

Corporate Social Responsibility



WHAT IS CSR?

- Corporate Social Responsibility is a wider concept which can take many forms depending on the Company and Industry.
- CSR increases reputation of a Company's Brand among its Customers and Society.
- Corporate Social Responsibility is a Self – Regulating Service Model which helps to the Company to be socially accountable – to itself, its stakeholders and to the public at large.
- By engaging in CSR, it can be said that Company is Operating to enhance its presence in the Society.
- As CSR is important to the Community, it is equally Valuable for the Company also.
- Socially responsible companies use CSR to integrate economic, environmental and social objectives with the company's operations and growth.
- CSR activities raise morale at the Workplace.
- CSR is not Charity or only Donation, it is a way through which companies conducts its business by contributing socially.
- CSR is primarily a Strategy of Large Corporations.

CSR ACTIVITIES AS PER Schedule- VII

1. Removing Hunger, Poverty & Malnutrition , Promoting Health Care & making available Safe Drinking Water including Contribution to Swacchh Bharat Kosh

2. Promoting Education & Employment, enhancing vocation skills among children, women etc.
3. Promoting Gender Equality, Empowering Women, Setting up old age Homes
4. Ensuring Environmental Sustainability, Maintaining Quality of Air, Soil & Water including Contribution to Clean Ganga Fund
5. Contribution to Prime Minister's National Relief Fund / Fund set up by Central Govt.
6. Slum Area Development

APPLICABILITY of CSR Provisions

As per Section – 135 of the Companies Act,2013, CSR Provisions apply to the Following Companies :

1. Every Company including its Holding/Subsidiary Company and Foreign Company having its Branch Office or Project office in India having :
 - (a) Net Worth of Rs.500 crore or more, or
 - (b) Turnover of Rs.1000 crore or more, or
 - (c) Net Profit of Rs.5 crore or more
During immediate preceding F.Y
2. Companies falling in above criteria are required to Constitute CSR Committee.
3. CSR Committee will Form CSR Policy which includes list of CSR Projects/Programs which Company plans to undertake as per Schedule – VII , Monitoring Process etc.
4. Board is to ensure that company spends at least 2% of average net profits made during 3 Immediate preceding F.Y.
5. If Company fails to spend then Board shall report the same by specifying reasons for not spending.
6. Company shall give preference to the Local area & areas around it from where it operates , for spending Amount.