



Corporate Social Responsibility

September 2015

E-Zine

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Media Coverage

SR Latest News Analysis:

Corporations around the world have been voluntarily spending a significant amount of money on CSR activities. However, India became the first country in the world to mandate a minimum CSR spending (2% of average profits of the past three years) for corporations above a certain size.

According to the new Companies Act of 2013, if a company has a net profit before tax (PBT) of at least Rs.5 crore, or a net worth of at least Rs.500 crore, or turnover of at least Rs.1,000 crore, then it is required to spend 2% of its average net PBT (Profit before tax) of the preceding three years on CSR activities.

Corporates have scrambled to meet their corporate social responsibility (CSR) obligations under the new Companies Act, 2013. This is not a surprise, as most companies have not regarded CSR as a business priority.

In a disappointing start to the much-touted CSR regime, nearly two-third of the top listed companies have failed to spend the minimum 2 per cent of profits on social responsibility activities in the first year. So far, half of the 30 Sensex firms have disclosed their CSR details for the latest financial year, but the actual CSR spending during 2014-15 for at least ten of them was below 2 per cent of their respective three-year-average net profit – as required under the new Companies Act.

The government has also set up a six-member high level panel to suggest steps for improved monitoring of social welfare activities done by them under the companies law.

Sources:

- **FMCG firms' CSR spend up by 57%, Nestle misses target**
[Mint](#), 20 August 2011
- **The mandatory CSR law's 2% solution**
[Mint](#), 17 August 2015
- **Coming clean on CSR**
[Mint](#), 12 August 2015
- **CSR: Corporates should reach out**
[The Indian Express](#), 04 August 2015

Handbook/White papers

- [Handbook on Corporate Social Responsibility in India by CII, 2014, 32p.](#)
- **About the handbook**
This handbook begins by building a common understanding of the concept of CSR, based on global practices, Indian tradition, and the intent and provisions of the Companies Act, 2013. It then goes on to bring out the key aspects of clause 135 of the Companies Act, 2013 and the recently released draft rules, and highlights its implications to companies.

A major part of the handbook focuses on the 'what' and 'how' of strategising, planning, executing and monitoring the CSR activities of companies. It also has a section on what small and medium enterprises, some of whom will be required to comply with the Act, can do collectively
- **White papers**
- [Infosys Group](#): Rethinking Corporate Social Responsibility (CSR) in financial Sector
Financial Institution can implement sustainable CSR initiatives by aligning CSR with the business strategy through a well-defined business case. For instance, responsible retail consumer product companies contribute a percentage of their product price to CSR activities. When customers are incentivized to buy products more often, they boost the CSR efforts of the company.
- [TATA Group](#)
Starting from the times of barter system to today's modern era of plastic money, the mankind has trodden a remarkably long path. Undoubtedly "profitability" has always been the driving force and an undercurrent behind all this development [More...](#)
- [Coca-Cola India](#)
Coca-Cola's CSR initiatives in India to date have primarily been community and environment focused. The company has set up primary school education projects to benefit poor children in slums and villages and recently played a major role in setting up a nationwide water sustainability project which

<ul style="list-style-type: none"> • The advent of the social entrepreneur - Mehta, Vikram S <u>The Financial Express</u>, 04 August 2015 • How CSR can contribute to profit, people and planet <u>Mint</u>, 03 August 2015 • NGOs: the credibility conundrum <u>Mint</u>, 30 July 2015 • CSR is not about charity <u>Business Standard</u>, 17 July 2015 • India Inc falls short on CSR <u>The Asian Age</u>, 13 July 2015 • CSR regime begins on disappointing note; 2/3rd cos miss target <u>The Pioneer</u>, 13 July 2015 	<p>More...</p> <ul style="list-style-type: none"> • Eicher Motors, India The genesis of CSR at EML began with the growth of business. The company has undergone numerous changes since its inception, based on mergers and acquisitions and a growing realization of the environmental impacts of a large automotive company. More... • Shipping Corporation of India The Shipping Corporation of India (SCI), one of the top performing Indian public sector companies, organizes Corporate Social Responsibility activities, in particular selecting the panel of civil society organizations, funding, and monitoring of their activities. More... • KPMG (White paper) This white paper provides a comprehensive understanding of how corporate social responsibility has evolved as a concept and the reasons that encourage companies in India to be socially responsible. It also includes case CSR Case studies of 27 companies such as ACC Limited , Bharat Petroleum, Infosys Technologies Limited , Motorola India Private Limited etc.
<p>Cement Industry CSR Reports</p>	<p>Indices</p>
<ul style="list-style-type: none"> • ACC Limited Sustainable Development Report 2014 ACC Spent Rs27.45 crore on CSR in 2014 meeting the “2% of net profit recommendation for CSR expenditure prescribed in the Companies Act 2013”. CO2 emissions per tonne of cement fell to 526 Kg CO2/tonne of cement from 538 Kg CO2/tonne of cement in the previous year which is one of the lowest in industry. ACC Alternative Fuels and Resources (AFR) programme has now come under the umbrella of Holcim’s Geocycle banner. Key areas: Energy; Water; Biodiversity; Emissions; Effluents and Waste • Ambuja Sustainability Report 2014 As part of our sustainability initiative, Ambuja cement aim to increase biomass use to 10% by 2017; in 2014, the royalty on limestone was hiked by 27%. Power and fuel costs account for approximately 26% of the total operating cost of the Company. Coal cost for kilns and captive power plants increased by 4% and 10% respectively, mainly due to the higher cost of imported coal. Use of alternative fuels accounted for four per cent of the total thermal energy consumption in 2014. The Company 	<p>Following are prestigious sustainability indices.</p> <ul style="list-style-type: none"> • Dow Jones Sustainability World Index The World Index, or DJSI World, was first published in September 1999. It is based on the largest 2,500 companies in the Dow Jones Global Total Stock Market Index (DJGTSMI). It covers the top-ten percent of these companies in terms of economic, environmental, and social criteria which equals about 300 companies. • Climate Disclosure Leadership Index 2014 In 2014, nearly 2,000 listed companies have had their climate disclosures independently assessed and ranked against CDP’s widely-respected scoring methodology • FTSE4Good Index Series The FTSE4Good Index Series has been designed to objectively measure the performance of companies that meet globally recognised corporate responsibility standards. Transparent management and criteria make FTSE4Good a valuable tool for consultants, asset owners, fund managers, investment banks, stock exchanges and brokers when assessing or creating responsible investment products.

<p>made a significant achievement with a 4.03 times water positive assurance in 2014. Key areas: Occupational health and safety (OH&S) performance, Energy consumption, CO2 emission, Water</p> <ul style="list-style-type: none"> • Shree Cement 2013-2014 The report addresses the requirements of international protocols including, the Cement Sustainability Initiative (CSI), the United Nations Global Compact (UNGC) and the International Finance Corporation (IFC) guidelines. In 2013-14, Shree cement gross direct and gross indirect energy consumption for cement production was 43.91 million GJ and 0.22 million GJ respectively Key areas: Energy; Water; Air and Carbon Emissions; Health and Safety 	<ul style="list-style-type: none"> • Calvert Social Index The Calvert Social Index is a free float-adjusted, market capitalization weighted index that measures the performance of large and mid-cap US-based companies. All securities in the index meet Calvert's Signature Criteria for sustainable and responsible investing. <p>MSCI indices including MSCI Global Climate Index and MSCI KLD 400 Social Index, plus 27 other MSCI indices MSCI ESG Indices are designed to help clients incorporate environmental, social and governance (ESG) factors into their investment decisions.</p> <ul style="list-style-type: none"> • UN Global Compact's "Global Compact 100" Index The UN Global Compact 100 (GC 100), developed in partnership with Sustainalytics, is composed of a representative group of Global Compact companies, selected based on implementation of the ten principles and evidence of executive leadership commitment and consistent base-line profitability.
<p>Events</p>	<p>Previous e-Zines</p>
<p>Advanced Certified Sustainability (CSR) Practitioner Training (IEMA-Approved) Organizer: Centre for Sustainability & Excellence (CSE) <i>Date: 24.09.15 – 25.09.15</i> Location: Washington, D.C Website: https://www.eventbrite.com/e/advanced-certified. For more information, please contact: Akis Anagnostopoulos Marketing Coordinator Phone: 312-214-6464</p> <p>2015 Annual Corporate Citizenship Conference Organizer: U.S. Chamber of Commerce Foundation Corporate Citizenship Center <i>Date: 05.10.15, 02:00PM – 10.07.15, 04:00PM ET</i> Location: Washington, D.C. Website: bit.ly/1JT1AvQ</p> <p>For more information, please contact: Bailey Jacobs Senior Manager, Communications Phone: 202-463-5766</p> <p>Sustainable Brands: New Metrics '15</p>	<ul style="list-style-type: none"> • Air Quality (July 2015) • SMEs and Energy efficiency (March 2015) • Gender Issues and Environment (December 2014) • Sustainable Transport (September 2014) • Mining and Environment (August 2014) • Waste to Energy (July 2014) • El-Nino Zine (June 2014) • CSR-Zine 1 (May 2014) <p><i>(Kindly send your views/suggestions/and also let us know any other contemporary issues you want us to cover)</i></p>

Organizer: [Sustainable Brands](#)

Date: 06.10.15, 09:00AM - 08.10.15, 05:00PM ET

Location: Boston, MA

Sponsor: Sustainable Brands

Website: sbshare.co/1hpale

Advanced Certified Sustainability (CSR) Practitioner Training

Organizer: Centre for Sustainability & Excellence (CSE)

Date: 15.10.15, 09:00AM - 16.10.15, 05:00PM ET

Location: London, UK

Sponsor: Centre for Sustainability & Excellence (CSE)

Website: <https://www.amiando.com/SSKAKAU.html>

Corporate Social Responsibility: Strategies to Create Business and Social Value

Organizer: Harvard Business School Executive Education

Date: 18.10.15, 08:00AM - 21.10.15, 05:00PM ET

Location: Boston, MA

Sponsor: Harvard Business School Executive Education

Website:

www.exed.hbs.edu/programs/csr/Pages/default.aspx

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