chapters, 470 clauses and 7 schedules. In view of the various reformatory provisions proposed in the Companies Bill, 2011, together with omission of existing unwanted compliance requirements, companies will now be able to comply with the requirements of the

proposed Companies Act in a more effective manner<sup>1</sup>.

Under section VII, The companies Bill lists out specific activities that qualify as CSR initiatives such as eradicating extreme hunger and poverty, Promotion of education, Promoting gender equality and empowering women, Reducing child mortality and improving maternal health, Combating HIV, Combating AIDS, malaria and other diseases, Ensuring environmental sustainability, Employment - enhancing vocational skills, social business projects and Contribution to the Prime Minister's National Relief Fund or any other fund set up by the central government or the state governments for socio economic development and relief and funds for the welfare of the schedule caste, the schedule tribes, other backward classes, minorities and women are all defined as a CSR initiatives<sup>2</sup>.

The Bill was to be taken up for discussion in the Rajya Sabha on December 20 but has now been postponed until the next session<sup>3</sup>.

Looking at the rapidly changing paradigm of CSR in India, FICCI - Aditya Birla CSR Centre for Excellence aims to keep its corporate houses and stakeholders abreast of the CSR initiatives by the Federation. The newsletter aims to increase awareness on CSR.

We will look forward to your words of comments and feedback.

***“Corporate Social Responsibility is a hard-edged business decision. Not because it is a nice thing to do or because people are forcing us to do it because it is good for our business” - Niall Fitzgerald, Former CEO, Unilever***

<sup>1</sup> <http://www.thehindu.com/business/companies/a-more-contemporary-companies-bill/article3965629.ece>

<sup>2</sup> <http://www.business-standard.com/india/news/no-penalty-for-cos-not-spendingcsr/193075/on>

<sup>3</sup> <http://barandbench.com/brief/2/3053/the-companies-bill-2012-passed-in-the-lok-sabha-highlights-of-the-bill>

# Corporate Social Responsibility Award

FICCI and Businessworld instituted India's first Corporate Social Responsibility (CSR) Award in 1999 to encourage corporate participation in inclusive growth. Until last year, the award was known as the Businessworld-FICCI-SEDF Corporate Social Responsibility Award.

It is an annual award that aims at identifying and recognizing the efforts of companies in internalizing Corporate Social Responsibility (CSR) in a strategic and systematic manner and integrating it with their overall corporate strategy.

The Businessworld-FICCI Corporate Social Responsibility

Award is today renowned and recognized as a benchmark that identifies the most socially responsible Indian corporates with reference to global Corporate Social Responsibility (CSR) standards.

Over the years, the Award has not just grown in size but in stature and is presently recognized as one of the most coveted awards in the area of CSR. The initiative has given various companies an opportunity to showcase exemplary initiatives taken up by them.



This year on 7th December, the prestigious 12<sup>th</sup> **BUSINESSWORLD FICCI CSR Awards 2011 -2012** was organized by **Federation of Indian Chambers of Commerce and Industry (FICCI)** at Federation House.

This year, 3 companies out of 100 corporate entries were

awarded for their outstanding corporate social responsibility initiatives at a glittering ceremony graced, Shri **Sachin Pilot**, Minister of State for Corporate Affairs (I/C), GoI, **Mr. RV Kanoria**, President, FICCI, **Shri P K Pincha**, commissioner CCPD and **Mrs. Rajsahree Birla**, Chairperson FICCI CSR and Community Development Committee.

### The Intensive Assessment process of the award

#### Pre - Assessment

Sorting of the applications

#### 1<sup>st</sup> Level Assessment

Document Review  
Compilation and checklists of disclosures and Facts

By Grant Thornton India

#### 2<sup>nd</sup> Level Assessment

Verification of disclosure through site visits and interview, Focus Group Discussions and observation methods of the shortlisted companies

By BIMTECH

#### 3<sup>rd</sup> Level Assessment

Submission of the report  
Presentation of the 1st and 2nd level assessment to panel of independent jury that evaluates each profile. Along with presentation by the short listed companies.

The jury comprises of internationally recognized and respected judges from a variety of industry sectors and disciplines.

The jury decides on the Winners.



Ministry of State of Corporate Affairs, Shri Sachin Pilot congratulated FICCI for having successfully hosted the CSR award for more than a decade; especially since the award is based on an intensive 3 tier assessment process headed by 3 different independent assessors.

### Distinguished Jury of the CSR AWARD



**Mr.M.Damodran**  
Former Chairman of  
SEBI



**Dr. V. Mohini Giri**  
Chairperson of Guild of Services and  
war Widows Association



**Mr.Mark Runacres**  
Advisor to The Confederation of  
British Industry



**Mr.M. K. Venu**  
Managing Editor,  
Financial Express



**Mr.Sunit Tandon**  
Director IIMC



**Mr. Pritpal Marjara**  
Managing Director  
Population Services International, India

# WINNERS OF THE 12<sup>th</sup> BUSINESSWORLD FICCI CSR AWARD

**Category Ia - Large Enterprises**

**Winner: ITC Limited**

**Category Ib - Corporate Citizen Large Enterprises**

**Winner : Deepak Nitrate Limited**

**Category III - Exemplary Innovation promoting CSR**

**Winner : SRF Limited**

**Special Jury Commendation : Tata Teleservices Limited**



In the whole process, while only 3 were shortlisted as the winners, 10 companies were awarded "Appreciation Plaque" and specially mentioned for their work in the CSR domain in the award ceremony.

## Recipients of the Appreciation Plaque are:

<b>NTPC Limited</b>	<b>Essel Mining and Industries Limited</b>	
<b>Tata Motors Limited</b>	<b>JK paper</b>	<b>Suzlon</b>
<b>Thriveni Earthmovers Private Limited</b>		<b>National Stock Exchange</b>
<b>JSW Steel Limited</b>	<b>Cairn India Limited</b>	<b>Adobe Systems India Pvt. Ltd</b>

The event was highly successful with the presence of the who's who from the industry comprising Vice Presidents, CEOs, CSR champions from esteemed companies like Tata, Birla, ITC, SAIL, Mahindra & Mahindra, NTPC, Tata Chemicals, Canara Bank, Suzlon, Cairn India, Essel Mining & Industries Limited, JK Paper, NTPC Limited, Tata Tea, HINDALCO, Gujarat Ambuja Cements, Kinetic Engineering and Titan etc.



# Minds behind the exemplary CSR Initiatives

## Category-I Large Enterprises



ITC's enduring commitment to put Country before Corporation and the Institution before the Individual, has guided every thought and action in pursuing the super-ordinate goal of creating larger value for the Indian Society. ITC's endeavour to co-create competitive value chains with rural communities has enabled the creation of sustainable livelihood opportunities for more than 5 million people. - **Mr. Y C Deveshwar, Chairman, ITC Limited**

## Category- IB Large Enterprises



We judge ourselves and our efforts on the same scale when we bring value to society through CSR as when we bring return on investment for our stakeholders. Singular Goal, Tireless efforts, Management excellence & sincere dedication are the same principles of qualities for Success - **Mr. Deepak C Mehta, CEO, Deepak Nitrate**

## Category III - Innovative Approach towards CSR

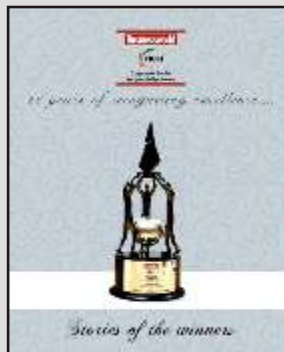


"Most of you would be aware that the government is contemplating making CSR mandatory for corporates to set aside a small part of their profits for CSR activities. We as a family and as a company have always considered it important to put in our efforts to help society, particularly those who are marginalized. I believe individual businesses now have a firm responsibility towards the community and must play their part in the upliftment of those who live around them" - **Mr. Arun Bharat Ram, Chairman, SRF Ltd. & SRF Foundation**

## Category III - Innovative Approach towards CSR



"Infusing good corporate citizenship has always been at the core of our business. We always strive to make a positive contribution to communities by supporting a wide range of socio-economic, educational and health initiatives. Project Drishti, Project Swayam, Project Learning are some of the key projects that the company is directly involved, thereby creating a sustainable environment." - **Mr S Varadarajan, Executive President, Human Resource, Tata Teleservices**



The FICCI Aditya Birla CSR Centre for Excellence brought out a book titled "FICCI-CSR Awards 12 years of recognizing excellence....Stories of the winners"

This book is a compilation of case stories of 7 award winning companies in CSR having a direct impact on the communities showcasing the positive difference they have created. It shares the strong impact of the exemplary work undertaken by the companies.

The book was launched at the FICCI CSR Awards on 7th December, 2012.

We look forward towards strengthening the concept of CSR in the Indian context and promote it globally for sustained livelihood practices. For a copy of the book please send the request to [csrcfe@ficci.com](mailto:csrcfe@ficci.com)

## Centre Events

### 2nd Roundtable Indo Korean CSR Forum

The growing importance of CSR in this globalised economy has rewritten the relationship of business throughout the world. Indian companies are responding to the market expectations through responsible business practices. At the same time businesses of The Republic of Korea, one of the ten largest investors in India, are making more efforts towards achieving ethical and transparent management and with respect to social concerns since the Asian crisis of 1997.

The relations between Korea and India have taken a giant leap in recent times. With the accomplishment of corporate partnership of 2010, the relations between the two nations are growing fast in different areas of bilateral business operations.

Today major Korean companies are household names in India. Korean companies have not only earned a name for just their product quality and professional services but they have also demonstrated their social commitment and responsibility.

To further engage, discuss, share and understand the essence of CSR, policies, its challenges, best practices and prospects it holds for business sustainability and above all

leading to future international business engagement and cooperation, the FICCI Aditya Birla CSR Centre for Excellence and the Embassy of The Republic of Korea in India hosted the 2nd Indo-Korean CSR forum on 14th December 2012 at The Leela Palace Hotel, New Delhi, on the theme, "**Corporate Social Responsibility: Issues, Challenges, Practices and Prospects**". The forum was inaugurated by the Hon'ble Ambassador of the Republic of Korea, Mr. Kim Joong-Keun; Secretary General FICCI, Dr. A. Didar Singh and , Indo-Korea Committee Chairman, FICCI, Shri. A. K. Agarwala.

Presentations by Dr.Ashesh Ambasta, VP-Social Investment, ITC Limited , Dr.Pragnya Ram, Head CC and CSR, Aditya Birla Group, Mr.Nalin Kapoor, Group head of marketing Hyundai Motors on their CSR initiatives impacts and challenges were the highlight of the forum.

Discussion on the CSR and policy by Mr. Manoj Kumar Arora, Additional Director General, Ministry of Finance, GoI and Mr.Choe Cheol-KYu, Deputy Director General- Ministry of Foreign Affairs and Trade, Republic of Korea was highly interactive. Participants put across question to the panel on the various dimensions on the changing dynamics of CSR.



## International Conference on "Socially Responsible Products and Services for Sustainable Asia and Beyond"

Socially responsible products and services have become a rage in demands globally. It is being imperatively stressed upon that the products comply to quality norms, occupational, health and safety standards. Also that it's environmental friendly and has fully addressed and complied with social norms.

To address this, a conference within the theme was organized by FICCI on 18 & 19th October, 2012 in New Delhi. The Conference was designed as a unique platform to avail socially responsible products and services to Asian population, individuals and organizations to catalyze social change, giving impetus to developing Asia as it is our belief that this endeavor will have a game-changing impact nationwide by way of the stakeholders work together towards the common goal of creating large partnerships in future for developing socially responsible products & services to serve their nation first.



## IN FOCUS

### Prisoner Reformation & Rehabilitation Program: 'Antarkranti'

It is a challenge to work with people inside prisons; whether criminals, first time offenders or innocents. The confines of a jail can develop severe personality disorders in an individual and turn them into a greater threat to society. Hence there is an inevitable need for creation of Post Release Rehabilitation (PRR) facility for released prisoners with a purpose to prevent them from reversion into crime. With these realities and the objective of crime prevention, **Divya Jyoti Jagrati Sansthan (DJJS)** started the only initiative of its kind in India - 'Antarkranti- Prisoner Reformation & Rehabilitation Program'. With this belief and mandate of transforming and rehabilitating, Antarkranti is actively working not only in Delhi Prisons, Tihar but also in 27 other prisons of India.

This program has reached and benefited thousands of prisoners- men, women, youth & their families through its three dimensional approach:

- ❖ Transforms the personalities of prisoners within the jail. Give them employment and skill development opportunities.
- ❖ Rehabilitates and brings the released prisoners to the social mainstream.
- ❖ Helps and supports the families outside.

**To know more, Please contact:**

Email: [ho@djjs.org](mailto:ho@djjs.org)

Website: [www.djjs.org](http://www.djjs.org)



## NEWS HIGHLIGHT



### Message from the FICCI President

Dear FICCI Members,

FICCI members have always been in the fore front in contributing to the Prime Ministers National Relief Fund(PMNRF) for relief work during natural calamities or for the welfare of victims of major accidents, terrorist violence and riots.

I would like to share that, as per the letter vide D.O. 82 (8019)/2012-PMF dated 7th September 2012 received from Shri Shatrughna Singh, Joint Secretary to the Prime Minister of India, regarding the contribution to the PMNRF, contribution to the fund has been made more user friendly and have started accepting contribution online through the website [www.pmindia.gov.in](http://www.pmindia.gov.in). In addition, donors can also donate to PMNRF through the websites of commercial banks.

PMNRF is entirely dependent on public contributions and does not get any budgetary support from the Government and donation made to the fund gets 100% Income Tax exemption under Section 80G of the Income Tax Act 1961.

I trust members of FICCI will contribute generously to the Prime Minister's National Relief Fund.

With Warm Regards,

**Naina Lal Kidwai,**  
President, FICCI

**Shatrughna Singh**  
Joint Secretary to PM

Tel: 2301 7676/FAX: 2301 8997  
E-mail: [shatrughnasingh@gov.in](mailto:shatrughnasingh@gov.in)

D.O.No 82(8019)/2012-PMF



BY SPECIAL MESSENGER  
प्रधान मंत्री कार्यालय  
नई दिल्ली - 110011  
PRIME MINISTER'S OFFICE  
New Delhi - 110011

07<sup>th</sup> September, 2012

**Subject: Contribution to the Prime Minister's National Relief Fund**

Dear *Shri Kanoria,*

The Prime Minister's National Relief Fund (PMNRF) is entirely dependent on public contributions and does not get any budgetary support from the Government. 100% Income Tax exemption under Section 80G of Income Tax Act 1961 is available for donations made to the Fund.

2. The resources of the PMNRF are utilized primarily to render relief to families affected by natural calamities like floods, cyclones, earthquakes, etc. and to the victims of the major accidents, terrorist violence and riots. A component of the fund is also utilized for providing assistance for major medical treatments like heart surgeries, kidney transplantation, cancer treatment etc.

3. In addition to accepting donations through demand drafts/cheques, the PMNRF has recently started accepting online donations through the website [www.pmindia.gov.in](http://www.pmindia.gov.in). The donors can also donate to PMNRF through the websites of commercial banks.

4. I take this opportunity to request you to inform the members of your association about the new arrangement. I hope that under your able leadership, the members of your association would contribute generously to the Fund.

*Regards,*

Yours sincerely,

*Shatrughna Singh*  
(Shatrughna Singh)

Shri R.V. Kanoria  
President  
Federation of Indian Chambers of Commerce  
and Industry (FICCI)  
Federation House  
Tansen Marg  
New Delhi 110 001

# CSR Training Programme

## 16 months Capacity Building Program on CSR

The business world is changing; the demand of sustainable products is growing around the world. It is strongly being accentuated that each industrial product that enters the market must comply to quality norms, occupational, health and safety standards also that it should be environmental friendly and more over social norms and behavior, all have been fully addressed and complied to.

With this, the concept of CSR is becoming a key factor in business strategies. CSR involves addressing the legal, ethical, commercial and others expectations society has from business and making decisions that fairly balance the claims of all the key stakeholders.

Indian and the Netherlands have a longstanding trade relationship., Recognizing that CSR is now an increasingly important part of the trade and investments and prerequisite for sustainable economic growth, Federation of Indian Chambers of Commerce and Industry (FICCI) and Centre for the promotion of Imports from developing countries (CBI), Ministry of Foreign affairs, Netherlands has initiated a capacity building program on CSR in India.



In this 16 months programme (June'11 - October'12) Indian consultants were trained to assist companies supplying to the Dutch market to integrate CSR into their business models.

The programme was culminated on the 18th October, 2012 with a discussion and release of a publication "CBI capacity building programme on CSR". The publication is face of the hard work performance by the consultants and the companies in the past 1 year.



## CSR Training on ISO 26000 & NVGs

There is growing awareness that in an increasingly complex world, business also have significant and long-lasting impacts on the people, the planet and the ability to sustain the levels of holistic development that we all aspire to. The Corporate Sector must now focus its attention on achieving the 'triple bottom line'- people, planet and profit.

With increasing pressures on firms to operate in socially and environmentally sustainable ways, corporate social responsibility (CSR) has become a regular part of the business landscape. As many more organizations decide that they must address the principles of CSR, there is a growing need for tools to help them to define and address what CSR means and how to implement it throughout their organizations.

The Ministry of Corporate Affairs, Government of India released National Voluntary Guidelines on the Social, Environmental and Economic Responsibilities of Business (NVGs), 2011 as the first step towards mainstreaming the concept of Business Responsibilities.

At global level, ISO 26000 is an International Standard providing guidance on Social Responsibility (SR) that can be used by organizations of all types, in both public and private sectors. It helps organizations to operate in the socially responsible manner that society increasingly demands.

Understanding this vital need of the industry, FICCI Aditya Birla CSR Centre for Excellence organized 2 full days training on the ISO 26000 and on NVGs issued by MCA, Govt. The training was attended by senior CSR personnel's of 20 companies like Cairn India, Taj hotels, Ranbaxy, HCL etc.

In the training, an exclusive handbook on 'Basics of CSR' was released which gives a fundamental understanding of the term CSR. The training on NVGs was one of its kinds and was well appreciated keeping in mind of the recent speculation regarding compulsion to spend 2% PAT of the preceding three years on CSR, Annual Business Responsible reporting etc.

FICCI - Aditya Birla CSR centre for Excellence would be soon organizing similar training in the coming months. Interested candidates can write to [csrtraining@ficci.com](mailto:csrtraining@ficci.com).



***"Very well conceptualized, relevant and practically oriented training programme. Diversity in participants (in terms of nature of organizations) was useful... - Foram Nagori, CSR Manager, Taj Hotels Resorts and Palaces (Participant of the CSR training, August 2012)"***

# Update on mandatory CSR spending as per "The Companies Bill, 2012"

The Companies Bill 2012, after due discussions with stakeholders was cleared by the Lok Sabha on December 18, 2012. The new law mandates 2% of profit after tax (PAT) of preceding three years to be spent on CSR activities.



*"The idea was to give it a structure, a shape, regularize it in a way that it becomes formatted. We are following a principle of self reporting. I am very confident because the private sector, the corporates - they themselves want to build bridges with the community. I also think it helps them enhance their brand value and their presence in a very positive fashion. I am very confident that they want to come over and do it as long as there is absorptive capacity in the area to get the CSR done." - Mr. Sachin Pilot, Minister of State for Corporate Affairs (I/C), GoI*

## WHAT SHOULD YOU KNOW ABOUT CSR IN THE COMPANIES BILL, 2012?

### ❖ Who must comply?

- Every Company registered under the companies law or any previous laws (Section 1) If (Section-135):
  - Net worth of rupees 500 crore or more
  - Turnover of rupees 1000 crore or more
  - Net profit of rupees 5 crore or more during any financial year

### ❖ Who will be held accountable?

- The company will constitute a CSR Committee of the board members consisting of three or more directors
- At least one committee member shall be an independent director

### ❖ What will the CSR Committee do?

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII
- Recommend the amount of expenditure to be incurred on the activities
- Monitor the Corporate Social Responsibility Policy of the company from time to time

<sup>1</sup> <http://timesofindia.indiatimes.com/business/india-business/It-is-probably-wrong-to-equate-lobbying-bribery-Sachin-Pilot/articleshow/17775849.cms>

### ❖ What will be the role of the Board of Directors?

- Review the recommendations made by the CSR Committee
- Approve the CSR Policy for the company
- Disclose contents of the Policy in the company's report/website
- Shall ensure that the company spends in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy; Provided that the company shall give preference to the local area and areas around it where it operates for spending the amount earmarked for CSR activities; Provided further that if the company fails to spend such amount, the Board shall, in its financial statement made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount i.e. the details about the policy developed and implemented by the company on corporate social responsibility initiatives taken during the year of sub-section (3) of section 134, specify the reasons for not spending the amount.

### ❖ How much will a company be required to spend on CSR?

- Ensure that the company spends, in every financial year, at least 2% of its average net profit made during the three immediately preceding financial years

### ❖ What are the activities your company can undertake?

According to Schedule VII, Activities - as a Project Mode, which may be included by companies in their Corporate Social Responsibility Policies are:

1. Eradicating hunger and poverty
2. Promotion of education
3. Promoting gender equality and empowering women
4. Health - reducing child mortality, improving maternal health, combating HIV, AIDS, malaria
5. Employment enhancing vocational skills
6. Contribution to PM's fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women
7. Ensuring environmental sustainability
8. Social business projects
9. Such other matters as may be prescribed.

### ❖ What does a company need to disclose in the Annual Report?

- CSR policy, initiatives and the CSR committee
- Amount of expenditure incurred on corporate social responsibility activities
- Valid reasons in case of failure to spend the earmarked CSR budget

### ❖ What if the company contravenes the provisions of clause 135?

- If a company contravenes the provisions of clause 135, According to clause 134 (section 8) they shall be punishable with fine which shall not be less than 50 thousand rupees but which may extend to 25 lakh rupees and every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to 3 years or with fine which shall not be less than 50 thousand rupees but which may extend to 5 lakh rupees, or with both.

## Glimpses of the Centre Activities



## NEXT in Line

### ->FICCI-Shraddhanjali Jawan Trust

Aftermath of the Kargil War in July 1999, FICCI's leadership felt the need for an institution, which could provide assistance to the affected armed forces personnel and their families on a continuing basis.

FICCI and its member companies jointly raised Rupees 1.10 Crores through a fund raising event named "Shraddhanjali". With means of souvenir advertising, ticket sale and sponsorships, the corpus amount was set up and called the FICCI-Shraddhanjali Jawan Trust.

From then, till now FICCI annually hosts Shraddhanjali Jawan Trust meeting with the Army Central Welfare Fund, IAF Central Welfare Fund, and Indian Naval Benevolent Association to disburse the sum total of annual interest that it earns from the corpus amount in the ratio of 85:15:05 respectively.

The financial help, though very modest, is important in the sense that it goes mostly to those families who would otherwise not qualify for any Government or official help. The administrators of these funds, who are also members of the Trust, distribute the actual benefit to the selected families. FICCI will be hosting the Shraddhanjali Jawan Trust meeting in the coming month of February, 2013.



## -> 1st FICCI CSR Summit & Exhibition 2013

### Inclusive and Sustainable Development

#### through CSR: Issues, Challenges, Practices and Prospects

India has a long tradition of close business involvement in social causes for national development. Most corporate houses have been operating with a social conscience that is an inherent part of their business strategies. With the changing national and global expectations, Indian companies are responding to the market expectations through responsible business practices, but CSR in India to some extent is philanthropy. It is still considered external to business, as opposed to an internal process. But the growing concern about the impact of Businesses on environment and society specifically, in the Indian market, CSR has been gaining momentum. With the enactment of the Companies Bill 2012, India is an interesting threshold making CSR mandatory for businesses to engage.

The aim of the Companies Bill 2012 is to provide a structure, a shape, regularize it in a way that it becomes formatted. Hence, there is an urgent need for the Indian industry and its stakeholders to engage discuss and understand the bill and the expectations of the government and the communities. Hence, realizing the CSR aim of an organization and is aligned with pertinent socio-economic issues of India.

Federation of Indian Chambers of Commerce and Industry (ICCI), the largest and oldest apex business organisation in India is organizing the **1st FICCI CSR Summit & Exhibition 2013 with the theme "Changing Paradigm of Corporate Social Responsibility: Issues, Challenges, Practices and Prospects" on 29 and 30 August 2013. The venue is FICCI Federation House, New Delhi.**

The objectives are to understand, exchange ideas, experiences and challenges in context to India and international developments. Share and showcase the best practices in successfully incorporating sustainable methods such as managing human rights issues, reducing environmental impacts and incorporating sustainable and inclusive practices into the company's business strategy and operations. This summit shall present candid insights and valuable opportunity to understand both current issues and emerging trends. As well as understand the challenges faced by the CSR professionals while implementing CSR initiatives.

## -> 2 days Training on Strategizing and Reporting CSR

CSR is a business approach that creates long term stakeholder value by appropriately managing and optimizing opportunities across the economic, environmental and social bottom line efficiently.

As Indian businesses expand their global footprints developing a holistic approach towards business responsibility and proactively integrating sustainability into mainstream business strategy in non-negotiable. A large number of companies in India still 'do CSR ' by implementing variety of CSR programs without necessarily achieving significant improvements in the effective management of social and environmental impacts , minimizing associated risks or capitalizing on opportunities.

A well written CSR report provides information on an organizations economic, environmental and social performance in tune with the well adopted and recognized framework. A balanced CSR report communicates an organization's positive and negative impacts. Such transparent disclosures are a vital step for moving towards a sustainable global economy - one that combines long term profitability with social justice and environmental care.

FICCI Aditya Birla CSR Centre for Excellence is organizing two days training on Strategizing and Reporting CSR . The aim of the training is to provide practical assistance related to operationalizing social responsibility, identifying and engaging with stakeholders and enhancing credibility of reports and claims about social responsibility. Interested candidates can send a request to [csrtraining@ficci.com](mailto:csrtraining@ficci.com).

## About us



ADITYA BIRLA GROUP

FICCI-ADITYA BIRLA  
CSR Centre For Excellence

FICCI Aditya Birla CSR Centre for Excellence is one of its kind CSR Centre for Excellence in India instituted by the Federation of Indian Chambers of Commerce & Industry (FICCI) and the Aditya Birla Group, to advocate, synchronize, map CSR programmes and align them with core business strategy; so as to envelope every facet of human development and environment sustainability in India.

**Vision:** To incubate, nurture and accelerate a paradigm of sustainable and inclusive CSR in India and across the globe, thereby raising the Human Development Index through poverty alleviation.

The Goals of the CSR Centre are - provide strategic direction to the development of inclusive and holistic CSR practices; create synergy by providing platform to various stakeholders to share their experiences, learn, exchange ideas and support partnerships that add value to business and recognises and reward business enterprises contributing towards sustainable and inclusive development.

## Write to Us:

Inviting views, suggestions and feedback from corporates, NGOs, government employees, professionals; We would be happy to receive your feedback on the efforts.

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