

Corporate Social Responsibility Reference Sheet

An Initiative of Rotary Foundation (India)

Government of India, Ministry of Corporate Affairs has notified CSR policy that came into effect on 1 April 2014. The Act and its rules form a part of Section 135 and Schedule VII of the Companies Act and [Companies \(Corporate Social Responsibility Policy\) Rules, 2014](#). The CSR provision is applicable to companies with an annual turnover of INR 10 billion or more, or a net worth of INR 5 billion or more, or a net profit of INR 0.05 billion or more during any financial year. Companies that trigger any of the aforesaid conditions must spend at least two per cent (2%) of their average net profits made during the three immediately preceding financial years on Corporate Social Responsibility (CSR) activities.

Given Rotary's profile and humanitarian efforts throughout India, there are significant opportunities to expand Rotary's donor base and program support through CSR funds. Additionally, Rotary's areas of focus are aligned with Schedule VII of Companies Act, 2013. At the April 2016 meeting, the Trustees agreed to accept CSR funds in India from October 2016 for a three-year pilot program through RY 2018-2019. An enterprise project was developed to create the framework for promoting, accepting and processing CSR funds in India through Rotary Foundation (India). In April 2018, the pilot was further extended to Rotary Year 2019-2020.

Indian Rotary clubs and districts now have an opportunity to partner with Corporates and cultivate corporate relationships and implement sustainable and impactful humanitarian projects through CSR funded global grants.

The Rotary Foundation and Rotary Foundation (India) have created the processes and procedures necessary for Rotary to receive CSR funds through RF(I).

Role of Rotary Foundation (India) & Corporate Social Responsibility Funds:

- RF(I) will accept CSR funds for use in global grants under one of Rotary's areas of focus.
- Applications for CSR-funded global grants will be considered using current global grant eligibility guidelines that include –
 - Fits within one of the areas of focus
 - Host and international partner requirements
 - Community Assessment
 - Sustainability



Points to Remember

- Grant proposals will be reviewed for eligibility prior to accepting CSR funds
- Minimum CSR contribution is \$32,000
- Due diligence documents will be shared with Corporates
- 5 % of CSR contributions will be used for RF (I) overhead costs
- Additional cash and DDF contributions from clubs/districts will be matched, but CSR funds will not be matched
- Recognition (Certificate of Appreciation and Thank You Letter) to Corporate
- Individual recognition is available for director of contributing company, provided it's a family controlled business and the individual is a member of the family and director in the company. Request must be received in corporate's letter head as a board's decision
- Corporate Recognition is also available for corporates on contributions of \$ 100,000 and above.
- Only one category of recognition can be availed i.e. Individual recognition or Corporate Recognition.
- CSR funded global grants that include a match of more than \$200,000 from the World Fund will be reviewed by Trustees
- RF(I) will complete documentation and report to the Corporate
- Grant will be considered as compliant and closed after the acceptance by Corporate

Resources:

- [Partnering With Rotary Foundation \(India\) – Corporate Social Responsibility: Brochure that introduces corporations to Rotary](#)
- [Annual Report of The Rotary Foundation](#)
- [Fact Sheet of The Rotary Foundation](#)
- [Areas of Focus Policy Statements](#)
- [Global Grants](#) page of My Rotary.org : To apply for a global grant
- <http://www.rotaryfoundationindia.org/>

Learn More:

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**Process flow
for
CSR funds Acceptance and Disbursement through Global Grants**

