

Bharat CSR Summit - 2023

Sunday, the 22nd Jan 2023 at
OM Convention, Narsingi, Hyderabad.



CSR HAND BOOK



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CSR HAND BOOK

for the benefit of delegates

Bharat CSR Summit - 2023

*Sunday, January 22, 2023,
Om convention, Sy No 344, Narsingi,
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PREFACE

The process of globalization has changed the way economies and nations run. As a result, the roles, relationships, demands and expectations of various stakeholders have changed. With the private sector becoming the primary driver of economies, they are beginning to hold great power to influence social development. At the same time, increased awareness and pressure from consumer groups is making demands on the corporate sector to commit to socially and ethically responsible business practices. With the advent of relevant provisions in the Companies Act, 2013, it has now become mandatory for India Inc. to comply and spend a portion of their profits for social causes.

In this booklet, we have attempted to compile all the relevant statutory provisions on Corporate Social Responsibility (CSR), along with articles and contributions provided by few practising professionals in the country.

While we continue to refine and improve the contents of this CSR Hand Book, request all stake holders to caringly comeback with suggestions for improving this book, for the larger benefit of the community. The eCopy of this CSR Hand Book can be obtained by sending an email to abhayafoundation@yahoo.com

LOVE & LIFE for the Country

Publication Team – CSR Hand Book

Sunku Balachandra, Founder

KV Ramakrishna, Chairman

CS Sireesha

CS B Kiran Kumar Gupta

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Profiles of Dignitaries and Speakers



T. Harish Rao

Thaneeru Harish Rao (born 3 June 1972) is an Indian politician serving as the Minister of Medical - Health and Finance Department of Telangana since 08 September 2019. He is MLA from Siddipet constituency from the Bharat Rastra Samithi part since 2004

Between 2014 and 2018, Rao served as Minister for Irrigation, Marketing & Legislative Affairs of Telangana. With his win at the 2018 assembly election, Rao became the youngest six-time member of any legislative assembly in India, He was appointed the Minister of Finance in the cabinet expansion held on 8 September 2019

He was also appointed minister for Health, Medical and Family welfare, on 9 November 2021.



VC Sajjanar IPS

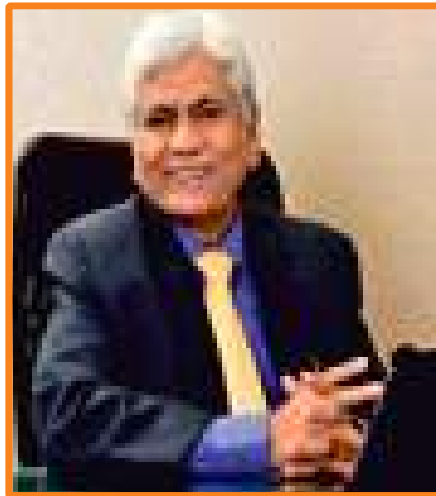
Vishwanath Channappa Sajjanar is an Indian law enforcement and police officer who was the Additional Director General of Police (ADGP) of Telangana, now serving as managing director of Telangana State Road Transport Corporation. He is native of Hubballi, Karnataka state. Vishwanath Sajjanar is known to focus on women and child safety issues. He is also known for his strong focus on community and citizen friendly policing, cybercrime and human trafficking, Sajjanar began his career as an Assistant Superintendent of Police of Jangaon (Warangal District). He also served as the Inspector General of Police (Special Intelligence).



Dr. Gnanvatsal Swami

By his profound knowledge and insights on a wide spectrum of subjects, Dr. Gnanvatsaldas has participated in various conferences and inspired millions of people across India, USA, Europe, Canada, Australia and New Zealand. He has been one of the most popular motivational speakers from BAPS creating an everlasting positive impact in people's lives transforming their intellectual quotient, emotional quotient and spiritual quotient.

He served as an interpreter with earlier BAPS Spiritual Head HH Pramukh Swami Maharaj in many of his religious world tours. He has been instrumental in carrying out many Youth Development and Social, Cultural projects of BAPS at Vadodara, Gujarat, India



Venkat Changavalli

Venkat Changavalli is an Author, Leadership Mentor, Management Consultant and Trainer since April 2011.

His vision is to mentor 50 leaders individually and provide leadership training for 500 leaders every year for enterprises (Large Corporations, Entrepreneurial enterprises, Government Organizations and Social Enterprises).

His mission is to pursue Academic, Board and Consultancy Assignments for Business Development, Partnership Development and Leadership Development through Innovation for improving quality of lives of BPL families in India.

Venkat Changavalli was the First Chief Executive Officer of Emergency Management and Research Institute (EMRI), providing free emergency response services (108). Under his leadership, 108 services started in Hyderabad in August 2005 and in 6 years reached out to 12 states (430M population) with 3,200 ambulances and has responded to 12 Million emergencies, conducted 150,000 deliveries and saved over 520,000 lives.

He is recognized as Organization Builder and People Developer and drives change with clear communication for effective execution.



Alla Ayodhya Ramireddy

Alla Ayodhya Rami Reddy is an Indian politician. He was elected to the Rajya Sabha, upper house of the Parliament of India from Andhra Pradesh in the 2020 Rajyasabha elections as a member of the YSR Congress Party

Alla Ayodhya Rami Reddy hailed from Guntur district. Born on August 12, 1964 in Pedakakani to Alla Dasaratha Rami Reddy and Veera Raghavamma. Mangalagiri MLA Alla Rama Krishna Reddy is his brother.

He completed his primary education at Pedakakani in Guntur district. He studied in Bapuji High School in Guntur city up to the tenth class. He studied Intermediate in Reddy College in Narasaraopet in Guntur district.

He completed B Tech (civil) in Karnataka and M Tech (Civil) in Osmania University in Hyderabad. He started his career as a civil engineer in 1984. He is married to Alla Dakshayani.

He Founded Ramky Group of Companies He has a net worth of US\$350 Million and second richest rajya sabha member in the Indian Parliament.



Komaravolu Sivaprasad

Whistle Music is a rare and specialized art in the melodious world of music and Mr.Siva Prasad has mastered it to perfection, finding himself a prestigious place in the galaxy of enchanting musicians.

A gifted prodigy of 'Carnatic and Hindustani Music on Whistle', Whistle Wizard Mr.Siva Prasad, the 9th child of Late Sri K.S.V.Subba Rao and Smt.Rajya Lakshmi, was born on 26th April, 1955 in Bapatla, a coastal town of Guntur District, Andra Pradesh, India.

Hailing from a family of Scholars in Arts & Sciences, he received no formal initiation into the world of music nor any special instruction other than his own intense interest and enthusiasm for performing music through whistling. He had the rare opportunity of attaining guidance from the legendary Carnatic Vocalist Dr.M.Balamurali Krishna.

His meetings with the immortal Sehnaï Meastro Ustad Bismilla Khan inspired and rekindled in him the love and fascination for 'Hindustani Music' Added to this, the grammar and text of music imparted by the reputed flute Vidwan Sri N.S.Srinivasan has enriched his talent and made Mr.Siva Prasad...The Complete Artiste.

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Profiles of abhaya Team



K V Ramakrishna
Chairman

K V Ramakrishna was born in 1969 in Warangal, Telangana, to Smt K Suseela Devi & Dr.K.Subba Rao. He did all his education till graduation in Warangal and graduated with distinction in Computer Sciences & Engineering from National Institute of Technology, Warangal (earlier known as Regional Engineering College, Warangal). Post Engineering, he joined Tata Motors, Pune, in their Management Services Division. Later, he went on to do his post-graduation in Management from Indian Institute of Management, Bangalore.

Ramakrishna is an experienced finance professional and has been in the Venture Capital/Private Equity industry for more than 2.5 decades, having worked with prestigious organisations like ICICI Venture, Carlyle Group and Kotak Private Equity. He last served as the Chief Executive Officer (CEO) of Kotak Private Equity, Mumbai, a position he quit in November 2021. Post that, he has been mentoring and advising few international funds and corporates in their growth strategies.

Ramakrishna met the Founder professionally in the year 2008, as a Board member of a company where Balachandra was the Company Secretary. He was very impressed by abhaya's work and has been associated with it for the last 10+ years as a donor and adviser. He has been a member of abhaya National Advisory Council since 2016 and took over as Chairman in February 2022.

Ramakrishna believes in simplicity and helping the needy, the traits he picked up from his father. He has been doing his bit in educating poor children, particularly girls, with focus on imparting effective primary education. He is a Trustee of their family trust - Kunisetty Subba Rao & Suseela Devi Charitable Trust, with focus on elderly poor in rural areas around Warangal and also helping poor children in completing their professional courses.

He is married to Smt.Usha Sundari and they are blessed with two kids – their daughter Shruti completed her B.A.LLB (Hons) from National Law School, Bangalore and is currently employed with a leading corporate law firm and their son Chaitanya is doing his graduation in Commerce and pursuing Chartered Accountancy.



CA S Narayana Rangaiah **President**

CA S Narayana Rangaiah, born in the year 1965 at Tadpathri of Anantapur District, Andhra Pradesh to Late Sri Sunku Sala Rangaiah & Smt. Sunku Rajeswaramma. Did his primary and secondary schooling at Govt. School at Tadpathri and graduated in Commerce from SV University. Moved to Bangalore at the very young age and stood as a qualified Chartered Accountant in the year 1988, while doing part-time job for his survival.

During his 33 years of post-qualification, he associated with many reputed corporates and built his career with goodwill and integrity. He was the head of Finance in Gokaldas Exports, the pioneer in Ready-made Garment Industry in India. Presently leading the Finance and Accounts Department of Salarpuria Sattva.

He is very kind and considerate in heart. His readiness to lend his support for the people, made him as all acceptable personality in the Society. He also involved in setting up few Educational and Training Institutions in Bangalore.

He got married to Smt. S Sailaja Narayan who is possessing Masters Degree in Mathematics. He is blessed with two daughters, elder one S Vaishnavi a Software Engineer is married and presently stays in the USA. The younger one S Chinmayi is a Software Engineer and presently working with CISCO, Bangalore and ambitious to pursue her Masters in the USA.

CA S Narayana Rangaiah is the founder trustee of abhaya Foundation and he stood as solid support to the Founder Sri Balachandra since then in foundation activities. Even though, he is restless with his corporate job, he is kind enough to lend his support and devote his time at needy hour to ensure the trust activities are carried out without any hindrances.

The foundation has achieved many milestones since its inception with his kind association and the support of thousands of like minded people. Team abhaya welcome CA S Narayana Rangaiah to lead Trust as it's President from 23rd Jan 2022. We are confident to accelerate our reach to the needy in the days to come under his able leadership.



Sri KSV Siva Krishna (Secretary), born in 1985, graduated in MCA from University of Hyderabad. He is the first Post – Graduate, whose education was supported by abhaya in the year 2006. His association with abhaya since then has provided him multiple roles from Beneficiary, Volunteer to Trust Board Member. He was inspired by Founder and started doing his part for the country.

He born and brought up in Kakinada of Andhra Pradesh in a middle class family. Father Sri Srihari Mannaru and Mother Smt Lakshmi Meenakshi given him nothing but good education to live on his own.

He studied in Govt institutions and secured good grades through out.

He got married to Lakshmi Soujanya, and blessed with a boy Srihari Suhas. Presently, he is working as a Software Engineer in a renowned company. He is one of the active members and heads various projects at abhaya. Always available at a call distance and leads various activities of abhaya.

CS R. Ramakrishna Gupta (Treasurer), born in 1975 to Smt. & Shri Racharla Nagabhushanam at Yerragunta Village of Andhra Pradesh, graduated in Commerce & Law. He is a Fellow Member of Institute of Company Secretaries of India, New Delhi.



He is Partner of M/s. R & A Associates, Company Secretaries and Corporate Legal Services firm operating since 1996 at Hyderabad. He Served as Chairman ICSI- Hyderabad Chapter and SIRC. He is associated with abhaya since its inception with passion and he is Executive Committee member of abhaya Home of Happiness. He honestly believes that serving man is serving God and involves himself in all the abhaya projects whenever finds time.



Sri SV Hari Prasad, born in 1963, graduated in Agricultural Sciences from Andhra Pradesh Agriculture University, Bapatla; Post Graduated in MBA from Indian Institute of Planning and Management and Specialized in International Business from the Institute of Foreign Trade, New Delhi.

He worked as a Chief Executive Officer for French Company and later set up his own company - Setex Group in Bangladesh in the year 1993 and expanded the International Trading activities in several countries like Hong Kong, India, China, Korea, Taiwan,

Thailand, Indonesia etc. Presently, he is engaged in the fields of Real Estate, Investments, and Construction in Bangalore.

He is being the Treasurer of RNIR Association, Bangalore; Director of International Services of Rotary Club, Bangalore actively involved in rehabilitating Govt Schools, Healthcare Projects.



CA AV Satish Kumar, born in 1961, graduated in commerce from SV University and pursued Chartered Accountant course. He is one of the founder Trustees. He worked in a Manufacturing Company for a couple of years and established his own CA Firm in the year 1986. It is known to be the best Accounting Firms and is associated with a number of reputed Companies nationally and internationally. He served as the abhaya President for the term 2014 -18.

The firm renders its services to many non-profitable and charitable institutions as a token of love and care for the community. He along with his wife Smt Sudha Satish, (CA)Sahithi & (Dr)Snehitha is involved in various community projects in and around the State of Andhra Pradesh and Karnataka.

CS PS Rao, born in 1967, graduated from Andhra University pursued Company Secretary Course. He established M/s. P.S. Rao & Associates, a Practicing Company Secretaries Firm in Hyderabad in the year 1991. He is also proud to be a part of one of the Founder-faculty of Digvijay Coaching Institute, Hyderabad, which pioneered the quality coaching for the students of professional courses like Chartered Accountants, Company Secretaries, Cost and Working Accountants.



established "P. SIVA RAMA PRASAD MEMORIAL CHARITABLE TRUST" in honour of his father for serving the society. He has been associated with abhaya since its inception and served as the President for the term 2012 -14.



CA Radha Krishna Sunku Had been associated with abhaya since its inception and is so kind hearted and helpful. He was born in the year 1977 in Tadpatri, to late Sri S. Ranganatham and Smt. S. Gowri Devi. Did his schooling at Aurobindo School and PU at Anantapur, there after moved to Bangalore for graduation and CA. While pursuing Chartered Accountancy worked for few software companies and then qualified as Chartered Accountant in year 2006.

is the CFO, EY Global Delivery Services (GDS) which is a 70,000 people organization spread over 10 countries. He is leading GDS Finance to help drive the financial strategy and performance of the GDS organization. He has over 20+ years of extensive experience in the Finance domain.

Radha Krishna has been associated with abhaya Foundation since inception and has been integral part of the various ongoing initiative taken up by the foundation for the larger benefit of the society and the Country.

He lives in Bangalore, India. Enjoys travelling.



Sri Gubba Vidya Sagar, born in 1974 at Suddakal, a remote village of Mahaboob Nagar, Andhra Pradesh is the youngest one in the family. His experience is richer than his qualification. His father demised while he was studying XI Class. In such a critical situation, his brothers took up the responsibility of running the family. Being the youngest, he too started helping his brothers who are struggling to face the life. Two decades ago, they have established a Small-Scale Industry and started manufacturing School Belts. He is in charge of commercial operations and travelled extensively across the country for Marketing and Business development.

He is a kind-hearted man with values, always willing to serve the persons who are in need since young age, as he too came from such situation in life. Inspired by Bhagawan Sri Sathya Sai Baba's life and mission, he started motivating the young communities in the District to take up service activities. He is the example of true Sadhaka as he practices what he knows is good in life. He is associated with abhaya since its inception with his might. He always stood like a rock in reprogramming various lives through abhaya. He is good at organizing meetings, decorating the venues, managing the men, motivating the people to serve, as he involves himself with everyone as one with them and not as leader. This made him to be accessible to everyone at a call distance in the society.

Sri Kalyan Singamala, from Dharmavaram (Anantapuram, AP) son of Smt Suvarna & Sri Nagabhushanam... born in 1974 and settled in USA since a decade. Presently working in LAM Research in USA as IT Director. Married to Radhika Singamala and blessed with two lovely daughters Niyathi and Chaitra.



His dad was very hardworking man and tried his best to give best for the family. His mom has instilled so many human values right from his childhood by telling many epics and stories. His mother is instrumental for what he is today. His mom always said, "immense pleasure exists in giving than taking", "one should not have guilt in any form".

Kalyan's college life was spent in grocery shop and completed graduation with great difficulty. He secured rank in MBA entrance which took a big turn in the life and changed dynamics of entire family. Started career in 1998 in IT, travelled more than 30 countries as part of job and passion. He loves travelling, wildlife, cosmos etc.

He knows the Founder, CS Balachandra Sunku, since 1991 and the first connection happened during Ganesh festival at RCVS Home Anantapuram. After a gap of 28 years again got connected to abhaya through another common friend and Trustee CS R Ramakrishna Gupta. He got inspired with Corona Charity activities undertaken by abhaya and started inclining towards abhaya to do his part.

When asked him to share his thoughts on service, he said! "Passion in every activity I do. Rides with emotions. Involves with Honesty and dedication in all things I take up. Very punctual in work. India rich in diversity power in unity", he added.



Sri Srirangam Venkat Narayanacharyulu (Achary), born on 11th Oct 1972 to Smt S Sarojini & Sri S Narasimhacharyulu. Father was a temple priest, he migrated to Hyderabad in 1965. Parent are the role model for him and his siblings to grow in life.

His father used to say that... help others in the best possible way and rest God will take care. His mother was a teacher, she always believed in hard work, she led the life with positive attitude in spite of obstacles.

Achary's childhood was linked with the temple in SR Nagar and while performing archaka duty he used to study until B.Com (1992). But he never thought that he will become Company Secretary in life. He started his career after marriage with Aruna Sri in the year of 1994, during that time he happened to go to Anandanagar to perform Varalakshmi Vratham in a house which is located next to Hyderabad Chapter of ICSI. He could see many students at 7am there for attending oral coaching classes at chapter premises. That's how he got to know about CS Profession. He then registered for the course. His father passed away in 1997 and there after mother too passed away when he has been to exam for CS. But her wish for him was completing CS. He was determined to write exams keeping his mother's wish and he wrote all exams and cleared first level of course.

He got connected to Founder CS Balachandra in 1996 during CS Final coaching classes at Little flower school, Abids and they both completed the course together and travelled together in life for 25 years thereafter. With inspiration drawn from founder and parents, he decided to help others and for that he felt to do hard work thinking that some thing can be done for the society.

He is blessed with two children SKH Chandana pursuing her CA Final and son SKS Nandan pursuing CS Final. He is happy with what he is today and now want to serve society as much as possible by becoming the Board Trustee of abhaya Foundation.

CS G Raghu Babu, Gunturu Raghu Babu is a Founder of SimplyBiz Private Limited (<https://simplybiz.in/>).

Raghu has 25+ years of experience in running professional services firms. SimplyBiz is a multidisciplinary professional services firm engaged in business set up, transaction advisory and support for fund raising and M&A, entity management (accounting, tax, compliance and management reporting), Corporate Governance and Corporate Secretarial, Buyback of shares.



Raghu is a Postgraduate in commerce, Bachelor of Law, Fellow Company Secretary and Executive MBA from Indian School of Business.

Raghu has been associated with abhaya Foundation since beginning and he was the President for the years 2014-2016.



Dr K Narasimha Rao, born in the year 1962 at Porumamilla, Kadapa Dist., AP to Smt K Swarajya Lakshmi & Dr K C Kesava Rayudu as eldest son. He had his primary education at ZP High School, B.Tech (EEE) from JNTU, Anantapur and M.Tech and PhD from SV University, Tirupati, AP.

For the last 40 years he has been serving the noble profession of engineering as Faculty at various Engineering Colleges and presently serving at BMS College of Engineering, Bangalore. He is an Evaluator (NBA) and keeps visiting several Politechnic and Engineering colleges across the country to improve the quality of Education.

He is married to Smt Sowmya Kattamuri, who is very actively associated with abhaya activities. His eldest son Kattamuri Venkat Abhilash is a Civil Engineer and Interior Designer, the second son Kattamuri Uday Rakesh is a Software Engineer, USA and the youngest one is Kattamuri Chenna Keshava is doing his MCA, is an active volunteer in many abhaya activities.

The family has been associated with abhaya Foundation for many years as donors, volunteers and resource persons.

Dr Rao is very kind and engages himself in each and every activity of abhaya and keeps adding value wherever there is a possibility.

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Background

Bharat CSR Summit 2023

Since the promulgation of Companies Act, 2013 and inserting a Section exclusively for CSR making Indian Corporates share little percentage of their net profit for the common good of the community from where they became profitable...it's a decade long time now i.e., 2023 the Country is witnessing various practices in CSR.

Considering the said fact, abhaya while celebrating its 16 years of selfless work...wish to host Bharat CSR Summit 2023 on Sunday, the 22nd Jan 2023 at Hyderabad.

Even in the year 2013, abhaya Foundation was first to host series of CSR Seminars in South Indian States pioneering the cause of CSR in newly passed Companies Act. 2013. Team abhaya thought it fit and appropriate to organize Bharat CSR Summit 2023

Accordingly envisaged the following plan.

1. Hosting Bharat CSR Summit 2023
2. Inviting VIP speakers from Politics, Bureaucracy, Industry, Spiritual and Executory fields.
3. Involve Corporate Houses, Corporate Professionals, NGOs, Philanthropists etc., making them to participate in the summit.
4. Releasing a Souvenir on the occasion
5. Presenting research papers
6. Honouring Corporate Donors
7. Honouring NGOs
8. Feast for the participants
9. Submitting the conclusions to the State and Central Govt

The Seminar is expected to be attended by about 500 Corporate Heads, Promoters, Directors, Industrialist, Professional Bodies, CFO's, Chartered Accountants, Cost Accountants, Company Secretaries and others drawn from various parts of the state.

Community Work is something which is done since ages. But in spite of such service being done by many people viz; Kings, Governments, Philanthropists and Corporate Houses doing their bit....

still poverty, starvation, illiteracy, pollution, global warming and other related problems exists in society. May be the more efforts and more people needed to join the movement.

We know and heard about individual responsibility towards society but it is amazing to know that Government is very empathetically spreading the awareness about "Corporate Social Responsibility" (CSR). The Companies Act, 2013 is talking about CSR and encouraging the Corporate Houses to do their bit for the country.

Being Corporate, we have done and are known for business, corporate governance, contributing to economic growth, employment, wealth maximization to stakeholders etc.,. But still CSR, if becomes part of Corporate Journey... then there would be prosperity for those in need in and around the country.

When one good step taken by a person is followed by few, it becomes custom then it becomes practice and then turns into law, thereby promoting the welfare of people We being companies have been contributing to society by doing business and creating employment but now it's the time to add some more feathers to our hat and promote CSR, thereby developing the Nation as the whole.

With such thoughts in mind, abhaya Foundation in order to create awareness about what is happening in the country in regard to CSR, organising Bharat CSR Summit for Corporate Heads, Directors, Professionals, NGOs and Philanthropists on Sunday, the 22nd Jan 2023 at OM Convention, Narsingi, Hyderabad.

Editorial Team

abhaya FOUNDATION

abhaya Foundation (www.abhayafoundation.org) is a registered Trust founded by likeminded professionals (Company Secretaries, Industrialists, IT professionals, Lawyers, Educationalists) in 2006. The trust has been taking up projects in the areas of Healthcare, Education, Awareness, Rural Development and Transformation since inception. Presently abhya's prime focus is on Education, Empowerment, Environment & Enlightenment. Several projects taken up by abhaya have been well appreciated by the Corporate, media and fellow citizens and leaders of Society

Key achievements:

- Made a difference to at least 600 people, suffering from health issues.
- Supported about 600 poor students who are perusing higher studies
- 300 youngsters settled and taking care of their families with such support
- Supported 150 schools & 30,000 students in 4 states
- Motivated 15,00,000 people across the country
- Distributed 90,000 blankets across the country during winter season
- Inspired approximately 5 Lakhs of youngsters across the country.
- Distributed 3,000 umbrellas during the summer season
- 100s of families reprogrammed their lives
- Monthly Newsletter reach 50,000 people across the Globe
- abhaya Home of Happiness caring 50 destitute
- Empowered 8,000 women & 2,000 men
- Support of 100s of Corporates received for CSR Projects
- Calamity relief activities undertaken
- Skill development center established in 3 states of South India
- Initiated Super 60 benefiting Govt School children studing 10th class in AP
- Served lakhs of people during corona pandemic in 8 states of the country

A decorative border with a repeating pattern of colorful flowers and leaves in shades of yellow, orange, red, purple, blue, and green, framing the central text.

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A decorative flourish with symmetrical scrollwork and floral motifs in a golden-brown color, positioned above the main title.

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INDIA DATA INSIGHTS
(an initiative of Sattva Consulting)

1. THE STATE OF CSR IN INDIA

Corporate Social Responsibility

In 2014, India became the first country in the world to mandate CSR spend through legislative action. The legal mandate on CSR applies to companies that have one of the following:

- Net worth of Rs.500 Crore or more, OR
- Annual turnover of Rs.1,000 Crore or more, OR
- Net profit of Rs.5 Crore or more.

Companies thus coming under the CSR mandate have to spend at least 2% of their average net profits of the preceding three years on social impact programmes in every financial year.

In the first 7 years (2014-21) of implementation of this law, more than Rs.1.22 Lakh Crore has been cumulatively spent by 29,000+ companies. In this article, we have analysed the CSR spend in the last 7 years by the entire set of companies using the data made available by the Ministry of Corporate Affairs as of March 2022.

Definitions

PAN India – Project implementation is in more than one state

Sector – Development sectors/thematic areas defined by MCA

Zero Spend Companies – Companies that have their prescribed CSR amount as zero or they have spent zero amount with positive prescribed CSR

PAN SDGs – Development sector of the project can be mapped to more than one SDG

PSU – Public Sector Undertaking (Central or State government)

Unlocking the Potential of CSR

In 2014, India became the first country to legally mandate Corporate Social Responsibility (CSR). With CSR funds gaining strength as a source of development finance, Sattva has evaluated how CSR has been implemented between 2014 and 2021, in the State of CSR Report by Sattva.

CSR and Business Goals

Corporates display their financial heft and deep monetary resources, through their CSR spends. In fact, since 2014, over 29,500 companies have spent nearly Rs.1.22 lakh crores, cumulatively, on CSR. By any standard, this is a significant amount, even if it pales in the face of government spends. This corporate largess is a result of a changing mindset towards CSR. Corporates have come to recognize substantial benefits in triggering transformative changes in the social sector through a problem-solving approach. They are increasingly moving beyond the boundaries of statutory compliance and time-bound, interventionist support for 'projects', to align their CSR efforts with corporate expertise and business values more closely.

This goal-based approach helps corporates to reap intangible business benefits, as they link their brand with a tangible goal, and thereby, amplify impact. When CSR efforts are closely aligned with corporate goals and expertise, mutual synergies and competencies are leveraged. Longer-term perspectives also help to build resilience in the face of unpredictable disruptions like the COVID-19 pandemic.

What is more, along with better alignment with business priorities, the social needs of the nation are also addressed.

CSR & the COVID-19 Years

In many ways, 2020-21 was a watershed year for CSR. Corporate India reiterated and displayed its potential to transform the social sector landscape significantly, by catalysing solutions and scaling impact - as was evident during the COVID-19 pandemic. From developing vaccines to driving relief efforts, corporates were at the forefront of all activities, working in tandem with the government.

However, the pandemic upended the economy, disrupted ongoing CSR projects and erased the gains made over years of painstaking community development work. Education and Health, each of which typically secures about 30% of the total CSR funds, saw widespread disruption due to lockdowns and other restrictions. For example, schools were shut for almost 18 months. Hampered by the stark digital divide, most schools serving disadvantaged communities and education-related CSR projects struggled to adapt to the online mode. Economic distress, poor connectivity, lack of access to digital devices, and staff who were inadequately trained to adapt to the online mode of instruction were some of the common challenges of this period.

On the health front, in the initial months of the pandemic, every known health system came close to collapse despite private and government intervention.

The lessons from these experiences call for introspection. They call corporates to re-examine the efficacy of their existing CSR investment models. They call for a focus on building greater resilience within our communities.

CSR – Resilient funds

The change in corporate mindset is evident from the fact that despite the situational disruptions of 2020-21, the average annual CSR spend consistently stayed above Rs.20,000 crores over the last three years. During that period, half the CSR spends went towards COVID-19 relief efforts, including the PM CARES Fund and other COVID-relief activities.

Private sector's annual CSR spend may seem paltry in comparison to government spends – such as union budget allocation for sectors like Education (around Rs.1 lakh crores) - or monthly GST collections (Rs.1 to Rs.1.3 lakh crores). However, it must be realised that CSR is not intended as a replacement for government spending. CSR funds intend to act as a catalyst for government spending, and supplement existing efforts to strengthen institutions, bring in innovation and leverage private sector expertise for social good.

CSR Law and Impact

Amendments were made to the CSR law in 2021 to nudge companies towards a deeper engagement with CSR, mainly on three fronts:

- **Increased Governance:** The 2021 amendments include involvement of the Board where CSR spends exceed Rs.50 lakhs, more detailed annual disclosures, and monetary penalties for non-compliance on mandated spends. It must be mentioned here that while compliance is still a stumbling block – with almost 50% of companies unable to meet mandated spends, several companies have also been consistently spending more than the mandated levels, right from the start.
- **Focus on Impact:** Mandatory impact assessment by an independent agency for corporates who have spent > Rs.10 crores in each of the preceding three years, and with projects > Rs.1 crore.
- **Responsible Implementation:** While general management and administration expenses are to be accommodated within the 5% administrative overheads cap, expenses related to project design, implementation, monitoring and evaluation may be included in the 95% allocated to projects. Unspent CSR funds linked to an ongoing project should be transferred to the designated 'Unspent CSR Account' within 30 days of the year end. If not, this must be transferred to a Schedule VII fund within six months.

While these amendments enhance transparency and disclosures around existing CSR activities, they also draw attention to the huge untapped opportunities in this field. With its innovative solutions and methods, imaginative collaborations and a strategic perspective, corporate India can deliver an impact that is disproportionately greater vis-à-vis the volume of funding.

In addition to bringing in corporate funds into social development, CSR now aims at including private sector expertise for social development. Voluntary initiatives, led by corporate leadership teams, are among the major trends in business, in recent times. These voluntary initiatives leverage the technical and process expertise that is readily available in corporates, bring in an instinct for innovation, collaboration and novel financing options. These teams have the bandwidth to generate a better understanding of the needs of communities, through research and use of technology. They are better equipped to bring innovation to the social sector and can operate without the constraints that governments may face.

CSR – Trend Analysis

Sattva's analysis is supported by emerging CSR trends that we have observed, through our in-depth interactions with corporates over the past decade. Our findings include the following:

1. Innovations and Incubators Draw Increased Funding: There has been a steady increase in CSR funds directed towards social sector incubators and social research. With Niti Aayog also promoting the Atal Innovation Mission, it is likely that large CSR spenders will adopt this trend and include incubators and research in their portfolio soon.

Meanwhile, corporates are also partnering with standalone incubators and academia to fund social enterprises that are brimming with fresh ideas that resolve social sector challenges. They have the funds and the scope to leverage their business and leadership expertise to mentor market-linked solutions that serve specific communities. These solutions could turn the tide for underserved populations in areas like financial inclusion, mobility, green energy and so on.

2. Increase in Collaboration: Corporates have a head start in being able to build collaborative models, by attracting talent and expertise from diverse fields to address social sector problems and scale impact. These partnerships with Foundations, HNIs and other corporates augur well for knowledge sharing and more efficient use of funds. They also provide a platform for academic and technical experts to mentor and support enterprises, and scope to collaborate and work in synergy with Government to offer wider institutional support and scalability.

3. Access to Underserved Geographies: Traditionally, CSR used to benefit local areas where corporates run their operations. However, data from our review period suggests that deployment of CSR funds is in fact skewed geographically. More than a third of CSR funds reportedly goes to pan-India projects (spends by large corporates, PSUs in particular), while the rest of it goes into region-specific projects.

The Western region receives close to 23% of the total funds (of which Maharashtra alone accounts for 15%) and the South gets 17% of funds, cornering the larger share. States like Bihar, Uttar Pradesh, Jharkhand, Madhya Pradesh, and West Bengal which score low on social development indicators receive a very small proportion of CSR investments. The same holds true for the North-Eastern states. The Aspirational Districts (as categorized in Niti Aayog's initiative in 2018 to bring accelerated development to 112 districts lagging in social welfare indicators) attracted hardly 1.76% of the funds, despite housing 21% of the total population.

Of late, more corporates are looking at these severely underserved areas to supplement government efforts at upliftment in these locations. There is enormous scope for corporates to move the needle and channel their efforts into creating consequential impact in these regions. The government could consider incentivizing CSR spends in Aspirational Districts to attract a larger share of funding.

4. Blended Finance and Innovation in Funding: Blended finance is a concept that is gaining traction amongst corporates. Born from the assumption that social sector project outcomes are usually difficult to predict, and therefore a risky proposition for commercial lenders, blended finance attempts to bridge the gap between projects and funding by using limited, concessional philanthropic capital or grants to underwrite the risks in a project, thereby unlocking the potential for commercial capital to play a role. Development impact bonds, loan guarantee funds, syndicate or pooled philanthropic funds, in addition to other, more innovative models, like returnable grants, interest subvention and social success notes are being explored.

Although all these have greater reporting and impact assessment requirements, blended finance offers corporates the opportunity to deliver greater impact with limited resources. While compliance is still a challenge, corporates are exploring how best to unlock commercial funds and build more market-sustainable models of funding.

5. Social Sector Research: Social sector research has traditionally been the preserve of philanthropic foundations rather than corporates. But increasingly, corporates have also been funding research in fields that lie close to their business interests. Additionally, they have been sharing knowledge and data with others, to improve the understanding of critical issues and further thought leadership in the ecosystem. When the knowledge pool in an ecosystem increase, everybody benefits. Better understanding forges better collaborations, more innovations, improved benchmarks, more effective and relevant program implementation and more specialist agencies.

6. Systemic Changes: The 'project management' approach is giving way to a strategic perspective, and corporates are seeking deeper engagement with CSR to bring about lasting social change. To begin with, the pandemic experience is compelling corporates to build more resilient strategies and processes, and render them disaster-proof. These changes call for reconfiguring of systems and processes, and enhanced reporting protocols so that decisions can be data-driven and evidence based, with robust metrics for impact measurement.

7. Socially Conscientious Businesses: ESG (Environmental, Social, and Governance) is becoming core to the way businesses operate today. Corporates measure CSR investments against these three key factors before committing funds. They look at enabling shared value, attaining global sustainability goals and focus on climate change led initiatives as part of their CSR focus. Corporates have become more cognizant of the need for a socially conscious brand, for internal as well as external stakeholders, and to leverage CSR as a magnet to attract and retain high-quality talent.

CSR aims to positively impact society and create a more equitable, sustainable living space for all. It is true that the focus of CSR has been evolving with time, to address present day challenges and those of the future.

The time has come for corporates to recast their plans and reposition themselves as vital catalysts in this monumental task of creating a more equitable society. For it to be really meaningful, rather than just plain rhetoric, more corporates must be serious about fully embedding CSR into their organization's board rooms.

While some of the traditional Indian corporates have been actively involved in philanthropy for decades, most other companies took their first steps into the social sector after the CSR law came into effect in 2014. In five years of implementation, companies seem to have achieved a high level of legal compliance. The next frontier for companies will be going beyond legal compliance towards a strategic and long-term CSR vision for the company. As analysed in this report:

- There are regional disparities in CSR spending
- Certain sectors need greater attention and funding

CSR – Looking Ahead

The concept of CSR spending as a business 'duty', as well as 'potential', took time to evolve. Starting primarily as a 'must do' to ensure compliance and then moving on to address specific, identified community needs such as education, health or environmental concerns, CSR spends, in the past, were mostly standalone philanthropic projects.

However, today, most large companies across industries are better informed and better equipped to deal with the wider set of social challenges at hand due to the availability of credible data for informed decision-making. Technological advancements have equipped corporates with instant access to data and online delivery of community services such as awareness building on climate-related issues, education, health and financial inclusion.

The task, now, is to effectively identify and leverage the core competencies of different corporates and give CSR projects strategic direction and objectives. Teams within a corporate can take an active role in solving social problems in a way that simultaneously delivers tangible bottom-line results.

What's next?

- Companies can utilise their strategic competencies to align with impact goals.
- Social innovation and flagship CSR programmes are emerging areas of interest.
- Markets, investors, employees, business partners and the society are examining company's social responsibility today. CSR is becoming a strategic function for businesses.



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2. Simple Practises for Sustainable CSR

Corporate Social Responsibility (CSR) helps companies to be socially accountable to stakeholders, the public, and themselves. While CSR was initially an internal organizational policy, various national and international laws have been developed over time.

Today, companies in India are mandated to spend a minimum of 2% of their net profit on CSR activities under the Companies Act 2013. The mandated spend has led to increased participation of companies to contribute to societal goals of a philanthropic or charitable nature

Listed below are seven good practices for corporates that can help in realising the aspirations of a sustainable CSR partnership.

1. Understand NGOs: Through innovative tools and mapping exercises, come to understand NGOs and the context in which these operate; identify the “agents and drivers of change” in NGOs, and understand their motivations and restrictions.

2. Respect NGOs' Mission: Respect the diversity and variety of NGOs. Do not impose your own agenda, but symbolically acknowledge civil society's diversity through statements of intent that mirror your ethos and determine the rules of your engagement.

3. Invest with Purpose: Funding NGOs is an investment as you invest time, intellectual and financial capital. Define why you are investing in a specific partnership, what is your purpose in this relationship, and what you wish to achieve.

4. Co-create: Listen to the stakeholders and beneficiaries and find frameworks for dialogue and applied learning. Act on what you have been told – engage your stakeholders and ultimately aim to build a real partnership with the recipients of your funding. Find forums to channel engagement, such as multi-stakeholder groups. Build ways of engagement with other donors from your sector, and other sectors. Become an effective donor through harmonisation with other donors. Further, encourage employee participation in volunteering.

5. Be Transparent and Accountable: Adhere to self-regulation, good practice guidance and standards. Agree on expected and realistic outcomes with the NGOs through results-based management, and consequently, ensure a shared strategic approach. Be open about your opinions, evaluation processes and results, and your aims and motivation in entering into a funding relationship. Be clear in your purpose and intentions about the source of your funding and the process of your decision-making.

6. Build a Long-Term View: Balance the short-term goals with long-term, strategic approaches. Be in it for the long haul – become an effective partner for your beneficiaries and help them build their capacity through long-term and core support. Find ways to make your funding approaches clear, consistent, and sustainable over the long term.

7. Learn: Innovate, test, and implement methods of evaluation and assessment to continually improve your understanding, effectiveness, and responsiveness, in a manner that is neither too arduous nor just ticking boxes. Work with your NGO partner on learning lessons from your partnership.

The major partners and resources for companies are the NGOs and voluntary organisations working in communities to address sustainable development goals. For implementing agencies such as NGOs and voluntary organisations, building a strong and sustainable relationship with companies is crucial to create a positive impact in society.

A Case study of a Sustainable CSR, based on core principles and good practices.

An innovative CSR project which achieves >7X times social impact:

[CSR donor: www.maanaveeya.org](http://www.maanaveeya.org); [NGO Partner LVPEI: www.lvpei.org](http://www.lvpei.org)

Beneficiaries: Persons with Vision Impairment

In 2021, Maanaveeya (MV) initiated its CSR in an innovative way. To create a larger impact in lives of low-income people, Maanaveeya ideated on an innovative CSR intervention which would cater to the needs of the NGO. In FY21 & FY22, MV decided to support implementation of rooftop solar power project in L V Prasad Eye Institute at its campus which would create impact all through the 25-year lifetime of the solar



One-time CSR grant towards the fixed assets of the organisation would save on the Electricity bill year-on-year, for more than 25 Years, thus creating >7X impact. This is tabulated below:

Indicators	Values
Solar Capacity in kW	70
Generation per day (kWh)	280
Generation per year (kWh)	92,400
Generation in 25 years (kWh)	23,10,000
Cost of solar system (INR)	33,50,000
No. of surgeries that could be sponsored (one time) with the same amount spent on solar system	1,340
Value of electricity savings in 25 years (INR) @ 10/- per unit:	2,31,00,000
Above savings would support no. of Eye surgery in 25 years:	9,240
Enhanced social impact due to installation of solar instead of one- time donation	7 times

- The CSR Partnership resulted in creating over 7 times more social impact through one time CSR grant. This intervention has ensured huge social impact, ensuring more persons with blindness have their vision restored, repeatedly year-after-year, for 25 years.

- Adaptation of green energy has positive annual environmental impact of 76 Tonnes of Carbon Dioxide emission reduction. That is equivalent to annually planting 3444 fully grown mango trees. Over the lifetime of the project, this is equivalent to 86,100 trees growing to be the full-fledged forest.

- SDG Impact: SDG 3 – Good health & well-being; SDG 7 – Affordable & Clean energy; SDG 13 – Climate Action

In recognition of this innovative CSR intervention at LVPEI, Maanaveeya was awarded Mahatma Award for CSR Excellence 2022 which was held on 1st October 2022 at Delhi. <https://www.mahatmaaward.com/>



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3. Birds Eye View on Corporate Social Responsibility

S. No.	Particulars
1. Provisions Applicable	
a	Section 135 of the Companies Act, 2013
b	The Companies (Corporate Social Responsibility) Rules, 2014
c	Section 134 (3)(o) of the Companies Act, 2013
d	Rule 9 of the Companies (Accounts) Rules, 2014
2. Applicability	
a	The provisions of CSR apply to: Every company (including foreign company having its branch office or project office in India) having in the immediately preceding financial year: <ul style="list-style-type: none"> ➤ Net worth \geq Rs.500 crores, or ➤ Turnover \geq Rs.1000 crores, or ➤ Net profit \geq Rs.5 crores
3. What If CSR is applicable to a Company?	
a	Such a Company shall constitute a Corporate Social Responsibility Committee of the Board: <ul style="list-style-type: none"> ➤ with 3 (three) or more directors with at least 1(one) independent director ➤ with 3 (three) or more directors (for Companies which are not required to appoint an independent director). <p>Note: <i>Constitution of CSR Committee is not required where CSR amount required to be spent does not exceed Rs.50 lakhs.</i></p>
b	Such a Company needs to spend 2% of the average net profits: <ul style="list-style-type: none"> ➤ made during the immediately preceding 3 financial years as per the CSR policy <p>OR</p> <ul style="list-style-type: none"> ➤ where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years.
4. CSR Implementation	
	The Board shall ensure that the CSR activities pursuant to Schedule VII are undertaken by the company itself or through: <ol style="list-style-type: none"> i) Section 8 Company / Trust/Society, exempted under Section 10, or registered under Section 12A and approved under 80G of the Income Tax Act, 1961 established by the company, either singly or along with any other company. ii) Section 8 Company / Trust/Society, established by the Central Government or State Government. iii) any entity established under an Act of Parliament or a State legislature.

	iv) Section 8 Company / Trust/Society, exempted under Section 10, or registered under Section 12A and approved under 80G of the Income Tax Act, 1961 and having an established track record of at least 3 (three) years in undertaking similar activities
	Note: <i>Every Entity that intends to undertake any CSR activity shall register itself with the Central Government by filing the e-form CSR-1.</i>
5. Where to spend?	
	The company shall give preference to the local area and areas around it where it operates.
6. Impact Assessment	
a	Applicability
	Every company having average CSR obligation > Rs.10 Crores (in the three immediately preceding financial years)
b	Impact Assessment of
	Their CSR projects with outlays > Rs.1 Crore and completed at least one year before undertaking the impact study
7. Unspent CSR Amount	
a	If Unspent amount pertains to other than Ongoing Projects
	Shall specify the reasons for not spending the amount in Board Report. And transfer unspent CSR Amount to any fund included in schedule VII of the Act, within a period of six months of the expiry of the financial year (Until a fund is specified in Schedule VII)
b	If Unspent amount pertains to Ongoing Projects
	i) Open Unspent CSR Account with a Scheduled Bank ii) Transfer unspent CSR Amount within a period of 30 days from the end of the financial year to Unspent CSR Account. iii) spend such amount within a period of 3 financial years from the date of such transfer as per CSR Policy. iv) failing which, transfer unspent CSR amount to a Fund specified in Schedule VII, within a period of 30 days from the date of completion of the 3 rd financial year.
8. Surplus of CSR Activities	
	shall NOT form part of the business profit.
	i) shall be ploughed back into the same project (in case of Ongoing Projects) OR ii) shall be transferred to the Unspent CSR Account OR iii) transfer such surplus amount to a Fund specified in Schedule VII -within a period of 6 months of the expiry of the financial year.
9. Set- off of Excess CSR Spending	
	excess amount may be set off against the requirement to spend in the immediate succeeding three financial years.
10. Penalty	
a	For Fund Related Non-Compliance:

	<p>Subsection (7) of Section 135 deals with penalty for non-compliance of subsections (5) & (6) viz.,</p> <p>(i) failure in transferring the unspent CSR amount to a “specified Fund” within the stipulated time,</p> <p>(ii) Failure in transferring unspent CSR amount to a separate bank account as “Unspent CSR Account” (a special account for that FY) within the time prescribed if it pertains to an “ongoing project”, and</p> <p>(iii) Failure to transfer the unspent CSR amount within 30 days after the expiry of 3 financial years pertain to an “ongoing project” to a Fund provided in Sch. VII.</p>
	Penalty on company:
	Two times the amount to be deposited to Fund or “Unspent CSR account” or Rs.1 Crore, whichever is less;
	Liability on “officers in default”
	“One-tenth” of the amount to be deposited to Fund or “Unspent CSR account” or Rs. 2 Lakhs, whichever is lower.
b	Penalty if the default pertains to any other provision of the section, or of the Rules, like failure to form a Committee or any issue with the CSR Policy, then the implications will be the general penalty provisions of section 450 of the Act.
11. Disclosures	
a	A CSR-eligible company shall include an annual report on CSR containing particulars specified in prescribed format.
b	Balance sheet of a CSR-eligible foreign company shall include an annual report on CSR containing particulars specified in prescribed format.
c	The Board of Directors of the company shall mandatorily disclose composition of the CSR Committee, CSR Policy & Projects approved by the Board on their website, if any, for public access.
d	As per the new requirement in CARO 2020, the auditor has to disclose in his report the status of the CSR unspent amount - whether unspent amount of CSR has been transferred to a special designated bank account (related to any ongoing project) and to a fund as specified in Schedule VII (where no specific project has been carried out or assigned) or not.



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4. Strengthening 'S' of ESG with Corporate Social Responsibility

A brief introduction to ESG and CSR

ESG refers to the terms, 'Environmental, Social and Governance'. ESG continues to dominate the ongoing conversations in the corporate sector. The given three terms are the central pillar to measuring the sustainability and societal impact of any business, big or small.



Corporate Social Responsibility (CSR): While the idea of giving back to society has existed since ancient times, the formal identity of corporate giving came into existence only in 1953 when American economist Howard Bowen coined the term "Corporate Social Responsibility".

In India, the Ministry of Corporate Affairs, Government of India notified Section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014. As per this, CSR is the process by which an organization thinks about and evolves its relationships with stakeholders for the common good. It demonstrates its commitment in this regard by adopting appropriate business processes and strategies.

Understanding S

ESG as a management tool keeps an eye on what the business takes from society and contributes to society.

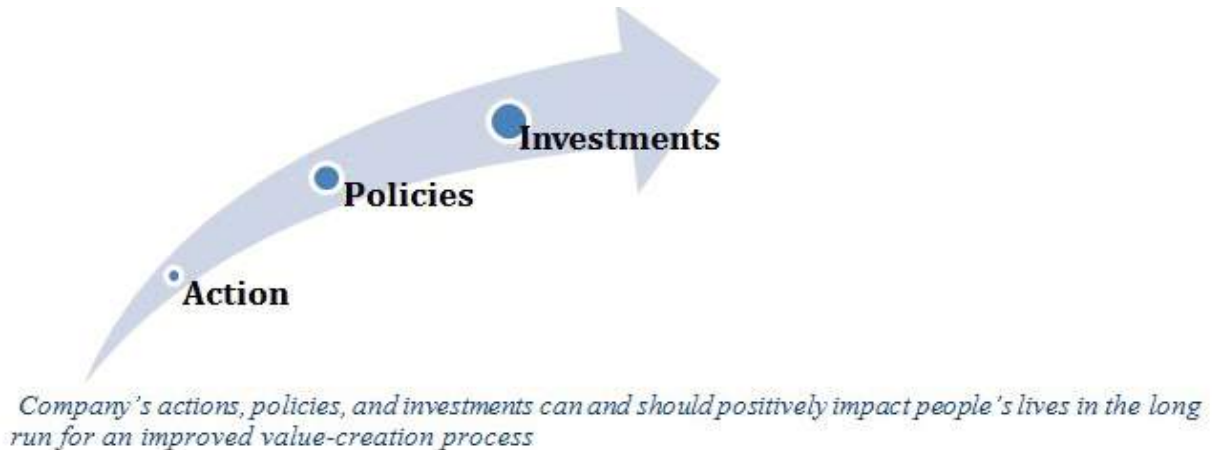
The S in ESG is described in many ways:



Standard and Poor's (S&P), one of the leading ESG rating agencies, describes the S in terms of social factors that pose a risk to a company's financial performance.

Environment and Governance (E & G) factors in ESG are easier to measure owing to their very nature whereas the social pillar is difficult to measure due to a lack of standardization of social metrics (The ESG Global Survey 2021 by BNP Paribas).

The existential issue here is that businesses tend to focus a lot on ESG for environment and regulation while the idea of social impact takes a back seat without realizing that it is a significant parameter of economic value which improves the shareholders' returns.



Challenges for S

Meena, a 12 year old girl, lives in the slums of Mumbai city in a family of eight members. She goes to a nearby local private school. When the COVID-19 pandemic hit in the year 2020, her education got disrupted due to the continuous lockdowns. To maintain continuity of education most of the educational institutions moved from physical learning to digital learning during COVID-19.

Meena's family did not have any spare device for her to attend online classes. To overcome this challenge many corporates, individuals and non-profits provided much needed support in terms of devices, teacher-training, volunteers etc. Meena received the much-needed device almost after one year of disruption of physical classes as part of CSR project.

Meena is now in class 8th, schools have resumed back in physical form and she is struggling to cope with the course. Data shows that her comprehensive skills in all the subjects have gone down. What went wrong despite receiving the support from the corporates and non-profits. Some of the barriers can be identified as follows:

Lack of reliable and accurate data for decision-making: Data is the lifeblood of all people-centered activities, but it needs to be heard with emotions for the decision-making process to create value. No contextual analysis was done before providing Meena with the device for her to transition from physical to online mode of learning. She was given access to it almost after a year and she could not cope up with this new system.

Lack of participatory democracy: Social change is a participatory process which engages internal and external stakeholders, but their voices are seldom taken into consideration, as it becomes a function of the top-down approach. Meena was new to the online learning system as she was the 1st generation in her family to adopt this methodology. No formal guidance or training on how to effectively use the device for her studies was provided to her.

Lack of motivation to build resources and capacities: Social change is an interdisciplinary area and needs multiple resources and stakeholder engagement to make it more effective and sustainable.

Social change as a tool for brand building: It is a complex process, yet corporates look forward to using it as a tool for immediate gratification. Just handing out the devices was considered as an enabler of change by the companies, overlooking the impact it had on Meena as an individual.

Lack of practitioner-based research on whether engaging in social change would improve the company's bottom line.

The above factors highlight that creation of social change is a complex, uncertain, non-linear, dynamic and a long-term process. It is broadly distributed over four areas:



Strengthening 'S'

Sustainable development is a holistic process and therefore for any organization to evolve and become future ready, it needs to commit to change and sustainability. To build resilience and boost stakeholders' buy-in they need to embed environmental, social and governance frameworks in their day-to-day practices.

More corporates or businesses in India are incorporating the ESG framework as a management tool. The Securities and Exchange Board of India (SEBI) issued a circular on Business Responsibility and Sustainability Reporting (BRSR) for listed companies to be mandatory from FY 2022-23. It is an initiative to standardize disclosures on various ESG parameters, along with the amendments in the CSR laws have paved a better path for transformative society.

Role of Corporates

The process of social change should not be driven by individual needs and choices. Corporates, engaged in CSR by the virtue of mandate or voluntarily, need to actively participate in the process of Social Change by incorporating it as part of the Company's culture.

The importance of engaging with multiple stakeholders while designing social projects/ programmes (projects) is equally important along with defined strategy and objectives. They need to invest in creating resources and building capacities to achieve these objectives, despite it being a business expense.

The journey of impact starts with well-defined social projects. Though the recent CSR amendments had made impact measurement and disclosures mandatory (refer https://www.mca.gov.in/Ministry/pdf/FAQ_CSR.pdf and <https://www.mca.gov.in/bin/dms/getdocument>), Corporates and CSR practitioners need to plan and incorporate the role of data and technology from the beginning to make the projects more result oriented.

Corporations need to create open platforms and forums for dialogues and collaboration with internal and external stakeholders for better planning and execution of these projects. The S of ESG should not be limited to diversity, equity and inclusion at the workforce level but should spread over all socially relevant practices of the organization.

Corporations as the providers of funds for these projects should also be equally responsible for creating social impact through these funds at every stage of execution.

Role of Non-profits

Non-profits play an essential role in bringing social change. They not only provide support towards advocacy, and policy formulation but are an important vehicle for the implementation of socially relevant projects.

They need to incorporate the ethos of ESG at their organizational level by bringing in more transparency, diversity, equity, inclusion, workplace policies etc as they are equally important for better accountability and reputation management of them.

Non-profits need to create platforms for dialogues and collaboration with corporates, government and communities for better insights into social problems and the development of solutions keeping replicability and scalability as a function of the problem to be addressed.

Conclusion

ESG is considered an important part of the matrix for long-term value creation. It has an important place in the holistic approach to investor engagement. The role of ESG for Assurance and ESG for Regulation has already become a dominant conversation in business circles. Growing concerns over environmental factors and technological advancements will lead to more and more people being impacted, thereby, negatively affecting ESG for impact. Corporates with Corporate Social Responsibility as a management tool and non-profits as their collaborative partners can strengthen S to address these growing challenges.



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Chennai

5. CSR - RECENT TRENDS AND FAQS

RECENT TRENDS

- ✚ On 26th July, 2022 MCA have added one more item of "HAAR GHAR TIRANGA" to schedule VII to promote patriotism amongst Indian Citizens. The below is the gist for the item.

HAAR GHAR TIRANGA', a campaign under the aegis of **AZADI KA AMRIT MAHOTSAV**, is aimed to invoke the feeling of patriotism in the hearts of the people and to promote awareness about the Indian National Flag. In this regard, it is clarified that spending of CSR funds for the activities related to this campaign, such as mass scale production and supply of the National Flag, outreach and amplification efforts and other related activities, are eligible CSR activities under item no. (ii) of Schedule VII of the Companies Act, 2013 pertaining to promotion of education relating to culture.

- ✚ On 30th July, 2021 MCA included Spending on COVID19 Vaccination as an eligible CSR Activity.

This Ministry vide General Circular No. 10/2020 dated 23.03.2020 clarified that spending of CSR funds for COVID-19 is an eligible CSR activity. In continuation to the said circular, it is further clarified that spending of CSR funds for COVID-19 vaccination for persons other than the employees and their families, is an eligible CSR activity under item no. (1) of Schedule VII of the Companies Act, 2013 relating to promotion of health care including preventive health care and item no. (xii) Relating to disaster management.

The companies may undertake the aforesaid activities subject to fulfilment of Companies (CSR Policy) Rules, 2014 and the circulars related to CSR issued by this Ministry from time to time.

- ✚ Is it mandatory for every implementing agency to register on the MCA21 portal?

Yes, every implementing agency mentioned in rule 4(1) of the Companies (CSR Policy) Rules, 2014 shall mandatorily register itself in the MCA21 portal w.e.f. 01st April 2021 in order to enable it to undertake CSR activities on behalf of the company

FREQUENTLY ASKED QUESTIONS

MCA has provided a detailed List of FAQs at its official website. However below are few of the key ones:

- *Which companies qualify for CSR under the Companies Act, 2013?*

A company satisfying any of the following criteria during the immediately preceding financial year is required to comply with CSR provisions specified under section

135(1) of the Companies Act, 2013 read with the Companies (CSR Policy) Rules, 2014 made thereunder: (i) net worth of rupees five hundred crore or more, or (ii) turnover of rupees one thousand crore or more, or (iii) net profit of rupees five crore or more.

- *Whether provisions of CSR are applicable to a section 8 Company?*

Yes, section 135(1) of the Act commences with the words "Every company....." and thus applies to section 8 companies as well.

- *What is the composition of the CSR Committee?*

The composition of the CSR Committee for various categories of companies is as under:

Listed companies Three or more directors, out of which at least one shall be an independent director.

Unlisted public companies Three or more directors, out of which at least one shall be an independent director. However, if there is no requirement of having an independent director in the company, two or more directors.

Private companies Two or more directors. No independent directors are required as mentioned in the proviso under section 135(1).

Foreign company At least two persons out of which: (a) one shall be as specified under clause (d) of subsection (1) of section 380 of the Act, and (b) another shall be nominated by the foreign company. (Refer rule 5(1) of the Companies (CSR Policy) Rules, 2014)

Where the amount required to be spent by a company on CSR does not exceed fifty lakh rupees, the requirement for constitution of the CSR Committee is not mandatory and the functions of the CSR Committee, in such cases, shall be discharged by the Board of Directors of the company.

- *What is the role of the Government in the approval and implementation of the CSR programmes/projects of a company?*

Provisions of section 135, read with Schedule VII of the Act and Companies (CSR Policy) Rules, 2014 provide the broad framework within which the eligible companies are required to formulate their CSR policies including activities to be undertaken and implementation of the same. CSR is a board-driven process, and the Board of the company is empowered to plan, approve, execute, and monitor the CSR activities of the company based on the recommendation of its CSR Committee. The Government has no direct role in the approval and implementation of the CSR programmes /projects of a company

- *What is the role of the Government in monitoring compliance of CSR provisions by companies?*

The Government monitors the compliance of CSR provisions through the disclosures made by the companies in the MCA 21 portal. For any violation of CSR provisions, action can be initiated by the Government against such non-compliant companies as per provisions of the Companies Act, 2013 after due examination of records, and following due process of law. Noncompliance of CSR provisions has been notified as a civil wrong w.e.f. 22nd January, 2021.

- *If a company spends more than the requirement provided under section 135, can that excess amount be set off against the mandatory 2% CSR expenditure in succeeding financial years?*

Yes, the excess amount can be set off against the required 2% CSR expenditure up to the immediately succeeding three financial years subject to compliance with the conditions stipulated under rule 7(3) of the Companies (CSR Policy) Rules, 2014. This position is applicable from 22nd January, 2021 and has a prospective effect. Thus, no carry forward shall be allowed for the excess amount spent, if any, in financial years prior to FY 2020-21.

- *Whether it is mandatory for companies to carry out CSR in their local areas?*

The first proviso to section 135(5) of the Act provides that the company shall give preference to local areas and the areas around where it operates. Some activities in Schedule VII such as welfare activities for war widows, art and culture, and other similar activities, transcend geographical boundaries and are applicable across the country. With the advent of Information & Communication Technology (ICT) and emergence of new age businesses like e-commerce companies, process-outsourcing companies, and aggregator companies, it is becoming increasingly difficult to determine the local area of various activities. The spirit of the Act is to ensure that CSR initiatives are aligned with the national priorities and enhance engagement of the corporate sector towards achieving Sustainable Development Goals (SDGs). Thus, the preference to local area in the Act is only directory and not mandatory in nature and companies need to balance local area preference with national priorities.

- *Whether CSR expenditure of a company can be claimed as a business expenditure?*

No, the amount spent by a company towards CSR cannot be claimed as business expenditure. Explanation 2 to section 37(1) of the Income Tax Act, 1961 which was inserted through the Finance Act, 2014 provides that any expenditure incurred by an assessee on the activities relating to CSR referred to in section 135 of the Companies Act, 2013 shall not be deemed to be an expenditure incurred by the assessee for the purposes of the business or profession.

- *What tax benefits can be availed under CSR?*

No specific tax exemptions have been extended to CSR expenditure. The Finance Act, 2014 also clarifies that expenditure on CSR does not form part of business expenditure.

- *Whether contribution in kind can be monetized to be shown as CSR expenditure?*

The requirement comes from section 135(5) that states that "The Board of every company shall ensure that it spends..." Therefore, CSR contribution cannot be in kind and monetized.

- *Can CSR expenditure be incurred on activities beyond Schedule VII?*

No, CSR expenditure cannot be incurred on activities beyond Schedule VII of the Act. The activities undertaken in pursuance of the CSR policy must be relatable to Schedule VII of the Companies Act, 2013. The items enlisted in Schedule VII of the Act are broad-based and are intended to cover a wide range of activities. The entries in the said Schedule VII must be interpreted liberally to capture the essence of the subjects enumerated in the said Schedule.

- *What are the different modes of incurring CSR expenditure?*

CSR expenditure can be incurred in multiple modes: (i) 'Activities route', which is a direct mode wherein a company undertakes the CSR projects or programmes as per Schedule VII of the Act, either by itself or by engaging implementing agencies as prescribed in Companies (CSR Policy) Rules, 2014. (ii) 'Contribution to funds route', which allows the contributions to various funds as specified in Schedule VII of the Act. (iii) Contribution to incubators and R&D projects, as specified in item (ix)(a) and contribution to institutes/organisations, engaged in research and development activity, as specified under item (ix)(b) of Schedule VII of the Act.

- *Which are the funds specified in Schedule VII of the Act for the purpose of CSR contribution?*

Contributions to the following funds shall be admissible as CSR expenditure: (i) Swachh Bharat Kosh (ii) Clean Ganga Fund (iii) Prime Minister's National Relief Fund (PMNRF) (iv) Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) (v) Any other fund set up by the Central Government and notified by the Ministry of Corporate Affairs, for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.

- *Can CSR funds be utilised to fund Government schemes?*

The objective of CSR provisions is to involve the corporates as partners in the social development process. Use of corporate innovations and management skills in the delivery of 'public goods' is at the core of CSR implementation by the companies. Therefore, CSR should not be interpreted as a source of financing the resource gaps in Government Schemes. However, the Board of the eligible company may undertake similar activities independently subject to fulfilment of Companies (CSR Policy) Rules, 2014.

- *Whether involvement of employees of a company in their CSR projects can be monetized and accounted for under the head of 'CSR expenditure'?*

No, involvement of employees in CSR projects of a company cannot be monetized. Contribution and involvement of employees in CSR activities of the company will no doubt generate interest/pride in CSR work and promote transformation from Corporate Social Responsibility (CSR) as an obligation to Socially Responsible Corporate (SRC) in all aspects of their functioning. Companies, therefore, should be encouraged to involve their employees in CSR activities.

- *Which activities do not qualify as eligible CSR activity?*

Rule 2(1)(d) of the Companies (CSR Policy) Rules, 2014 defines CSR and the following activities are specifically excluded from being considered as eligible CSR activity:

(i) Activities undertaken in pursuance of normal course of business of the company. However, exemption is provided for three financial years, till FY 2022-23, to companies engaged in R&D activities for new vaccines, drugs, and medical devices in their normal course of business, related to COVID19. This exclusion is allowed only in case the companies are engaged in R&D in collaboration with organisations as mentioned in item (ix) of Schedule VII and disclose the same in their Board reports.

(ii) Activities undertaken outside India, except for training of Indian sports personnel representing any State or Union Territory at national level or India at international level

(iii) Contribution of any amount, directly or indirectly, to any political party under section 182 of the Act; (iv) Activities benefitting employees of the company as defined in section 2(k) of the Code on Wages, 2019; (v) Sponsorship activities for deriving marketing benefits for products/services;

(vi) Activities for fulfilling statutory obligations under any law in force in India.

- *Are activities undertaken by companies outside India for the benefit of resident Indians, permitted as eligible CSR activity?*

Rule 2(1)(d)(ii) of the Companies (CSR Policy) Rules, 2014 clearly states that any activity undertaken by the company outside India shall not be an eligible CSR activity. The only exception is training of Indian sports personnel representing any State or Union Territory at national or international level.

- *How can companies with small CSR funds take up CSR activities in a project mode?*

A well-designed CSR project can be managed with small CSR funds as well. Further, there is a provision in the Companies (CSR Policy) Rules, 2014 that enables such companies to collaborate with other companies for undertaking CSR activities by way of pooling their CSR resources. (Refer rule 4(4) in Companies (CSR Policy) Rules, 2014).

- *What are the different modes of implementation of CSR activities?*

Pursuant to rule 4 of the Companies (CSR Policy) Rules, 2014 a company may undertake CSR activities through following three modes of implementation: (i) Implementation by the company itself (ii) Implementation through eligible implementing agencies as prescribed under sub-rule (1) of rule 4. (iii) Implementation in collaboration with one or more companies as prescribed under sub-rule (4) of rule 4.

- *Which entities are eligible to act as an implementing agency for undertaking CSR activities?*

Rule 4(1) of the Companies (CSR Policy) Rules, 2014 provides the eligible entities which can act as an implementing agency for undertaking CSR activities. These are: (i) Entity established by the company itself or along with any other company – a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961. (ii) Entity established by the Central Government or State Government – a company established under section 8 of the Act, or a registered trust or a registered society. (iii) Statutory bodies – any entity established under an Act of Parliament or a State legislature. (iv) Other bodies – a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

- *Whether all three types of entities – a company established under section 8 of the Act, or a registered public trust, or a registered society, are required to have income-tax registration u/s 12A as well as 80G of the Income Tax Act, 1961?*

Yes, as per rule 4(1) all three types of entities – a company established under section 8 of the Act, or a registered public trust, or a registered society are required to have income-tax registration u/s 12A as well as 80G of the Income Tax Act, 1961 to act as implementing agency, except for any entities established by Central or State Government.

- *What is the purpose of registration of the implementing agency on MCA21 portal?*

The identification of suitable implementing agencies is a major concern for companies. Registration of implementing agencies on MCA21 portal is aimed at creating a database of such agencies for companies who may want to engage them.

Further, this will bring accountability and transparency in the implementation of CSR activities and thereby strengthen the CSR eco-system.

- *Is it mandatory for every implementing agency to register on the MCA21 portal?*

Yes, every implementing agency mentioned in rule 4(1) of the Companies (CSR Policy) Rules, 2014 shall mandatorily register itself in the MCA21 portal w.e.f. 01st April 2021 in order to enable it to undertake CSR activities on behalf of the company

- *Can international organisations act as an implementing agency?*

No, an international organisation cannot act as an implementing agency

- *What is the role of international organisations in the context of CSR?*

Pursuant to rule 4(3) of the Companies (CSR Policy) Rules, 2014, a company can engage international organisations for the limited purposes of designing, monitoring, and evaluation of the CSR projects or programmes, or for capacity building of personnel of the company involved in CSR activities.

- *What is the meaning of 'ongoing project'?*

Which projects can be considered as ongoing? Ongoing project has been defined under rule 2(1)(i) of the Companies (CSR Policy) Rules, 2014 as: (i) a multi-year project, stretching over more than one financial year; (ii) having a timeline not exceeding three years excluding the year of commencement; (iii) includes such project that was initially not approved as a multi-year project but whose duration has been Page 14 of 21 extended beyond one year by the Board based on reasonable justification. The project should have commenced within the financial year to be termed as 'ongoing'. The intent is to include a project which has an identifiable commencement and completion dates. After the completion of any ongoing project, the Board of the company is free to design any other project related to operation and maintenance of such completed projects in a manner as may be deemed fit on a case-to-case basis. Note: The term 'year' refers to financial year as defined in section 2(41) of the Act.

- *What is the maximum permissible time period for any ongoing project? Can the time period of an ongoing project be extended beyond the permissible period?*

As per the definition of an ongoing project, the maximum permissible time period shall be three financial years excluding the financial year in which it is commenced i.e., (1+3) financial years. Under no circumstances shall the time period of an ongoing project be extended beyond its permissible limit.

- *What actions need to be taken if a company spends less than the amount required to be spent under CSR obligation in a particular year?*

If a company spends less than the amount required to be spent under their CSR obligation, the Board shall specify the reasons for not spending in the Board's report and shall deal with the unspent amount in the following manner: Nature of unspent amount Action required Timelines Unspent amount pertains to 'ongoing projects' Transfer such unspent amount to a separate bank account of the company to be called as 'Unspent CSR Account'. Within 30 days from the end of the financial year. Unspent amount pertains to 'other than ongoing projects' Transfer unspent amount to any fund included in Schedule VII of the Act. Within 6 months from the end of the financial year.

- *Should a company open a separate 'Unspent CSR Account' for each ongoing project?*

No, a company can open a single special account, called 'Unspent Corporate Social Responsibility Account', for a financial year in any scheduled bank, to transfer the unspent amount w.r.t ongoing project(s) of that financial year. A company needs to open a separate 'Unspent CSR Account' for each financial year but not for each ongoing project.

- *Can the amount transferred to 'Unspent CSR Account' of the company be utilised for regular business of the company?*

No, the provisioning of a separate special account, namely the 'Unspent CSR Account', in any scheduled bank is to ensure that the unspent amount, if any, is transferred to this designated account and used only for meeting the expenses of ongoing projects, and not for other general purposes of the company. The special account cannot be used by the company as collaterals or creating a charge or any other business activity.

- *What are the penal provisions for noncompliance with the provisions regarding transfer of unspent amount?*

The said non-compliance is a civil wrong and shall attract the following penalties: Company Twice the unspent amount required to be transferred to any fund included in Schedule VII of the Act or Unspent CSR Account, as the case may be, or one crore rupees, whichever is less. Every Officer in Default 1/10th of the unspent amount required to be transferred to any fund included in Schedule VII of the Act or Unspent CSR Account, or two lakh rupees, whichever is less

- *Will the penal proceedings apply even after the unspent amount has been transferred to the Unspent CSR Account or to the funds mentioned in Schedule VII of the Act?*

The penalty does not relieve the company from the obligations under the law, and the penalty is over and above the obligated amount required to be transferred

under section 135(5) or 135(6). The penalty is the consequence of not abiding by the law, and not an alternative for the same

- *Is the penal provision in section 135(7) specific to non-transference of the unspent CSR amount?*

Yes, section 135(7) clearly states the penalty for default in complying with the provisions of sub-section (5) or subsection (6) only.

- *What are the penal provisions relating to noncompliance with provisions other than section 135(5) and 135(6) of the Act?*

In case of non-compliance with any other provisions of the section or rules, the provisions of section 134(8) or general penalty under section 450 of the Act will be applicable. Further, in case of non-payment of penalty within the stipulated period, the provisions of section 454(8) will be applicable.

- *Which companies are required to undertake impact assessment?*

Rule 8(3) of the Companies (CSR Policy) Rules, 2014 mandates following class of companies to conduct impact assessment: (i) companies with minimum average CSR obligation of Rs. 10 crore or more in the immediately preceding 3 financial years; and (ii) companies that have CSR projects with outlays of minimum Rs. 1 crore and which have been completed not less than 1 year before undertaking impact assessment. Impact assessment shall be carried out project-wise only in cases where both the above conditions are fulfilled. In other cases, it can be taken up by the company on a voluntary basis.

- *When two or more companies collaborate for implementation of a CSR project, should the impact assessment carried out by one company be shared with other companies?*

Yes, in case two or more companies choose to collaborate for the implementation of a CSR project, then the impact assessment carried out by one company for the common project may be shared with the other companies for the purpose of disclosure to the Board and in the annual report on CSR. The sharing of the cost of impact assessment may be decided by the collaborating companies subject to the limit as prescribed in rule 8(3)(c) of the Companies (CSR Policy) Rules, 2014 for each company.

Conclusion

The concept of CSR is nothing but looking beyond profits. Though India is the first country in the world to have a mandatory statutory compliance requirement on CSR spending, there are still many challenges ahead that would be addressed by collaboration between the government, corporations, and civil society. The same is

the condition with the other countries where a proper framework of CSR is needed and implementation needs to be done in a proper manner.

Undoubtedly, consumers would be more willing to purchase the product or service of a company if that company shows a commitment to address economic, environmental, and social issues. Thus, apart from creating appealing and conscious advertisements, corporations must enlist cooperation and support of the media in spreading awareness about CSR and its impact on the society to the people at large.

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6 Running business Enterprise with Social consciousness - Going beyond CSR

A few days ago I was a speaker at a start up event. The topic was about funding social enterprises. I was asked about my experience because I have raised CSR money for a charitable Trust as well as raised money for my business enterprise. My answer was this. "If run your social enterprise with a business mindset and run your business enterprise with a social mindset, fund raising is far easier". Social entrepreneurs demonstrate a lot of passion for the cause. It is good but not enough. They must demonstrate business mindset to make the social enterprise evolve and become sustainable over a period of time

In this article I want to share my views on the second scenario-how to run business enterprises with a social consciousness.

In the earlier days, enterprises like the TATA group set the standard for social consciousness while running their business and classic example is that of Tata steel. In his 2019 article in a leading Magazine, titled "Tata Steel's 99-year-old trade union hasn't seen a strike since 1928", the author, Prince Mathews Thomas, ascribed this enormous feat to trust between Union and Management. "Its 1956 agreement with the management is known as the 'magna carta' of the working class, bringing better benefits, and enabling workers' representation across the organisational structure." This is classic example of management's foresight and the exemplary response of the union to keep politics out and work closely with the management for company's interest. On the other hand, GD Birla, as a philanthropist

and institution-builder, set up schools, colleges, hospitals, temples and planetariums across India. Aligarh Muslim University and Banaras Hindu University are among the educational institutions that he supported. His philosophy was to separate business and philanthropy. These were stories of social consciousness of business leaders of that era, before CSR word was coined.

National Voluntary Guidelines 2011

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs (MCA) in July 2011, is essentially a set of nine principles that offer Indian businesses an understanding and approach to inculcate responsible business conduct. These guidelines covered all aspects of responsible business approach. These guidelines highlighted the need for social consciousness in business dealings. The NVG provides a frame work for the companies to grow in an inclusive and sustainable manner and the principles covered Governance, safety, treatment of labour and employees, human rights, environment, consumer interest etc. But are these in practice now in the business world?

Enter CSR rules 2013

The new CSR rules issued under the Companies Act 2013 had formalized the Corporate Social Responsibility (CSR). The intentions were genuine. The Act laid out that enterprises beyond a specified size of turnover and/or profits must spend 2% of post-tax profit on CSR. The guidelines laid

out how, when, and where this money must be spent. This formalisation of CSR led to certain benefits. The CSR spends became the board responsibility and increased the oversight on the spend. The amount spent on CSR went up dramatically by 74% in just four years - from Rs 14,344 crores in 2016-17 to Rs.24,865 crores in 2020-21.

But there were four unintended consequences

1. The compliance burden increased on the board and CSR became a compliance issue rather than a social responsibility issue.
2. Some companies saw this as an imposition and learnt the art of “managing” the CSR rules.
3. Some companies saw this as a donation opportunity and decided to spend on people they cared about (hometown of the promoter) or on projects where they were pressurised to give CSR money.
4. Some companies turned this into a branding opportunity and took part and won awards in CSR competitions to show their caring they were, without really caring

All the above four behaviours beat the very purpose and spirit of CSR

Going beyond CSR

The way CSR is now evolving is to keep the letter but not the spirit of CSR. It is time business enterprises go beyond CSR. It is time we go back to the National Voluntary Guidelines of 2011. It is time we go back to social consciousness in every decision the business does. If a business makes money unethically or unfairly

or makes usurious profits and spends 2% of its profit on CSR, it is just a guilt-tax.

Let me start with what I mean by social consciousness

Social consciousness is the idea that business should balance profit making with social impact. Philanthropy and capitalism must be genuinely combined innovatively-as a way of doing business. The unintended consequence of the CSR rules is the separation of business and philanthropy. This means that you can do business any which way you want, as long as you give a 2% part of your profits as philanthropy. This artificial separation of business conduct and CSR is very counter - productive.

A few examples of unfair and unethical business behaviours which I have witnessed are:

- Pay employees abnormally low wages, disproportionate to the contribution of labour, because labour is not organised and behave as mercenaries. A few companies pay even less than our minimum wages. Minimum wages have now become subsistence wages. According to study published in 2014, by Prof Bino Paul of TISS, “Average real wages (wage net of inflation) of the factory workers remained constant or declined, net of inflation, over a 12-year period ending in 2011”. This is because the supply of labour was more than demand due to demographic factors and unions lost their power to negotiate. This happened despite the increase in labour productivity.

- Exploitative pricing during Covid due to supply chain disruption. This was rampant during initial stages of Covid even in medicines and vaccines in India. Regulatory agencies in many countries including Spain, Romania, Italy, Kenya and South Africa initiated proceedings against marauding companies.
- Credit card companies charging very high interest rates despite low interest rates in the market is very common in USA because borrowers have no option but to use credit card to make ends meet
- Competitors setup price cartels to keep the prices high. Competition Commission of India imposed penalties of nearly Rs.4400 crores in last 5 years ending in 2021 and this speaks of the prevalence of this anti-competitive practice.

The argument that a business practice is legal is not enough. Even if something is legal, it should always be fair i.e., make profits at the cost of someone else. Lastly it should not be at the expense of the society or the environment

Few Examples of socially conscious behaviours

- Diversity hiring - PWD- persons with disabilities
- Recycling of water – even when you have adequate water
- Adoption of communities around the factory/business
- Green bio-degradable packaging
- Responsible manufacturing – with genuine zero emissions
- Recycling of used products
- like container glass, used clothes, unused medicines – without regulatory pressure
- Ethical labour practices
- Paying fair wages and benefits to employees – based on their contribution – even when they are not in a position to negotiate
- Offering affordable products for the poor which will be subsidized by expensive products bought by rich customers

Great examples of companies with social consciousness

First example is IKEA's switch to a lighting range comprised entirely of energy-efficient LEDs and the IKEA Family Sell-Back program. With these campaigns, customers encouraged to switch to LED bulbs and encouraged to sell back unwanted furniture and home goods that may otherwise end up in landfills!

Second great example is the way LV Prasad Eye Institute (LVPEI), Hyderabad conducts its business of providing high quality eye care-to the rich and poor -alike. LVPEI is a private health care facility, acclaimed as one of the biggest centres for eye treatment in the country. Approximately 50% of services are rendered free of cost to poor. LVPEI has categorised its customers and supporters into: General, Supporter, Sight Saver. By becoming a Supporter or Sight Saver, one contributes to services provided free to non-paying general patients. But the quality of service delivered is similar for all types of customers.

Benefits of socially conscious behavior

The top few benefits include

- Millennials prefer to work in such companies
- Customers in western markets prefer products of such companies
- Some Investment funds look for ESG–Environment, Social and Governance – compliant companies to invest in

But ultimate benefit is that the enterprise will have balanced its obligations to all stakeholders instead of focusing only on its shareholders. The ultimate purpose of any enterprise is to be relevant and be beneficial to the society in which it operates and this can be met only if the business practices are socially conscious, in every business decision and avoid mercenary business behaviours.



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7. CSR Regulations : FCRA Related

WHY WERE FCRA REGISTRATIONS OF CERTAIN NGOs CANCELLED?

Any Person (Individual/association/Sec 8 Company), having a definite cultural, economic, educational, religious or social program, can receive foreign contribution (donation, delivery or transfer made by any foreign source), by obtaining the FCRA registration/prior permission from the Central Government unless prohibited under Sec 3 of the FCRA, 2010.

The Act prohibits receipt of foreign funds by candidates for elections, journalists or newspaper and media broadcast companies, judges and government servants, members of legislature and political parties or their office-bearers, and organizations of a political nature.

Union Minister of State for Home Affairs, Shri Nityanand Rai in a written reply to a question in the Rajya Sabha on December 7, 2023 said that, The FCRA registration of 6,677 NGOs were cancelled by the government between 2017 and 2021 due to violation of various provisions of the Foreign Contribution (Regulation) Act, 2010 (FCRA, 2010).

Tamil Nadu (755), Maharashtra (734), Uttar Pradesh (635), Andhra Pradesh (622), West Bengal (611), Bihar (441), Orissa (417), Karnataka (375), Telangana (280) & Delhi (233) were among the States in which highest cancellations have occurred.

In terms of provisions under section 14(3) of the FCRA, 2010, the association whose FCRA registration has been cancelled in terms of provisions under section 14 of the FCRA, 2010 shall not be eligible for registration or grant of prior permission for a period of three years from the date of cancellation of registration.

Central Government may suspend the certificate as per the provisions of section 13 of the FCRA, 2010 for a period not exceeding 180 days and extend the suspension period for 180 days. A person whose FCRA registration certificate has been suspended shall not receive any foreign contribution nor utilize the unutilized FC in his custody without the prior approval of the Central Government during the period of suspension of certificate.

Common Reasons for Cancellation of FCRA Registration:

The following are some of the major reasons for cancellation of FCRA Registration Certificates under the FCRA, 2010:

- Use of foreign contribution for other than the purposes it was received
- Obtaining registration or renewal by making incorrect or false statement
- Violation of any of the terms and conditions of the certificate or renewal thereof
- in the opinion of the Central Government, it is necessary in the public interest to cancel the certificate
- Violation of any of the provisions of the FCRA, 2010 Act or rules or order made thereunder
- Not been engaged in any reasonable activity in its chosen field for the benefit of the society for two consecutive years or has become defunct.
- Primary FCRA account is not opened exclusively in a branch of the State Bank of India in New Delhi
- Not providing information to the government about the amount of each foreign contribution received by it, the source of the fund, the utilization purposes
- Non-maintenance of accounts
- Use foreign contribution for personal gains and divert it for undesirable purposes
- Non filing of Annual Returns with the MHA
- Acceptance of Foreign contribution in undisclosed bank Account
- Utilization of foreign contribution for administrative expenses more than then the maximum prescribed limits (not exceeding 20% of such contribution, received in a financial year)

Recourse for NGOs post Cancellation of FCRA Registration:

Non-Government Organizations (NGOs), aggrieved with the cancellation of their Foreign Contribution Registration licences (FCRA), can file an online revision application before the Union home secretary, according to an order issued by the Home Ministry. They will be required to pay a fee of Rs.3,000/- and provide “justification for the revision order” along with the documents.



Miit Agarwal,
Business Analyst EQUIPPP Social Impact
Technology Ltd, Economics Major



8. Evolving Role of Technology in the CSR and Social Impact Eco System

A recent factoid by John Hopkins University piqued my interest. If nonprofits around the world were a country, it would be the world's fifth-largest economy. The social impact investing space has increased exponentially in the past two decades and investors are more concerned than ever about what positive impact their investment has brought about.

Every investment or today strives to solve a problem, be it a global issue or a more localized issue. Businesses that address the concerns of their customers and other stakeholders are more likely to succeed. A business has the opportunity and responsibility to help and donate to its community or society at large through its Corporate Social Responsibility (CSR) policy, in addition to developing monetized products and services.

A CSR Impact Assessment Study is conducted to evaluate the impact of these social initiatives. While Impact Assessment studies have been an important component of CSR reporting around the world, similar methods are still in their early stages in India. Impact Assessment Studies have been advocated for and implemented by professional CSR firms for their clients. Previously, companies did it voluntarily, but with the new regulations in place, companies are being pushed to focus on setting up measurement indicators such as output, outcome, and impact. This can be efficiently done by the use of technology.

Technology has played a huge role in transforming every walk of our lives. While organisations continue to leverage technology to enhance productivity, it is crucial for them to understand that business objectives and social responsibility are the two sides of the same coin. Corporations all over the world recognise the direct impact of social responsibilities on their bottom line. To strengthen this relationship even further, organisations must embrace CSR technology proactively in order to up their CSR game.

Technology has enormous potential in strategizing, planning, managing, and reporting a company's CSR (corporate social responsibility) programmes, propelling the journey to greater impact. In the long run, technology will be the game changer for companies that want to break away from the traditional way of doing and managing CSR programmes.

Technology is advancing at an unparalleled rate to support human efforts to make the world a better place to live for everybody. To ensure the effectiveness of CSR programmes, organisations may use technology to redesign their CSR strategy and embrace a data-driven methodology. With approximately 1.8 million (source: causeiq.com) nonprofits in the United States and more than 31 Lakh NGOs in India, the global opportunity for technology in the social impact space is enormous.

Many ecosystem stakeholders, including not only companies but also non-governmental organisations (NGOs), struggle to understand CSR programmes, objectives, and performance. Certain technologies like EQUIPPPs tech platforms can assist them with a comprehensive solution that will promote transparency, effective monitoring, and accountability in the CSR ecosystem. To ensure successful programme execution, each step in the process can be optimised. EQUIPPP's offered technology can be seamlessly integrated into each critical step in a company's CSR lifecycle.

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CS M Baga Reddy
Company Secretary
M. Com, ACS, (LL.B)

9. CSR Spending in India- Recent Trend

1. CSR spending for FY 2021-22

i. CSR Statistics as per 8th Publication of 'India CSR Outlook Report.' The 2022 report demonstrates through concrete evidence and data about the CSR expenditure of 301 large companies in FY 2021-22.

ii. Of the 301 companies included in their study:

- 37.87 per cent spent more than their prescribed CSR budget
- 32.89 per cent spent the same as prescribed CSR amount
- 29.24 per cent of companies spent less than their prescribed CSR budget

iii. The study reveals that the large 301 companies together spent Rs.12,260 Crores against prescribed CSR budget of Rs.12,119 Crores in FY 21-22.

iv. Out of 301 large companies, around 43.5 per cent of the companies are headquartered in Maharashtra, followed by 9.97 per cent in Karnataka and 9.3 per cent in Delhi.

v. Reliance Industries Ltd, HDFC Bank, Tata Consultancy Services, ONGC and Tata Steel emerge as the top 5 spenders as per the actual CSR expenditure as reported in their annual reports. As per the report, these five companies account for more than 1/4th of total CSR spending for the FY 21-22.

vi. The report also highlights that Poverty Alleviation, Healthcare, WASH (Water, Sanitation and Hygiene), Education, Skills Development and Rural Development emerge as the priority thematic areas that jointly cover 70 per cent of India's total CSR fund.

vii. The other significant highlights of the report on 301 Companies are as follows:

- Public Sector Undertakings accounted for 26.23 per cent of total CSR amount spent for the FY 21-22
- Oil Drilling Lubricants & Petrochemicals, Banking & Finance and Computer Software & IT Sector companies jointly share more than 50 per cent of India's total CSR expenditure.
- Maharashtra, Odisha and Delhi received nearly 1/4th of India's total CSR funds.
- Sustainable Development Goals (SDG):

SDG 3 (Good Health and Well-being), SDG 4 (Quality Education), and SDG 1 (No Poverty) emerged as the focused SDGs that together received 65 per cent of India's total CSR fund.

- Nearly 47.3 per cent of the CSR projects have been executed by Implementing Agencies.
- Only 5 per cent of the actual CSR amount spent was allocated for Aspirational Districts.
- MOIL Limited has spent 388.76 per cent of the prescribed amount, followed by Vedanta Limited and Kudremukh Iron Ore Company Limited with 368.32 per cent and 305.68 per cent respectively.
- Only 2.4 per cent of the Actual CSR Spent was allocated for North-Eastern States.
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2. Sectors Received Major CSR Contribution

i. India's Corporate Social Responsibility (CSR) fund has been used primarily for education, followed by health and rural development between the financial years 2016-17 and 2020-21, according to data from the Union ministry of corporate affairs.

ii. During this five-year period, receipts by various sectors in CSR funds:

- the education sector received INR 29,918 crore,
- the health sector received INR 20,716 crore,
- the rural development and related schemes received INR 9,820 crore.

iii. There are 29 categories under which CSR funds can be distributed, including education, health, rural development, and various charitable causes such as setting up orphanages and promoting sports.

iv. The data suggests that the amount of CSR funds received by a state may be influenced by the level of industrial activity in that state. **Maharashtra, which is the largest contributor to India's GDP**, received the highest amount of CSR funds (INR 15,000 crore) during the five-year period.

Karnataka received INR 5,922 crore and Gujarat received INR 5,294 crore.

3. CSR in Telangana

As per media statements by Mr. Josekutty, Registrar of Companies from the Ministry of Corporate Affairs, the total numbers of companies in Telangana which fall under the CSR compliance are more than 1000. As per the latest balance sheets (FY 2020-21), the total net profit of these companies comes to Rs.67,000 crores approximately. Out of these companies, around 300 companies alone have a profit of Rs.60,000 crores and therefore have an approximate amount of Rs.1200 crores to spend for CSR. This will lead towards inclusive development in Telangana State with Corporate Contribution.

i. Gland Pharma Limited

Gland Pharma is the top CSR spender in Hyderabad. In FY2020-21, the company spent Rs. 6.77 Cr. as part of their CSR activities. The Company conducts its CSR initiatives through Gland Fosun Foundation. The main areas of focus of CSR initiatives of the company include Education, Good Health, Safety, Conservation of the Environment, Eco-Systems and Natural Resources.

ii. MSN Laboratories Private Limited

MSN Laboratories Private Limited is the second-largest CSR spender in Hyderabad. In FY2020-21, the company spent Rs. 5.95 Crores for its CSR programs. The top three areas of focus for its CSR initiatives included Education, Environment Sustainability and Healthcare.

iii. Deccan Fine Chemicals (India) Private Limited

Deccan Fine Chemicals (India) Private Limited is the third-largest CSR spender in Hyderabad. In FY2020-21, the company spent Rs. 5.27 Crores for its CSR programs. The top four areas of focus for its CSR initiatives included Art and Culture, Education, Environment Sustainability and Healthcare.

4. Certain CSR Projects In Hyderabad

i. Beautification of Charminar by NTPC

NTPC Ltd adopted the iconic Charminar in Hyderabad under the Swachh Iconic Places Projects of India. The company in collaboration with the Greater Hyderabad Municipal Corporation initiated the Charminar Pedestrianization Project, under which it committed to provide battery-operated vehicles for visitors, bollards to prevent traffic, Swachh Auto Tippers (SAT) for carting garbage, mechanical sweeping vehicles and litter picking machines, decorative and halogen lighting of four arches, construction of public utilities, toilets and drinking water ATM kiosks. The company committed to spend Rs. 8.19 Crores on this project.

ii. Ramky Enviro's Construction & Demolition waste recycling plant

Ramky Enviro Engineers Limited collaborated with Greater Hyderabad Municipal Corporation to launch a new Construction & Demolition (C&D) waste recycling plant in Jeedimetla, Hyderabad as its CSR project in November 2020.

The Jeedimetla C&D waste recycling plant is a processing facility fully equipped to handle the collection, transportation, processing and management of C&D waste generated in and around Hyderabad. The plant has the capacity to process up to 500 tonnes

of C&D waste for recycling per day. It will operate under a public-private partnership model.

5. Innovative CSR in India.

i. Renewable energy as an income source in Modhera Village of State of Gujarat, India

Armed with a large array of solar panels on the rooftops of houses, on Government schools, bus stops, utility buildings, car parks and even the premises of the Sun Temple, Modhera benefits from the six-megawatt installed capacity power plant in nearby Sujjanpura village.

With the village consumption merely one to two megawatts, the excess is added to the transmission grid.

Funded by the Government of India and the Government of Gujarat, the estimated cost of the entire project is \$9.7 million. What sets it apart is the fact that Modhera is also the first village to become a net renewable energy generator.

Conversion to a clean, renewable energy source is not only enabling the villagers to run more electrical household gadgets to make life comfortable, without worrying about the electricity bill. It is also becoming a source of income for them.

ii. NGOs in identifying a cause and creating a strategy- Mahinda & Mahindra

Partnering with NGOs can help companies define a strategy that is robust and implementable at the grassroots level. One major example of this is Mahindra & Mahindra, which has been working under its CSR program to ensure sustainable and inclusive development. The group works closely with non-profits such as Naandi Foundation, which feeds more than 1.3 million government school children every day. Naandi also works with smallholder farmers to help make their farming practices more environment friendly. One of its longest-running programs has been Project Nanhi Kali, which was initiated in 1996 and went on to become India's biggest CSR program for educating girls from low-income backgrounds in rural and urban areas. The project also works to empower their families. More importantly, the project seeks to

create a virtuous cycle in which the girls who benefited from Nanhi Kali grow up to mentor a new batch of students.

iii. **Clearly defining an exit strategy- Tata Chemicals**

A clear plan to make long-running initiatives self-sustaining is essential to ensure the programs receive support even if the company withdraws, either due to change in organizational priorities or new focus areas for their CSR activities. For example, Tata's CSR assessment framework has a clear exit plan and sustainability through local capability building as prerequisites to its well-defined CSR initiative. Tata Chemicals (TCL) is a great example of successful implementation of an exit strategy. TCL ensured continuity of its community-based developmental programs after divesting its Babrala and Haldia plants in 2018. These projects ranged from healthcare, water, and sanitation to education, skilling, livelihood generation, and conservation. TCL adopted different CSR exit strategies for Babrala and Haldia.

- At Babrala, TCL convinced the new incumbent, Yara Fertilizers, to take over its developmental activities and entered into an agreement to ensure a smooth handover. As part of the agreement, TCL set up a joint governance system for managing the projects, secured funding from its partners, tracked each program on key performance areas, and helped Yara establish its own trust. Yara absorbed all program and field staff at the end of the one-year contract.
- At Haldia, where other developmental agencies were also operating, TCL reviewed each program to ascertain the end stage and scaled them down for a time-bound handover to either the community, a government agency, or partner organizations.

At both Babrala and Haldia, TCL secured the sustainability of the community, its people, and its developmental assets.



KSV Siva Krishna
Secretary
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10 CSR Funds Fuelling abhaya's service to the nation assisting

Corporate Social Responsibility (CSR), according to Investopedia, is a business model that helps a company be socially accountable to itself, its stakeholders, and the public. It is a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders.

CSR initiatives are often broken down into four categories: environmental, philanthropic, ethical, and economic responsibility. Environmental initiatives focus on preservation of natural resources, while philanthropic initiatives focus on donating to worthy causes that may not relate to a business. Ethical responsibility ensures fair and honest business operations, while economic responsibility promotes the fiscal support of the goals above.

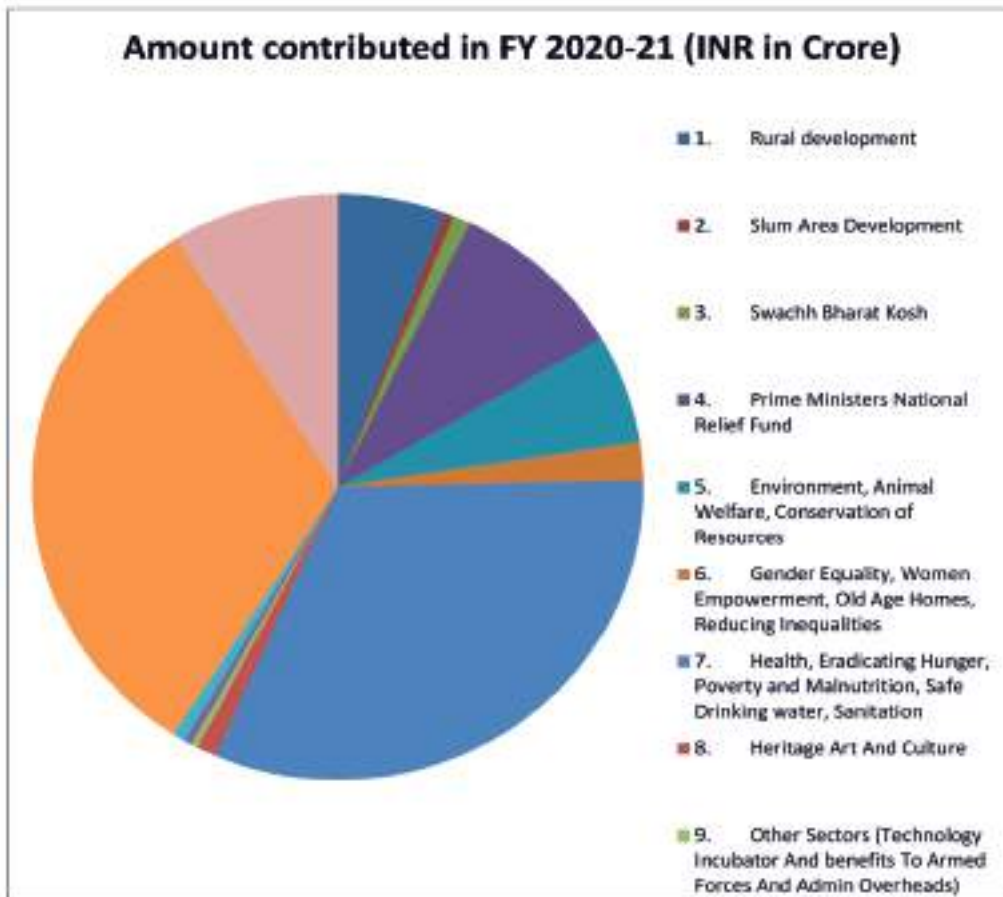
CSR helps both improve various aspects of society as well as promote a positive brand image of companies. Although CSR programs have generally been most common among large corporations, small businesses also participate in CSR through smaller-scale programs, such as donating to local charities and sponsoring local events. The movement toward CSR has had an impact in several domains. What started as a voluntary, social activity by corporates has been made mandatory by legislation in India.

CSR spend in India

Indian corporates spent over Rs.12,000 crores as part of their CSR obligations. CSR spent in India for the Financial Year 2020-21 in different Industries as per the Dynamic Report are as follows:

Sl. No.	Sector	Amount (INR in Crore)
1.	Rural development	1025.75
2.	Slum Area Development	87.11
3.	Swachh Bharat Kosh	160.85
4.	Prime Ministers National Relief Fund	1678.76
5.	Environment, Animal Welfare, Conservation of Resources	1071.08
6.	Gender Equality, Women Empowerment, Old Age Homes, Reducing Inequalities	373.37
7.	Health, Eradicating Hunger, Poverty and Malnutrition, Safe Drinking water, Sanitation	5708.06
8.	Heritage Art And Culture	181.22

9.	Other Sectors (Technology Incubator And benefits To Armed Forces And Admin Overheads)	61.95
10.	Others	72.78
11.	Encouraging Sports	122.59
12.	Education, Differently Abled, livelihood	5730.4
13.	Clean Ganga Fund	13.39
14.	Any Other Fund	1564.89



abhaya Foundation in service to the nation

abhaya Foundation is an NGO started in 2006 by Balachandra, a Company Secretary by profession, who is a committed social worker/reformer and is now totally engaged in helping the most needy in our society. Over the last 16+ years, abhaya touched the lives of over one million needy people across fifteen states of the country, predominantly in South India.

In line with its mission to serve with the "H.E.A.R.T", abhaya is focused on the following segments – Education, Empowerment and Enlightenment.

Education

Upgrading infrastructure of Government Schools

abhaya's focus is to improve the quality of infrastructure and facilities in rural and/or Government schools, providing teaching aids and requisite mentorship to the teachers and consequently enable them to provide better education to the students. In this pursuit, it has assisted more than 100 schools in the Southern states and continues to engage with several of them, in the process adding significant value to the education system and benefiting fifteen thousand students and thousand teachers.

Supporting students pursuing higher education

abhaya, on a continuous basis, also provides financial assistance and mentoring over 900 students pursuing higher education. This is just not passive financial assistance but also constant engagement so as to assist the students focus on their studies, build good value systems and plan their careers.

abhaya "Super 60"

abhaya has been running a very successful program called "Super 60" wherein Std X students were provided completely free coaching program for entrance exams to several integrated/professional courses. As part of this program, sixty students were chosen solely based on merit after an extremely comprehensive selection procedure and an additional sixty students were chosen from the under privileged and needy families. abhaya has a plan to replicate across ten centres benefitting 600+ students every year.

Empowerment

Empowering the youth and women, particularly from the rural areas, is a very important focus area for abhaya. It regularly conducts skill development and career-oriented courses across the country, helping ten thousand families over the last decade in becoming self-reliant and providing them livelihood. For men, it conducts courses like car driving, electrical house wiring, mobile repair, basic computer knowledge and computer operations. For women, abhaya has been conducting courses in tailoring, beauticians, making handicrafts, mehendi design,

vehicle driving, computer courses etc. abhaya provides not just training but also gives the necessary tool kits to start their livelihood.

Enlightenment

abhaya Foundation firmly believe that awareness is the key to national and social progress. It regularly conducts awareness programs right from the primary school level to rural/urban communities on various aspects of better living, covering subjects such as moral awareness, social awareness, health, hygiene & sanitation, education, beneficial government schemes, managing finances, entrepreneurship etc., so that they are better informed and can make beneficial choices in their lives. Since inception, abhaya has benefited over ten lakh citizens across different age groups as part of this program.

One of abhaya's prime endeavours is to reach out to people and make them 'aware' that help is available and direct them towards such help. abhaya continuously acts as an information channel between resource providers and the resource needy and thus creates all-round awareness in people.

Relief and Rehabilitation

abhaya and its dedicated pool of volunteers are always at the forefront in terms of helping the needy at ground zero during calamities.

abhaya, along with assistance from local volunteers, has been at the forefront of providing relief material to the affected, needy families during floods in Andhra Pradesh (2009), Uttarakhand (2013), Tamilnadu (2015), Kerala (2019) and earthquake in Nepal (2015). It not only provided material such as groceries, blankets, mats and cooking vessels but also assisted in repairing damaged home appliances.

Post floods in Kerala (2019), abhaya undertook major relief and rehabilitation projects across Alleppey & Ernakulam Districts over a period of one year. It pooled resources to the tune of Rs.5Cr for providing houses for 6 beneficiaries, cattle for six families, 20 fishing canoes, bridge scholarship to 20 students, 6000 TTK water purifiers, repairing and maintenance of 3000 home Appliances and Digital Classroom at RK Vidya Mandir, besides contributing Rs.50lakhs to the Govt of Kerala towards their flood relief activity.

Post Titli Cyclone in Srikakulam district of Andhra Pradesh (2019), abhaya provided Rs.25000/- grant each to 100 villagers for laying foundation for their new houses, constructed 10 Community toilets and set up 5 RO water plants. Further, it trained 40 rural women across two tailoring centres and gave them new sewing machines at highly subsidised prices. These projects benefited more than 10,000 people, with its efforts duly appreciated by the local authorities.

Since inception, abhaya has been running Hunt-the-Winter and Hunt-the-Summer programs with active participation by over 750 abhayans across 15 states. As part of the former program, volunteers distributed more than 85,000 blankets to the homeless people across the country and in the latter program, over 10,000 umbrellas and canopies were distributed to the poor, elderly and roadside vendors.

abhaya and its volunteers were at the forefront in providing assistance to Covid-19 affected families. In partnership with Telangana City Police, it distributed more than 10,000 grocery kits to needy families across all the Southern states. As part of its "abhaya Breathe India Mission", it provided helpline access for medical assistance and all other services (abhaya Sahaya), precautionary essentials like masks, sanitizers and Pulse Oximeters (abhaya Kavacha), distributed more than 10,000 cooked meals for the people in home isolation (abhaya Prasada), medical assistance through tele-consulting (abhaya Valdya) and hundreds of lifesaving equipment like oxygen concentrators, Nebulisers, vaporisers etc (abhaya Vayu Patra).

CSR funds fuelling abhaya's service to the nation

Over the last several years, abhaya has been fortunate to get the support of several corporates through their CSR funds in extending its services wider and with greater vigour. Below is the partial list of corporates that have partnered with abhaya in serving the nation.

S.No	Name of the corporate	CSR Funds provided to abhaya (Rs. Lacs)
1	Leading Coffee Brand	100
2	Well-Known Motors Company	100
3	A Chemical Company	100
4	Reputed Machinery Manufacturing	80
5	Leading Fruit Puree manufacturing	50
6	Reputed Pharma Company	40

Few projects initiated and executed by abhaya under CSR programs.

1. abhaya Motor Driving School:

abhaya Foundation as part of its skill development programs has been in look out for programs, which will improve employability chances to rural youth who discontinued their studies at under-graduate level owing to various reasons. With the support of a reputed corporate house, abhaya purchased two used cars for conducting driving classes for unemployed youth. The cars costed about Rs.8 lakhs and abhaya registered a Motor Driving school with Manneguda RTA, Rangareddy District, Telangana.

Abhaya designed the program as a 30-day residential course, where the students stay in serene environment at abhaya Home and get an opportunity to learn with focus. As this was a residential program, the students were also taught various life skills and soft skills to inculcate discipline and create awareness towards best practises in service, consequently making them employable and better individuals.

Subsequently, seeing the impact this program has created, several companies supported this empowerment initiative whereby the rural youth without any significant educational qualification can learn a skill that could help them earn at least Rs.10,000/- to Rs.15,000 per month. Every student of this program is a

success story for abhaya. The program costs about Rs.1 lac for every batch of 12 students. Till Date, the abhaya Motor Driving school trained about 600 students in driving, who are leading their lives as Drivers and making their family proud.

Sai, one such student from Ibrahimpatnam, who discontinued his studies after Intermediate completed the course successfully. He joined as a driver with Rs.10,000/- per month salary and later worked for abhaya as driver for 3 years. There are many such students who left their studies owing to family issues but reprogrammed their lives and started earning respectfully.

2. Care&Love for Kerala:

When Kerala witnessed unforeseen rains in 2019 and many houses were drowned under water. Alleppy and nearby districts were severely affected by these rains and many people lost their livelihood and most of the household articles got washed away in the floods. Abhaya, moved by the situation, partnered with several corporates to support scores of people effected by this natural calamity.

Distributed water purifiers: After ground level inspection, abhaya realised that several families are not able to get access to clean water owing to severe contamination. We appealed to several corporates for support. And fortunately got an immediate response from a corporate to provide 6000 water purifiers, costing over Rs.100 lacs, to provide clean drinking water to families who lost everything. With this support about 6000 families got benefited and could life support in the form of pure drinking water. This is nothing less than saving lives of ~15000 people in difficult situation.

Dream Houses for 6 families: Many families lost their homes in the district of Alleppy as the water levels increased drastically in Nehru Tropy Ward. As per the District Administration, that place is always a flood prone area and people will loose everything during floods. abhaya wanted to build few model houses, which will be withstanding flood-like situations. A leading Leasing Company responded to abhaya's appeal and supported Rs.25 lacs for the cause. Abhaya built 6 model houses, which could withstand floods, and handed over to the families. Each house costed about Rs.5 lakhs, but it was very much satisfying when the families shared that they are all safe during subsequent floods in that area. This project is not just to save 30 people, but a thoughtful work to rebuild and set as a model to follow, which is standing tall in tough times for the families. There are occasions where these model houses could shelter neighbours during natural calamities.

3. Women Empowerment Projects:

The situation of girl children in rural India is still not comparable with boys. The families mostly stop their education after SSC/Intermediate and just arrange for their marriage. But in the modern world it is always tough to maintain a family with mere income of one person and employability of woman will improve the economic status of the family and give them a sense of achievement. With this thought process, abhaya wanted to provide different training programs like Tailoring, Maggam, Fashion Designing, Mehndi, Driving and Computers. Most of these courses

are conducted in their own villages, so that women don't have to travel much and attend without interruptions.

Many corporates supported this initiative and stood with abhaya as a solid support for running abhaya 'Women Empowerment Projects' uninterruptedly in villages across four southern states of India. The courses will be running from 30-90 days and abhaya usually provides them a toolkit with which the trainees can start earning immediately after completing the course. Each batch costs about Rs.1-3 lakh, depending on the trade, and this provides livelihood for entire family.

Abhaya model of this women empowerment program was very simple and easy to replicate, as it can be established in any village with very minimal infrastructure. Considering this, abhaya expanded this program to more than 300 villages benefiting more than 12000 women in Andhra Pradesh, Telangana, Karnataka and Tamilnadu states. Many of the trainees later worked with abhaya as Trainers for new batches and could earn more than Rs.5000 per month, even working at their free times. This way the trainer will get empowered while empowering 30+ women from their village.

Anitha, a housewife from Medchal district of Telangana learnt tailoring as a hobby. Her husband is the only bread winner for the family, who works as a daily laborer. When abhaya wanted to start a tailoring center at Lingapur, she joined there as a trainer and used to travel about 10Kms daily in an auto to conduct the classes. Soon she gained confidence and could complete four batches till now in nearby villages. She is earning Rs.8000 per month as a trainer and earned good reputation for her stitching, helping extra income in her off-hours. We are aware of hundreds of such stories from our own beneficiaries from these women empowerment projects. All of them earn atleast Rs.3000-6000 per month, even working part-time at home.

This initiative continues as one of the key focus area for abhaya foundation, as many corporates started contributing their CSR support in upskilling rural women. Such projects were successfully completed in other states as well. This success gave confidence to abhaya Board Trustees to establish two campuses at Anantapur, Andhra Pradesh and Bengaluru in Karnataka. We are confident that these empowerment centers will light up many lives in near future.

4. Improving Government Schools

In the education segment, abhaya's focus is improving the infrastructure in existing Government schools in different states. After visiting these schools, abhaya team identifies the gaps in the infrastructure available in these schools. It is very hurtful to note that many schools don't even have proper toilets in working condition for girl students. Moved by the situation, abhaya decided to improve the condition and build the infrastructure gaps with CSR Support.

A large corporate extended ~Rs.45 lakhs last year, with which we could work on 12 Government schools in and around Maheswaram District of Telangana. Another corporate granted about Rs.90 lakhs, to improve educational/infrastructure facilities at Government Schools near Medchal. We could work in four Government schools in

the Krishnagiri district of Tamil Nadu with the assistance of another large corporate. Most of these works involve providing benches, CCTV Cameras, RO Water Purifiers, building/repairing Toilets, class rooms, dining halls, Computer Labs, Science Labs and Digital Class rooms. These projects not only provided basic hygiene facilities for the students but also helped the schools attract more children towards education.

In last three years, abhaya worked on 50+ Government schools improving routines of at least 10,000 students in those schools.

5. 'Super 60' Program

Inspired by 'Super 30' from North India, abhaya wanted to conduct a short-term coaching for the students who wish to appear for different entrance examinations after their SSC. Class 10 is a crucial juncture as there are many career paths to choose from and decisions to make for future. When abhaya shared this thought with Government School teachers, a few from Uravakonda of Andhra Pradesh expressed their willingness to be part of this noble program. The team lead by Niswartha Foundation could bring in teachers who can take free classes to students for various competitive exams.

The program is designed in three phases and the news spread in all the Government Schools to enrol. The response was very encouraging, we got nearly 5000 registrations from whom abhaya Niswartha team, selected about 120 people after two online exams to shortlist.

The classes ran in the month of May 2022 and more than 60 students participated in the program. Apart from training the students for competitive examinations, we conducted classes for Yoga and personality development to improve the life style. A corporate house came forward to support this residential training with Rs.10 lakhs last year. Out of the 60 students who got trained, 55 students got admission in different entrance examinations like Policet, APRJC etc. Considering this, we are fairly confident that most of these students are set-out for good careers, enabling enliffment of several families. Considering this huge success and visible impact, the same corporate donor already allocated another Rs.10 lakhs.

abhaya team is hugely indebted to all the corporate donors for their kindhearted support to make an impactful change in the lives of thousands of people and assist us in Nation building.



11. Social Stock Exchange - Modalities

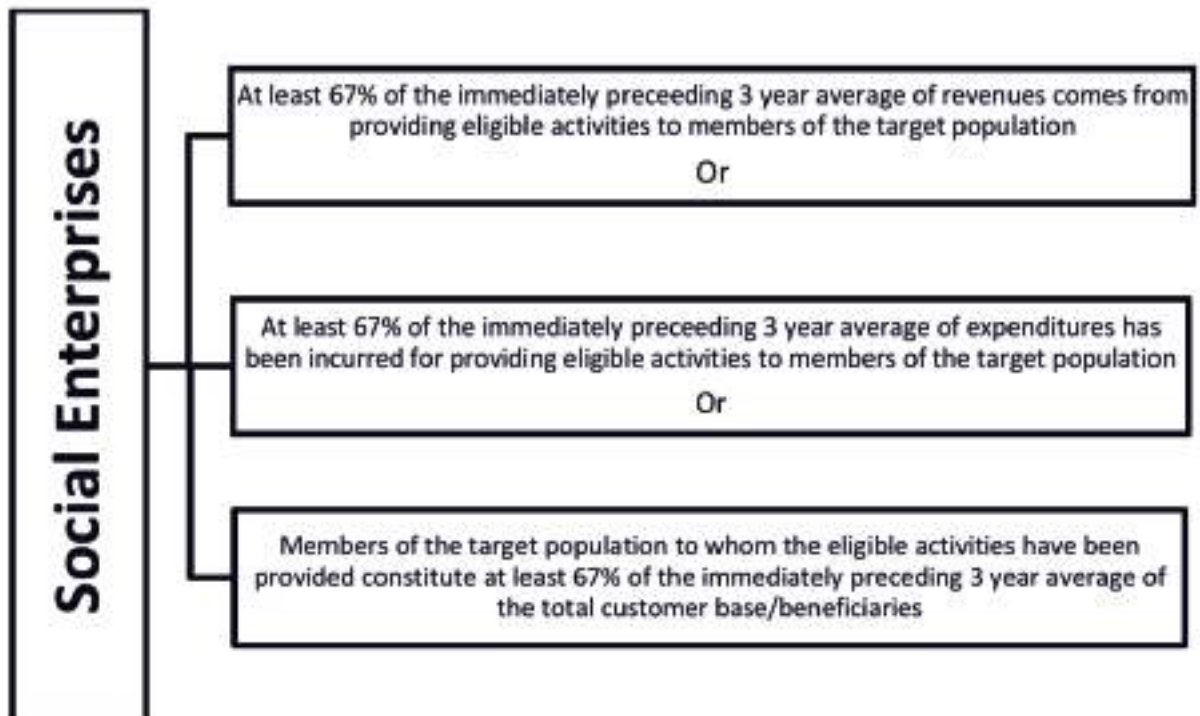
Emergence of Social Stock Exchange Concept in India

Hon'ble Finance Minister as part of the Budget Speech for FY 2019-20 proposed the idea of an electronic fund-raising platform "Social Stock Exchange", under the regulatory ambit of SEBI for listing social enterprises and voluntary organizations working for the realization of a social welfare objective so that they can raise capital as equity, debt or as units like a mutual fund.

Benefits of Social Stock Exchange

- Regulated platform that brings together social enterprises and donors
- Facilitate funding and growth of social enterprises
- Enabling mechanism to ensure robust standards of social impact and financial reporting

Eligibility Criteria for Social Enterprise





Eligible Activities

List of 15 eligible activities for demonstrating primacy of Social Impact

<ul style="list-style-type: none"> i. eradicating hunger, poverty, malnutrition and inequality ii. promoting health care including mental healthcare, sanitation and making available safe drinking water iii. promoting education, employability and livelihoods iv. promoting gender equality, empowerment of women and LGBTQIA+ communities v. ensuring environmental sustainability, addressing climate change including mitigation and adaptation, forest and wildlife conservation vi. protection of national heritage, art and culture vii. training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports viii. supporting incubators of Social Enterprises 	<ul style="list-style-type: none"> ix. supporting other platforms that strengthen the non-profit ecosystem in fundraising and capacity building x. promoting livelihoods for rural and urban poor including enhancing income of small and marginal farmers and workers in the non-farm sector xi. slum area development, affordable housing and other interventions to build sustainable and resilient cities xii. disaster management, including relief, rehabilitation and reconstruction activities xiii. promotion of financial inclusion xiv. facilitating access to land and property assets for disadvantaged communities xv. bridging the digital divide in internet and mobile phone access, addressing issues of misinformation and data protection xvi. promoting welfare of migrants and displaced persons xvii. any other area as identified by the Board or Government of India from time to time
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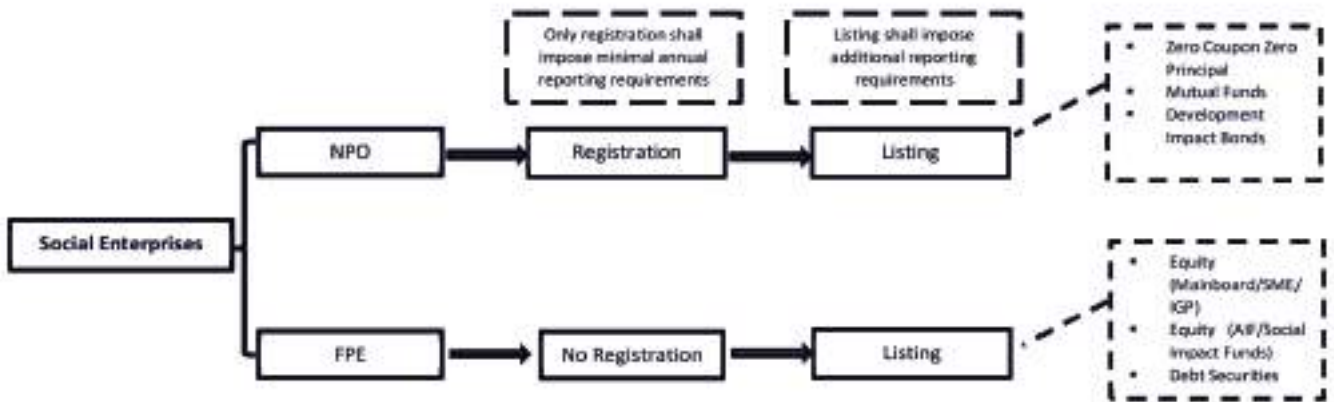


Entities Excluded

- Corporate foundations
- Political or religious organizations or activities
- Professional or trade associations
- Infrastructure, and housing companies, except affordable housing

Social Enterprises – Listing and Registration process for Social Enterprises

A Social Enterprise i.e., a Not-for-Profit Organization (NPO) or a For Profit Social Enterprise (FPE) fulfilling the eligibility conditions as specified in SEBI ICDR Regulations or as specified by SEBI from time to time will be permitted to register or list its instruments. Enclosed below are the admissible securities as specified by SEBI for NPOs and FPEs





Listing of Instruments by registered Not-for-Profit Organization (NPO)

NPO once registered on the Social Stock Exchange, may raise funds through following means

- ❖ issuance of Zero Coupon Zero Principal (ZCZP) Instruments to institutional investors and/or non-institutional investors
- ❖ donations through Mutual Fund schemes as specified by SEBI
- ❖ any other means as specified by SEBI from time to time

Salient features of Zero Coupon Zero Principal (ZCZP) Instruments

- ❖ Registered NPO will be permitted to issue ZCZP through public issue as well as private placement
- ❖ ZCZP will be issued in dematerialized form only
- ❖ It will be issued without any coupon and no principal amount shall be payable on its maturity
- ❖ Issue to be made only for a specific project or activity which must be completed within specified duration
- ❖ The minimum issue size shall be Rupees Once crore and minimum application size will be Rs two lakh or as specified by SEBI/Exchange from time to time
- ❖ The minimum subscription required to be achieved shall be 75% of the funds proposed to be raised through issuance of Zero Coupon Zero Principal Instruments or as specified by SEBI/Exchange from time to time
- ❖ Allotment details pursuant to issuance of ZCZP by a registered NPO shall be maintained as required by ICDR

Trading in Securities by Social Enterprises

- NPO – Securities listed by NPO will not be available for trading on the exchange
- FPE – Trading hours shall be applicable as per the timings of applicable segment



Clearing and Settlement

The existing clearing and settlement process framework applicable for the respective segment on NSE will be applicable for the securities issued by FPE

Disclosures for Social Enterprises

Enclosed are the disclosures requirement for Social Enterprises

Particulars	NPOs registered on SSE	NPOs with its securities listed on SSE	FPSEs registered with SSE
Annual Disclosures	Within 60 days from the end of FY (format to be specified by SEBI)		As applicable under Ch. IV/ V of SEBI LODR
Quarterly Disclosures	Not applicable	Statement of utilization of the funds raised from the end of each quarter till such funds are utilized, in the manner: <ul style="list-style-type: none"> • Category-wise amount of money raised & utilized. • Amount remaining unutilized 	As applicable under Ch. IV/ V of SEBI LODR
Event based Disclosures	Not applicable	Any event that may have a material impact on the planned achievement of outputs or outcomes and steps being taken by the Social Enterprise to address the same, within 7 days from the occurrence of such event	
Policy for determination of materiality	Not applicable	To frame policy for determination of materiality and disclose the same to Social Stock Exchange	
Annual Impact Report	Annual Impact Report audited by a Social Audit Firm employing Social Auditor, to SSE/ Stock Exchange (time and format to be specified by SEBI)		

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abhaya Foundation

abhaya (<https://www.abhayafoundation.org>) is an NGO started in 2006 by Mr.Sunku Balachandra, a Company Secretary by profession, who is a committed social worker/reformer and is now totally engaged in helping the most needy in our society. Over the last 16+ years, abhaya touched the lives of over one million needy people across ten states of the country, predominantly in South India.

In line with its mission to serve with the "HEART", abhaya is focused on the following segments – Education, Empowerment and Enlightenment.

Education

abhaya's focus is to improve the quality of infrastructure and facilities in rural and/or Government schools, providing teaching aids and requisite mentorship to the teachers and consequently enable them to provide better education to the students. In this pursuit, it has assisted more than 75 schools in the Southern states and continues to engage with several of them, in the process adding significant value to the education system and benefiting fifteen thousand students and thousand teachers.

abhaya, on a continuous basis, also provides financial assistance and mentoring over 800 students pursuing higher education. This is just not passive financial assistance but also constant engagement so as to assist the students focus on their studies, build good value systems and plan their careers. abhaya has been running a very successful program called "Super 60" wherein Std X students were provided completely free residential coaching program for entrance exams to several integrated professional courses. As part of this program, sixty students were chosen solely based on merit after an extremely comprehensive selection procedure and an additional sixty students were chosen from the under privileged and needy families. abhaya has a plan to replicate across ten centres benefitting 600+ students every year.

Empowerment

Empowering the youth and women, particularly from the rural areas, is a very important focus area for abhaya. It regularly conducts skill development and career-oriented courses across the country, helping ten thousand families over the last decade in becoming self-reliant and providing them livelihood. For men, it conducts courses like car driving, electrical house wiring, mobile repair, basic computer knowledge and computer operations. For women, abhaya has been conducting courses in tailoring, beauticians, making handicrafts, mehendi design, vehicle driving, computer courses etc. abhaya provides not just training but also gives the tool kits to start their livelihood.

Enlightenment

abhaya Foundation firmly believe that awareness is the key to national and social progress. It regularly conducts awareness programs right from the primary school level to rural/urban communities on various aspects of better living, covering subjects such as moral awareness, social awareness, health, hygiene & sanitation, education, beneficial government schemes, managing finances, entrepreneurship etc., so that they are better informed and can make beneficial choices in their lives. Since inception, abhaya has benefited over ten lakhs of citizens as part of this program.

One of abhaya's prime endeavours is to reach out to people and make them 'aware' that help is available and direct them towards such help. abhaya continuously acts as an information channel between resource providers and the resource needy and thus creates all-round awareness in people.

Relief and Rehabilitation

abhaya and its dedicated pool of volunteers are always at the forefront in terms of helping the needy at ground zero during calamities.

abhaya, along with assistance from local volunteers, has been at the forefront of providing relief material to the affected, needy families during floods in Andhra Pradesh (2009), Uttarakhand (2013), Tamilnadu (2015), Kerala (2019) and earthquake in Nepal (2015). It not only provided material such as groceries, blankets, mats and cooking vessels but also assisted in repairing damaged home appliances.

Post floods in Kerala (2019), abhaya undertook major relief and rehabilitation projects across Alleppey & Ernakulam Districts over a period of one year. It pooled resources to the tune of Rs.5Cr for providing houses for 6 beneficiaries, cattle for six families, 20 fishing canoes, bridge scholarship to 20 students, 6000 TTK water purifiers, repairing and maintenance of 3000 home Appliances and Digital Classroom at RK Vidya Mandir, besides contributing Rs.50lakhs to the Govt of Kerala towards their flood relief activity.

Post Titli Cyclone in Srikakulam district of Andhra Pradesh (2019), abhaya provided Rs.25000/- grant each to 100 villagers for laying foundation for their new houses, constructed 10 Community toilets and set up 5 RO water plants. Further, it trained 40 rural women across two tailoring centres and gave them new sewing machines at highly subsidised prices. These projects benefited more than 10,000 people, with its efforts duly appreciated by the local authorities.

During the last several years, abhaya has been running Hunt-the-Winter and Hunt-the-Summer programs with active participation by over 750 abhayans across 15 states. As part of the former program, volunteers distributed more than 80,000 blankets to the homeless people across the country and in the latter program, over 10,000 umbrellas and canopies are distributed to the poor, elderly and roadside vendors.

abhaya and its volunteers were at the forefront in providing assistance to Covid-19 affected families. In partnership with Telangana City Police, it distributed more than 10,000 grocery kits to needy families across all the Southern states. As part of its "abhaya Breathe India Mission", it provided helpline access for medical assistance and all other services (abhaya Sahaya), precautionary essentials like masks, sanitizers and Pulse Oximeters (abhaya Kavacha), distributed more than 10,000 cooked meals for the people in home isolation (abhaya Prasada), medical assistance through tele-consulting (abhaya Vaidya) and hundreds of lifesaving equipment like oxygen concentrators, Nebulisers, vaporisers etc (abhaya Vayu Patra).

Campuses

abhaya is headquartered in Hyderabad and has three own facilities/centers.

- abhaya 'Home of Happiness' (HoH), a 16,000 sq.ft. complex built on a two-acre land at Ibrahimpatnam, Hyderabad, Telangana. It houses several destitute/needy people who are fully taken care with love and compassion including their food, accommodation, bedside assistance and medical needs. It has benefited over 100 destitute people till date. This facility also regularly hosts skill development courses for rural people.

- abhaya Youth Empowerment center, a 3,000 sq.ft. facility built in partnership with Yuvashakthi Seva Foundation in Ajjagondanahalli, Whitefield, Bangalore, is used for skill development and empowerment courses.

- abhaya CCL Empowerment Campus, is about 15,000 sq.ft. facility built over a 0.75-acre plot in Ananthapuram, Andhra Pradesh, is used for skill development and empowerment courses.

Governance

abhaya has a competent Board of Trustees comprising accomplished professionals from across various segments of the society and is ably supported by over 400+ volunteers across the country.

(https://www.abhayafoundation.org/abhaya_board_of_trustees.aspx).

abhaya is a registered NGO and has necessary registrations and/or approvals like CSR Approval, Sec.12A and Sec.80G approvals under Income Tax Act, approval under Foreign Contribution (Regulation) Act (to accept donations by foreign entities and/or individuals) etc.

abhaya publishes a monthly newsletter covering its various activities in great detail and is circulated to more 50,000 people, not just spreading its good work but in the process also influencing and motivating several people to contribute to the needy and the less privileged in our society. abhaya's accounts are annually audited and are made available on its website. Its expense ratio (administrative expenses) is less than 10%, amongst the lowest in the segment, ensuring that the maximum resources are used for the needy, thus creating maximum impact with the available funds.

Contacts

Designation	Name	Email	Phone
Founder	Sunku Balachandra	abhayafoundation@yahoo.com	99630 02727
Chairman	K.V.Ramakrishna	ramakrishna_kv@yahoo.com	98197 89209
President	S Narayana Rangaiah	president@abhayafoundation.org	98450 70942
Secretary	KSV Siva Krishna	abhaya@abhayafoundation.org	99592 20450

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We Love Mission abhaya



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8-3-729, 730 Yellareddyguda,
Ameerpet, Hyderabad, 500073**

Balachandra Sunku

LIFE

A journey from I to WE

- Engaged in social work since 4 decades dedicating his life and resources for the cause of the people.
- A Science Graduate, Law Graduate and Fellow Member of ICSI. Served many Corporates as their Company Secretary until 2013.
- In spite of his busy profession he always spent his value time with various Social Organisations & NGOs.
- Established abhaya Foundation with his savings in the year 2006.
- Passionately travelling across the country, inspiring lakhs of people since 4 decades.
- Established Empowerment campuses in TS / AP / KA imparting free livelihood skills to 10000 rural youth.
- Pioneering the cause of CSR amongst the corporates and professionals since 2 decades.



- Personally leading relief activities during every natural calamity since 2006 across the country including Corona Relief Operations in 2020 & 2021.
- Initiated service projects in more than 15 States in the country, motivating thousands of donors, spending resources worth crores of rupees benefiting more than 5 lakhs of people in need, since 15 years
- Toured entire Country all along "Sankara Digvijayam" route in 2019.
- Authored many awakening essays, articles, write-ups and inspiring books titled "Sunday Thoughts", "Bharata Darshan", "Students Hand Book" etc.,
- Mentored more than 100 NGOs for doing their good work in their respective fields
- Leading a life of "Vanaprastha" at abhaya Happy Home and serving poor and needy.

“

If Intentions are pure ... God will be with us working for the cause and effect

”

“

It's not easy to come out with different service activities in this era of selfishness. abhaya Foundation by the able leadership of Sri Balachandra is doing extra ordinary work in the field of Education, Empowerment, Rural Development and Skill enhancement. - **Her Excellency, The Governor of Telangana, Dr. Tamilisai Sounderrajan, Hyderabad**



Our Mangalasanams to you, for working hard in inspiring the masses and channelizing their hearts into great service. We know how difficult it is to motivate one to do even a smaller service. You are conducting gigantic tasks and motivating hundreds and thousands of youth, children and even corporates. God bless you with good health and resources to continue the mission with high energies. - **Chinna Jeeyar, Hyderabad**

abhaya means divine assurance and the team abhaya lead by Balachandra is taking care of everything for those who need help and support. Every one in the world has to learn selfless service from Indians, while rendering service. I have not seen these people expecting anything in return for the service rendered. It's sreshta seva. I compliment all the team lead by Balachandra. - **Padma Vibhushan Awardee, Sri Sri Ravishankar, Bengaluru**



After coming to know about his work, I met Sri. Balachandra and was impressed and inspired by his dedication, devotion and commitment in serving the nation and people in need. His love for the nation is contagious. "The best way to find yourself is to lose yourself in the service of others". I find Balachandra discovering himself in the service of the people. He is filled with grace and generosity and a soul filled with love and service. - **Padma Shri Awardee, Ramesh Gelli, Hyderabad**

“

*Loving All Serving All
is the only way to live
eternally*

”

”

“

At the very first meeting with him at my office few years back during flood relief activities at Kerala in 2018, I'm inspired. The way he personally lead the team of 100 volunteers from abhaya Foundation for the 9 months period very much inspired everyone here. He visited the new houses constructed by abhaya with the support of CSR Funds, he personally handed over canoes to fisherman, they have lend bridge scholarships for the students etc., I am happy to have abhaya Foundation and Balachandra as partners in relief work with the Govt of Kerala - **MVR Krishna Teja, IAS, Managing Director KTDC, Kerala**



I always admire your selfless support and kindness which transforms the life of those who are in desperate condition and your excellent service towards alleviating suffering in the society. My heartiest best wishes to you for your phenomenal team to continue their good work in the years to come. - **G Mallikarjuna Rao, GMR Group, New Delhi**

Balachandra is truly an abhayam for many but for me, he is a check point to be on righteous path and with the underprivileged. Bala is a shrewd man with kind heart in serving those in need. Bala inspired many like me in the country to serve the mankind. - **Devaki Vasudeva Rao, BJP, Khammam Parliamentary Constituency Incharge**



One of my interactions with Shri Balachandra in the year 2012 transformed my entire life and later paved way for establishing Yuva Shakthi Foundation. His commitment in serving the needy and the way he is leading abhaya is an example to any NGO in the Country.- **Bhushan Bharatiya, Founder, Yuva Shakthi Seva Foundation, Karnataka**

”

“

*Good work is always
God's own work*

”



I TO WE



"He is living every second of his life for the well being of others. He doesn't just help people, but in the process he paves the way for their transformation."



Balachandra Sunku, blessed he is, to be born (6th April 1969) to the virtuous parents **Smt. Rajeswaramma** and **Sri. SS Rangaiah**, the sense of devotion, discipline and social responsibility were bound to be innate! A peculiar child he was, prayed and preached as part of play! His **Teacher Smt. Naga Jyoti** inspired him to love and lead a life of purpose! As he grew many holy souls blessed him and that added water to the seed of service!!



Passion made to Profession

The degrees (B.Sc., LLB, FCS) he acquired, are the result of kind hearted hands that he held for support. This drove him to create a divine helping hand to the ones in dire need. And in his early 30's he established **abhaya FOUNDATION**, an omnipresent and ever helping hand.

He had an illustrious career, as a Company Secretary and Advisor for many reputed Corporate Houses including GVPR, NATCO, NCC, ICOMM, SIVASHAKTHI and SURANA, while his prime focus was and is always SERVICE. This contagious attitude, made his family, friends and colleagues as partners for service.



“

Mission is to serve with the H.E.A.R.T.

”



**abhaya FOUNDATION...
an assurance of no fear!**

The path paved by his guiding light Sri Sathya Sai Baba and other divine spiritual beings like Sri Adi Shankaracharya, Swami Vivekananda, Mahatma Gandhi, Alluri Seeta Rama



Raju and Mother Teresa, he founded **abhaya Foundation** in 2006 U/ Indian Trust Act (Approved under 80G, FCRA & Trade Marks). This was an inception for a never ending mission of service with Love. abhaya's mission is to serve with the **H.E.A.R.T (Healthcare, Educare, Awareness, Rural Development and Transformation)**. Sivakrishna, the Trustee and Secretary of abhaya, who was the first beneficiary of abhaya stands tall as witness to the million other beneficiaries of abhaya across the Country.

Skills for Society

A natural orator, motivator and a proven leader he has ushered hope into many lives since young age through discourses on spirituality, philosophy, and leadership. He motivates everyone to be part of everything that is good. He has travelled on an average 150 kms dally in the country since four decades interacting with lakhs of people.



abhaya Home of Happiness, Telangana (2012)

Helping those who can never help back is the penultimate form of service! with such motto, abhaya Home of Happiness was established in the year 2012 with public donations of 2 Crs, this Home opened its doors to welcome those who are uncared and left on roads. The home is providing shelter to 100's of destitute.



Pioneering the cause of CSR (2013)

With the implementation of CSR provisions in Companies Act in 2013, he made abhaya as a reliable and responsible platform for various Corporates across the country to lend their funds for CSR projects, by hosting National Conclaves in South Indian states (AP/TS/KA/TN).100's of Corporates partnering with community work under his leadership.



**"Nothing in nature
Lives for itself.
so should a Man"**



EDUCATION

Spearheaded by Balachandra, **abhaya FOUNDATION** since 15 years of inception, has brought light into the lives of more than **800** patients, **900** meritorious & poor students pursuing higher education.

Alongside, helping **40** Government / Aided / Rural Schools benefiting **10,000** students and **500** teachers. Setup computer labs and digital classrooms, propagating the cause of computer literacy in more than **20** Govt. Schools in the various states of South India.

Further worked on **25** villages benefiting thousands of rural communities.

He with the support of 100s of Corporates with their CSR funds empowered more than **10,000** rural youth with free livelihood skills (Driving, Tailoring, Beautician, Computers, EHW, Muggam, Jute bags etc.,

EMPOWERMENT

He with the support of 100s of volunteers, brought respite from cold during winter season to nearly **80,000** people shivering on roads by giving blankets. Provided relief from scorching heat to **3,000** people during summer by giving them umbrellas. More than **100** destitutes are taken care at **abhaya Home of Happiness, Ibrahimpatnam, Telangana.**

He reached out most deserving communities affected by natural calamities during floods in **Andhra Pradesh (2009 / 19)** **Uttarakhand(2013)** **J&K(2014)**, **Tamilnadu (2015)**, **Kerala (2018)** and **Nepal earthquake (2015).**

Now with the support of many Corporates /NGO's / Govt. Agencies helping lakhs of people belonging to **8 states** during the **COVID-19** pandemic



ENLIGHTENMENT

+VE IMPACT



Best Wishes... the Blessings & Beyond

The speed with which he responds to serve those in need across the country brought him the grace of Bhagawan Sri Sathya Sai Baba, HH Sri Chinna Jeeyar Swamiji, Sri Sri Ravishankar, HH Sri Vidhu Sekhara Bharati Maha Swamiji, HH Sri Mahanth Swamiji, HH Sri Vijayendra Saraswathi Swamiji, Leaders, Social Workers, Corporate Heads, Bureaucrats, Politicians & Celebrities. He brings the people to one platform with his leadership, he enlightens and motivates them as to how fortunate one is to serve the human kind and with his love he brings out the best in people which fetches the best aid to the ones in need. **He is a living miracle in a nutshell.**



Appreciations & Awards



Global Peace Foundation
Global Peace Award



Appreciation from TS Police
for Corona Relief Services



Hyderabad- ICSI
CSR Award



HH Sri Chinna Jeeyar Swamiji
Visesha Seva Puraskaram



Sahithi Gagan Mahal Trust
Ananta Animuthyalu



Honoured for goodwork by
Dr.Jayaprakash Naraya IAS Rtd.,

abhaya Yuva Empowerment Campus, Karnataka:

He established a campus for empowering the unemployed & under employed youth in Karnataka at Ajagondahally near Whitefield, Bengaluru with a project cost of **Rs.1 Cr** jointly with Yuva Shakthi Seva Foundation to impart livelihood skills and life skills for those in need in the state of Karnataka. The campus is ready for inauguration.



abhaya CCL Empowerment Campus, AP (2019)

He established another campus for empowering the unemployed & under employed youth in the state of Andhrapradesh at Rotarupuram near Anantapuram. The campus is completed with a cost of **Rs.2.5Cr** and now ready for inauguration.





Sunday Thoughts.. abhaya Adarshalu (2019)

The book "abhaya Adarshalu" is a compilation of 108 thoughts of Balachandra which are shared on every Sunday since 7 years, that inspire the reader to 'be good, see good and do good'. This book was released by Sri Sri Ravishankar in 2019.

Bharth Darshan... In search of self

India is a nation of diversity, diversity at its best in fact. No other nation in the world holds these many languages, cultures and heritages beautifully together through centuries. Balachandra Sunku explored this diversity, in search of the true spirit of the nation following the footsteps of the legends like Sri Adi Sankaracharya. He penned his experiences into a book "Bharata Darshan", the book was released in Hyderabad by HH Sri Chinna Jeeyar Swamij in the presence of Dr. Tamilasai Sounderrajan, The Governor of Telangana in February, 2020.



Corona +ve didn't make him negative (2020)

With his sheer will power to serve till last breath, he turned out smiling from the gloomy COVID infection. The isolation of COVID pandemic didn't deter his determination too, rather evoked more creativity in him, which made him write "Vidyarthula Jeevithalaku Vijaya Deepika" (Students Handbook for Success) addressing all the issues faced by students in education, studies, schools, systems, personalities and exams etc.



Karuna in times of Corona (2021)

He, inspite of widespread Corona in the country from 2020, continued to serve the most deserving communities in South India. It's truly inspiring to see him leading the Corona Relief Operations in 8 States in the country. More than 5 crores pooled from kind hearted people. He is pioneering the cause across the globe and serving lakhs of people affected by Corona Pandemic.



Living life in full to live after death

Life is a journey from I to We... he doesn't differentiate between him/his and others, others are as important and equal as him in fact a bit more valuable in his eyes. Isn't this the apex quality for any spiritual seeker!. Through this, he is not just leaving behind a mark but an entire home and a community who are always ready to serve!



Reached abhaya Home... leaving his home

Inclusion through seclusion, to lose himself in serving the mankind, he took yet another step by moving to abhaya Home which is located in a secluded place, to become a true Sanyasi! When enquired by some one, asking: Would your aim ever be complete? he answered, One lifetime may not be enough for my mission, as I aim to touch and transform each and everyone in need, but I shall burn and dissolve this life in doing so!



Balachandra Sunku, B.Sc., LL.B., FCS
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www.abhayafoundation.org

www.abayahome.org

abhaya Foundation - Home of Happiness

abhayafoundationHyd

Balachandra Sunku

abhayaheart

Balachandra



Leaving a mark behind....





Compass

Finding The Right Direction...



We thank Gowra Ventures Pvt Ltd & Ace Urban Developers Pvt Ltd, Hyderabad for their kind support in releasing the Book at abhaya Shodasha for the benefit of 8500 Govt High Schools in Telangana and Andhra Pradesh.

-Team Abhaya

We support Bharat CSR Summit 2023

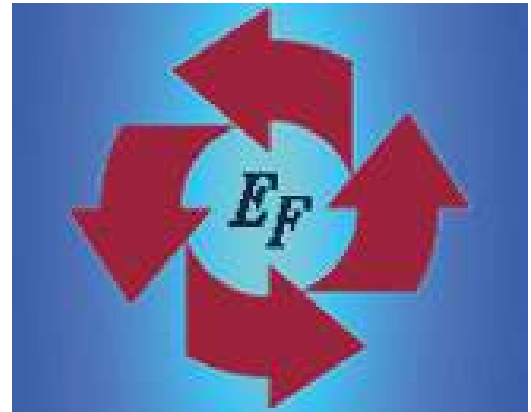


Kalamandir

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