

CORPORATE SOCIAL RESPONSIBILITY POLICY

OF

FOREST DEVELOPMENT CORPORATION OF MAHARASHTRA LIMITED

1. CONCEPT

1.1. SHORT TITLE & APPLICABILITY

- This policy, which encompasses the company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large, is titled as the '**CSR Policy**'.
- This policy shall apply to all CSR initiatives and activities taken up at the various offices of the Company, for the benefit of the society a key stakeholder of the Company.
- This policy and the operational guidelines issued herein are subject to and pursuant to the provisions of the Companies Act, 2013 ("The Act") and the rules and regulations made thereunder.

1.2. CSR OBJECTIVE, VISION & MISSION STATEMENT

The Company's Objective

The Forest Development Corporation of Maharashtra Limited believes in Principles of "*Serving Society*". It aims to achieve, consolidate and strengthen good corporate including socially and environmentally responsible business practices that balance financial profit with social well being.

The Company's CSR Vision

Our vision is to actively contribute to the social and economic development of the communities in the State of Maharashtra. In so doing build a better, sustainable way of life for the weaker sections of society and raise the country's human development index

The Company's CSR Mission

FDCM shall continue to enhance value creation in society through its primary business of promoting self-sustaining investment in projects related to plantations and Forest Development for sustainable development in the state of Maharashtra. The aim of CSR activities shall be to complement the primary business of the company with the overall social and environmental concerns related to its primary business.

Implementation of CSR Initiatives

The Board of a Company may decide to undertake its CSR activities approved by the CSR Committee, through a registered Trust or a registered society or a company established under section 8 of the Act by the Company, either singly or alongwith

its holding or subsidiary or associate company, or alongwith any other company or holding or subsidiary or associate company of such other company, or otherwise:

Provided that---

- (i) if such trust, society or company is not established by the company either singly or alongwith its holding or subsidiary or associate company, or alongwith any other company or holding or subsidiary or associate company of such other company, it shall have an established track record of three years in undertaking similar program activities;
- (ii) the company has specified the project or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.

The Company may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner as mentioned in CSR rules.

1.3. CONSTITUTION OF CSR COMMITTEE

The Board of Directors of the Company will constitute a CSR Committee. The Committee shall:-

- ❖ comprise at least three directors;
- ❖ adopt the CSR policy and monitor its implementation and the programmes there under;
- ❖ meet at such intervals as may be required or expedient including once at the end of the financial year;
- ❖ approve and adopt the CSR report for publication in the annual report of the Company;
- ❖ do such other things and acts as may be required for the implementation of the policy, matters connected therewith or incidental thereto;

1.4. MEMBERS OF CSR COMMITTEE

The following are the members of the CSR Committee:

S.No.	Name of Member	Designation
1.	Shri Vikas Kharage, Secretary (Forests)	Chairman
2.	Shri A.K. Saxena, PCCF (Head of Forest Force)	Member
3.	Shri A.K. Nigam, Managing Director of FDCM	Member
4.	Dr. Arvind Kumar Jha, Director General of Social Forestry	Member

Company Secretary of the Company shall act as the Secretary to the Corporate Social Responsibility committee.

2. RESOURCES

The Budget shall be arrived at on computation of:

- a. two percent of the average net profits calculated in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014;
- b. any income arising there from; and
- c. surplus arising out of CSR activities
- d. CSR expenditure shall include all expenditure including contribution to corpus, the projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR committee of the Company, but does not include any expenditure on an activity not in conformity or not in line with activities which fall within the purview of CSR activities of the Company.

3. Role of the CSR Committee:

The role of the CSR Committee is as follow as:

1. Recommend to Board Corporate Social Responsibility Policy
2. Recommend the amount of Expenditure incurred on activities in CSR policy
3. Monitor CSR policy from time to time
4. Ensure that in every Financial Year company spend at least 2% of average net profit made immediately preceding three financial Year and if the amount is not spent during the financial year then explain the reason in the Board Report of the Company.
5. Inform the Board about any additional activities to be undertaken by the Company not listed in CSR Activities

4. Focus Areas

There are several opportunities to increase and deepen social impact at scale and generate value for all. FDCM seeks to strategically consolidate the company's CSR initiatives to focus on discrete social problems, all aimed at **enabling lives, living and livelihoods**. Owing to its long tradition of social responsibility, the value of sustainable social impact at scale is instilled across the conglomerate.

Rural Transformation	Creating sustainable livelihood solutions, addressing poverty, hunger and malnutrition, water problem
Health	Affordable solutions for healthcare through improved access, awareness and health seeking behavior
Education	Environmental sustainability, ecological balance, conservation of natural resources
Arts, Heritage and Culture	Protection and promotion of India's art, culture and heritage
Environment	Environmental sustainability, ecological balance, conservation of natural resources

Disaster Response	Managing and responding to disaster
Promotion of Sports	Training to promote rural sports, nationally recognized sports, Paralympics sports, Olympic sports and promote sports at gross root level
Community Development	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes etc.
Other Initiatives	To undertake other need based initiatives in compliance with Schedule VII of the Companies Act, 2013

The Company has identified following focus areas:

❖ **Rural Transformation**

To work towards bridging the developmental gap between rural 'Bharat' and urban India by improving livelihood, addressing poverty, hunger and malnutrition. Key initiatives include:

- a) Supporting Farm and non-farm livelihoods
- b) Improving water conservation and rain-water harvesting
- c) Developing community based initiatives towards building capacity of the community and ensuring sustainability.
- d) Using technology towards delivering need based information for improving quality of life.
- e) Improving food security and enhancing nutrition
- f) Developing Community infrastructure

❖ **Healthcare**

To address issues around affordability and accessibility of quality healthcare and bring about improvement in awareness and health seeking behavior in various parts of India, enabling a better living, through initiatives such as:

- a) Primary, secondary and tertiary care facilities
- b) Conducting need based health camps and providing consultation, medicines etc.
- c) Working on maternal and child health
- d) Behavioral change for improved mother and child health
- e) Improving healthcare delivery through innovative outreach programmes
- f) Working for the visually impaired
- g) Working in the areas of Communicable and non-communicable diseases
- h) Using technology for training, competency evaluation and clinical decision support for medical professionals with a view to improve quality of healthcare

❖ **Education**

To work on several educational initiatives to provide quality education, training, skill enhancement for improving the quality of living and livelihood. Initiatives are aimed at:

- a) Promoting primary and secondary education
- b) Enabling higher education through merit cum means scholarships, including for differently abled across the country.

- c) Using sports as a tool for development of students in both urban and rural settings
- d) Promoting higher education including setting up and supporting universities
- e) Skill development and vocational training

❖ **Environment**

To enable enhanced livelihood and quality of life, promote environment sustainability through various initiatives for:

- a) Ecological sustainability
- b) Promoting biodiversity
- c) Conservation of natural resources
- d) Maintaining quality of soil, air and water
- e) Promoting renewable energy
- f) Developing gardens and river fronts

❖ **Protection of national heritage, art and culture**

To work towards preserving the rich heritage, arts and culture of India for its future generation and make conscious efforts to ensure its continuity and enhance avenues for livelihoods of traditional artisans and craftsmen. Key initiatives include:

- a) Working towards protecting and promoting India's art, culture and heritage through various promotional and developmental projects and programmes.
- b) Support and promotion of artists and craftsman
- c) Promotion and preservation of traditional art and handicraft

❖ **Disaster Response**

To strengthen efforts in the area of Disaster Response towards establishing FDCM as one of the leading organizations with the capacity to respond in a timely and impactful manner in the affected areas. Key initiatives include:

- a) Building capacities of local communities to respond to disasters
- b) Developing expertise and resources to respond to disaster

❖ **Promotion of Sports**

Training to promote rural sports, nationally recognized sports, Paralympics sports, Olympic sports and promote sports at grass root level.

❖ **Community Development**

Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes etc.,

❖ **Other Initiatives**

To undertake other need based initiatives in compliance with Schedule VII of the Companies Act, 2013 (Schedule VII along with amendments and FAQ are enclosed herewith as annexure-1).

5. BASELINE SURVEY & DOCUMENTATION

CSR committee will carry out a baseline study of the place where the Company would be undertaking its CSR activities. All activities are assessed under the agreed strategy, and

are monitored time to time. Wherever necessary, midcourse corrections are affected. ***Provided that the CSR Committee shall give preference to the local area and areas around it where it operates, for spending the amount embarked for Corporate Social Responsibility Activities.***

The Company may undertake any additional activities not listed above (point 4), subject to approval of CSR Committee and the Board of Directors of the Company but it should be as per schedule VII of the Companies Act, 2013.

6. MONITORING & FEEDBACK

- To ensure effective implementation of the CSR programmes undertaken, the progress of CSR programmes under implementation will be reported to CSR committee on a half-yearly basis.
- Appropriate documentation of the CSR Policy, annual CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis and the same will be available in the public domain. These will also be subject to audit as required by law.
- CSR initiatives of the Company will also be reported in the Annual Report of the Company and filed with the relevant statutory authorities as required by law.

7. INFORMATION DISSEMINATION

Information on the spending by the Company shall be disseminated on periodic basis on web-site of the Company and Annual Report as required in Companies Act, 2013.

The Company will review the policy from time to time based on changing needs and aspirations of the target beneficiaries and make suitable modifications, as may be necessary.

For enquiries related to the Forest Development Corporation of Maharashtra Limited CSR initiatives, please contact:

Managing Director
Forest Development Corporation of Maharashtra Limited
Rawel Plaza, Plot No-12, Kadbi Chowk, Kamptee Road,
Nagpur-440014
Telephone: 0712-2533442, 2533475
Fax: 0712-2551686
Email: md@fdcm.nic.in



भारत का राजपत्र

The Gazette of India

असाधारण

EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i)

PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं. 96]

नई दिल्ली, शुक्रवार, फरवरी 28, 2014/फाल्गुन 9, 1935

No. 96]

NEW DELHI, FRIDAY, FEBRUARY 28, 2014/PHALGUNA 9, 1935

कारपोरेट कार्य मंत्रालय

अधिसूचना

नई दिल्ली, 27 फरवरी, 2014

सा.का.नि. 130(अ).—केंद्रीय सरकार, कंपनी अधिनियम, 2013 (2013 का 18) की धारा 467 की उप-धारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, उक्त अधिनियम की अनुसूची 7 में निम्नलिखित संशोधन करती है, अर्थात् :—

1. अनुसूची 7 में, मद (i) से मद (x) और उससे संबंधित प्रविष्टियों के स्थान पर, निम्नलिखित मदें और प्रविष्टियां रखी जाएगी, अर्थात् :—

- “(i) भूख, निर्धनता और कुपोषण का उन्मूलन, निवारक स्वास्थ्य देख-रेख और स्वच्छता का संवर्धन और सुरक्षित पेय जल उपलब्ध कराना;
- (ii) शिक्षा जिसमें विशेष शिक्षा और विशेषतः बालकों, स्त्रियों, वयोवृद्धों, अन्य रूप से समर्थ व्यक्तियों के बीच व्यावसायिक कौशल बढ़ाने संबंधी नियोजन और जीविका की बढ़ोतरी संबंधी परियोजनाएं का संवर्धन;
- (iii) लैंगिक समता, स्त्री सशक्तिकरण का संवर्धन, स्त्रियों और अनाथों के लिए गृहों और छात्रावासों का गठन, वरिष्ठ नागरिकों के लिए वृद्धाश्रमों, दैनिक देखरेख केंद्रों का गठन और ऐसी अन्य सुविधाएं तथा सामाजिक और आर्थिक रूप से पिछड़े समूहों द्वारा सामना की जाने वाली असमानता में कमी लाने के लिए उपाय करना;
- (iv) पर्यावरणीय संपोषण, पारिस्थितिकीय संतुलन, वनस्पति जीव-जंतु का संरक्षण, पशु कल्याण, कृषि वानिकी, प्राकृतिक संसाधनों का संरक्षण सुनिश्चित करना तथा मृदा, वायु और जल की क्वालिटी बनाए रखना;
- (v) राष्ट्रीय विरासत, कला और संस्कृति का संरक्षण, जिसमें भवनों और ऐतिहासिक महत्ता के स्थल और कलाकृतियां भी सम्मिलित हैं, सार्वजनिक पुस्तकालयों का गठन करना, पारंपरिक कलाओं और हस्तशिल्पों का संवर्धन और विकास;
- (vi) सशस्त्र बलों के सेवानिवृत्त सैनिकों, योद्धाओं प्रभावी विधवाएं और उनके आश्रितों के फायदे के लिए उपाय;

- (vii) ग्रामीण खेल-कूद राष्ट्रीय स्तर पर मान्यताप्राप्त खेल-कूद, पैरालम्पिक खेल-कूद और ओलम्पिक खेल-कूदों के संवर्धन के लिए प्रशिक्षण देना;
- (viii) प्रधानमंत्री राष्ट्रीय राहत निधि या केंद्रीय सरकार द्वारा अनुसूचित जातियों, अनुसूचित जनजातियों, अन्य पिछड़े वर्गों, अल्पसंख्यकों, स्त्रियों के सामाजिक-आर्थिक विकास और राहत के लिए और कल्याण के लिए गठित की गई किसी अन्य निधि में अभिदाय;
- (ix) शैक्षणिक संस्थान, जिन्हें केंद्रीय सरकार द्वारा अनुमोदित किया गया है, के भीतर अवस्थित प्रौद्योगिकी इनक्यूबेटर्स के लिए प्रदान किये गये अभिदाय या निधियां;
- (x) ग्रामीण विकास की परियोजनाएं;”।
2. यह अधिसूचना 1 अप्रैल, 2014 से प्रवृत्त होगी ।

[फा. सं. 1/18ए/2013-सीएल-V]

रेणुका कुमार, संयुक्त सचिव

MINISTRY OF CORPORATE AFFAIRS

NOTIFICATION

New Delhi, the 27th February, 2014

G.S.R. 130(E).—In exercise of the powers conferred by sub-section (1) of section 467 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following amendments to Schedule VII of the said Act, namely :—

(1) In Schedule VII, for items (i) to (x) and the entries relating thereto, the following items and entries shall be substituted, namely :—

- “(i) eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- (v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents;
- (vii) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- (viii) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- (ix) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- (x) rural development projects.”

2. This notification shall come into force with effect from 1st April, 2014.

[F. No. 1/18A/2013-CL-V]

RENUKA KUMAR, Jt. Secy.



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EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i)

PART II—Section 3—Sub-section (i)

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नई दिल्ली, बुधवार, अप्रैल 2, 2014/चैत्र 12, 1936

No. 191]

NEW DELHI, WEDNESDAY, APRIL 2, 2014/CHATRA 12, 1936

कारपोरेट कार्य मंत्रालय

शुद्धिपत्र

नई दिल्ली, 31 मार्च, 2014

सा.का.नि. 261(अ).—भारत के राजपत्र, असाधारण, भाग 2, खंड 3, उपखंड (i) में सा.का.नि सं. 130(अ), तारीख 28 फरवरी, 2014 द्वारा प्रकाशित भारत सरकार के कारपोरेट कार्य मंत्रालय की तारीख 27 फरवरी, 2014 की अधिसूचना में, पृष्ठ 1, पंक्ति 8 में, “निवारक स्वास्थ्य देखरेख और स्वच्छता का संवर्धन” शब्दों के स्थान पर, “स्वास्थ्य संबंधी देखभाल, जिसके अंतर्गत निवारक स्वास्थ्य संबंधी देखभाल भी है, तथा स्वच्छता का संवर्धन” शब्द पढ़ें।

[फा. सं. 1/18ए/2013-सी.एल.-V]

रेणुका कुमार, संयुक्त सचिव

MINISTRY OF CORPORATE AFFAIRS

CORRIGENDA

New Delhi, the 31st March, 2014

G.S.R. 261(E).—In the notification of the Government of India in the Ministry of Corporate Affairs dated the 27th February, 2014 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide G.S.R. No. 130(E), dated the 28th February, 2014 at page 2, line 20 for “promoting preventive health care” read “promoting health care including preventinve health care”.

[F.No. 1/18A/2013-CL.V]

RENUKA KUMAR, Jt. Secy.


सत्यमेव जयते

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EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i)

PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित

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सं. 408]

नई दिल्ली, बृहस्पतिवार, अगस्त 7, 2014/श्रावण 16, 1936

No. 408]

NEW DELHI, THURSDAY, AUGUST 7, 2014/SHRAVANA 16, 1936

कारपोरेट कार्य मंत्रालय

अधिसूचना

नई दिल्ली, 6 अगस्त, 2014

सा.का.नि. 568(अ).—केंद्रीय सरकार, कंपनी अधिनियम, 2013 (2013 का 18) की धारा 467 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए उक्त अधिनियम की अनुसूची VII में निम्नलिखित और संशोधन करती है, अर्थात्:—

1. अनुसूची VII, में मद (x) के पश्चात् निम्नलिखित मद और प्रविष्टि अंतःस्थापित किए जाएंगे, अर्थात् —

“(xi) स्लम क्षेत्र विकास

स्पष्टीकरण – इस मद के प्रयोजन के लिए, ‘स्लम क्षेत्र’ से केन्द्रीय सरकार या किसी राज्य सरकार या किसी अन्य सक्षम प्राधिकारी द्वारा तत्समय विधि के अधीन इस प्रकार घोषित कोई क्षेत्र अभिप्रेत है।”

2. यह अधिसूचना राजपत्र में प्रकाशन की तारीख से लागू होगी।

[फा. सं.1/18/2013—सीएल-V]

अमरदीप सिंह भाटिया, संयुक्त सचिव

टिप्पण : अनुसूची VII 01 अप्रैल, 2014 को प्रवृत्त हुई और अधिसूचना संख्या सा.का.नि. 130(अ) तारीख 27 फरवरी, 2014 तथा सा.का.नि. 261(अ) तारीख 31 मार्च, 2014 के शुद्धिपत्र द्वारा संशोधित (01 अप्रैल, 2014 से प्रवृत्त) की गई।

MINISTRY OF CORPORATE AFFAIRS

NOTIFICATION

New Delhi, the 6th August, 2014

G.S.R. 568(E).—In exercise of the powers conferred by sub-section (1) of section 467 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following further amendments in Schedule VII of the said Act, namely:-

(1) In Schedule VII, after item (x), the following item and entry shall be inserted, namely:-

“(xi) slum area development.

Explanation.— For the purposes of this item, the term ‘slum area’ shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.”

2. This notification shall come into force on the date of its publication in the Official Gazette.

[F. No. 1/18/2013-CL-V]

AMARDEEP S. BHATIA, Jt. Secy.

Note.—The Schedule VII was brought into force with effect from 1st April, 2014 and was amended (effective from 1st April, 2014) vide notification number GSR 130(E) dated 27th February, 2014 and Corrigenda number GSR 261(E) dated 31st March, 2014.


सत्यमेव जयते

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EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i)

PART II—Section 3—Sub-section (i)

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PUBLISHED BY AUTHORITY

सं. 472]

नई दिल्ली, शुक्रवार, सितम्बर 12, 2014/भाद्र 21, 1936

No. 472]

NEW DELHI, FRIDAY, SEPTEMBER 12, 2014/BHADRA 21, 1936

कारपोरेट कार्य मंत्रालय

अधिसूचना

नई दिल्ली, 12 सितम्बर, 2014

सा.का.नि. 644(अ).—केन्द्रीय सरकार, कंपनी अधिनियम, 2013 (2013 का 18) की धारा 135 और धारा 469 की उप-धारा (1) और उप-धारा (2) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए कंपनी (कारपोरेट सामाजिक दायित्व नीति) नियम, 2014 को संशोधित करने के लिए निम्नलिखित नियम बनाती है, अर्थात् :—

1. (1) इन नियमों का संक्षिप्त नाम कंपनी (कारपोरेट सामाजिक दायित्व नीति) संशोधन नियम, 2014 है।
(2) ये नियम राजपत्र में प्रकाशन की तारीख से प्रवृत्त होंगे।
2. कंपनी (कारपोरेट सामाजिक दायित्व नीति) नियम, 2014 में नियम 4 के उपनियम (6) में शब्दों “किंतु ऐसा व्यय” के पश्चात् “जिसके अंतर्गत प्रशासनिक ऊपरी खर्च पर व्यय भी है”, शब्दों और अल्पविराम जोड़ा जाएगा।

[फा. सं.1/18/2013-सीएल-V-पार्ट]

मनोज कुमार, संयुक्त सचिव,

टिप्पणी: मूल अधिसूचना भारत के राजपत्र में तारीख 27.02.2014 की संख्या सा.का.नि. 129(अ) द्वारा प्रकाशित की गई थी।

MINISTRY OF CORPORATE AFFAIRS**NOTIFICATION**

New Delhi, the 12th September, 2014

G.S.R. 644(E).—In exercise of the powers conferred under Section 135 and sub-sections (1) and (2) of Section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules to amend the Companies (Corporate Social Responsibility Policy) Rules, 2014, namely:—

1. (1) These rules may be called the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2014.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Companies (Corporate Social Responsibility Policy) Rules, 2014, in rule 4, in sub-rule (6), after the words “but such expenditure” the words and comma “including expenditure on administrative overheads,” shall be inserted.

[F. No. 1/18/2013-CL-V-Part]

MANOJ KUMAR, Jt. Secy.

Note : The principal notification was published in the Gazette of India *vide* No. G.S.R. 129(E), dated 27.02.2014.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i)

PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं. 548]

नई दिल्ली, शुक्रवार, अक्टूबर 24, 2014/कार्तिक 2, 1936

No. 548]

NEW DELHI, FRIDAY, OCTOBER 24, 2014/KARTIKA 2, 1936

कारपोरेट कार्य मंत्रालय

अधिसूचना

नई दिल्ली, 24 अक्टूबर, 2014

सा.का.नि. 741(अ).—केंद्रीय सरकार, कंपनी अधिनियम, 2013(2013 का 18) की धारा 467 की उप-धारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए उक्त अधिनियम की अनुसूची 7 में निम्नलिखित और संशोधन करती है, अर्थात्:-

- (i) मद (i) में, "और स्वच्छता का संवर्धन" शब्दों के पश्चात्, "जिसके अंतर्गत स्वच्छता के संवर्धन हेतु केन्द्रीय सरकार द्वारा स्थापित स्वच्छ भारत कोष में अंशदान भी है" शब्द अंतःस्थापित किए जाएंगे;
- (ii) मद (iv) में, "और जल की क्वालिटी बनाए रखना" शब्दों के पश्चात्, "जिसके अंतर्गत गंगा नदी के संरक्षण के लिए केन्द्रीय सरकार द्वारा स्थापित गंगा सफाई कोष में अंशदान भी है" शब्द अंतःस्थापित किए जाएंगे।

2. यह अधिसूचना राजपत्र में प्रकाशन की तारीख को प्रवृत्त होगी।

[फा.सं. 1/18/2013—सीएल-V]

अमरदीप सिंह भाटिया, संयुक्त सचिव

टिप्पण : अनुसूची 7, 01 अप्रैल, 2014 को प्रवृत्त हुई थी और उसमें अधिसूचना संख्यांक सा.का.नि. 130 (अ) तारीख 27 फरवरी, 2014 तथा सा.का.नि. 261(अ) तारीख 31 मार्च, 2014 के शुद्धिपत्र द्वारा और संशोधन अधिसूचना संख्या सा.का.नि.568 (अ) तारीख 06 अगस्त, 2014 द्वारा भी संशोधन किया गया था।

MINISTRY OF CORPORATE AFFAIRS**NOTIFICATION**

New Delhi, the 24th October, 2014

G.S.R. 741(E).— In exercise of the powers conferred by sub-section (1) of section 467 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following further amendments to Schedule VII of the said Act, namely:—

(i) In item (i), after the words “and sanitation”, the words “including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation” shall be inserted;

(ii) In item (iv), after the words “and water”, the words “including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;” shall be inserted.

2. This notification shall come into force on the date of its publication in the Official Gazette.

[F. No. 1/18/2013-CL-V]

AMARDEEP SINGH BHATIA, Jt. Secy.

Note : The Schedule VII was brought into force with effect from 1st April, 2014 and was amended(effective from 1st April, 2014) vide notification number GSR 130(E) dated 27th February, 2014 and Corrigenda number GSR 261(E) dated 31st March, 2014 and also vide amendment notification number GSR 568(E) dated 6th August, 2014.


सत्यमेव जयते

भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i)

PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं. 41]

नई दिल्ली, सोमवार, जनवरी 19, 2015/पौष 29, 1936

No. 41]

NEW DELHI, MONDAY, JANUARY 19, 2015/PAUSA 29, 1936

कारपोरेट कार्य मंत्रालय

अधिसूचना

नई दिल्ली, 19 जनवरी, 2015

सा.का.नि. 43(अ).—केंद्रीय सरकार, कंपनी अधिनियम, 2013 (2013 का 18) की धारा 135 और धारा 469 की उपधारा (1) और उपधारा (2) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए कंपनी (कारपोरेट सामाजिक दायित्व नीति) नियम, 2014 में और संशोधन करने के लिए निम्नलिखित नियम बनाती है, अर्थात् :—

1. (1) इन नियमों का संक्षिप्त नाम कंपनी (कारपोरेट सामाजिक दायित्व नीति) संशोधन नियम, 2015 है।
(2) ये नियम राजपत्र में प्रकाशन की तारीख को प्रवृत्त होंगे।
2. कंपनी (कारपोरेट सामाजिक दायित्व नीति) नियम, 2014 के नियम 4 के उप नियम (2) में,—
 - (i) “अधिनियम की धारा 8 के अधीन कंपनी द्वारा स्थापित किसी कंपनी अथवा उसकी होल्डिंग या अनुषंगी या सहयोगी कंपनी के माध्यम से अथवा अन्य तरीके से” शब्दों के स्थान पर “अधिनियम की धारा 8 के अधीन कंपनी द्वारा, या तो अकेले या उसकी होल्डिंग या अनुषंगी या सहयोगी कंपनी के साथ, या किसी अन्य कंपनी या ऐसी अन्य कंपनी की होल्डिंग या अनुषंगी या सहयोगी कंपनी के साथ स्थापित, या अन्य किसी तरीके से” शब्द रखे जाएंगे।
 - (ii) परंतुक के खंड (i) में, “उस कंपनी अथवा उसकी होल्डिंग या अनुषंगी या सहयोगी कंपनी द्वारा नहीं की गई हो तो इसके” शब्दों के स्थान पर “उस कंपनी द्वारा, या तो अकेले या उसकी होल्डिंग या अनुषंगी

या सहयोगी कंपनी के साथ, या किसी अन्य कंपनी या ऐसी अन्य कंपनी की होल्डिंग या अनुषंगी या सहयोगी कंपनी के साथ नहीं की गई हो तो इसके” शब्द रखे जाएंगे।

[फा.सं. 1/18/2013-सीएल-V-भाग]

अमरदीप सिंह भाटिया, संयुक्त सचिव

टिप्पण : मूल नियम सा.का.नि. 129 (अ), तारीख 27 फरवरी, 2014 द्वारा भारत के राजपत्र, असाधारण, भाग II, खंड 3, उपखंड (i) में प्रकाशित किए गए थे और अधिसूचना संख्या सा.का.नि. 644 (अ), तारीख 12 सितंबर, 2014 द्वारा इसमें पश्चातवर्ती संशोधन किए गए थे।

MINISTRY OF CORPORATE AFFAIRS

NOTIFICATION

New Delhi, the 19th January, 2015

G.S.R. 43(E).— In exercise of the powers conferred under section 135 and sub-sections (1) and (2) of Section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Corporate Social Responsibility Policy) Rules, 2014, namely:—

1. (1) These rules may be called the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2015.
- (2) They shall come into force on the date of their publication in the Official Gazette.
2. In the Companies (Corporate Social Responsibility Policy) Rules, 2014, in rule 4, in sub-rule (2),—
 - (i) for the words “established by the company or its holding or subsidiary or associate company under section 8 of the Act or otherwise”, the words “established under section 8 of the Act by the company, either singly or alongwith its holding or subsidiary or associate company, or alongwith any other company or holding or subsidiary or associate company of such other company, or otherwise” shall be substituted;
 - (ii) in the proviso, in clause (i), for the words “not established by the company or its holding or subsidiary or associate company, it”, the words “not established by the company, either singly or alongwith its holding or subsidiary or associate company, or alongwith any other company or holding or subsidiary or associate company of such other company” shall be substituted.

[F. No. 1/18/2013-CL-V-Part]

AMARDEEP SINGH BHATIA, Jt. Secy.

Note.—The principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R. 129(E), dated the 27th February, 2014 and was subsequently amended by notification number G.S.R. 644(E), dated the 12th September, 2014.

General Circular No. 21/2014

**No. 05/01/2014- CSR
Government of India
Ministry of Corporate Affairs**

5th Floor, 'A' Wing,
Shastri Bhawan, Dr. R. P. Marg
New Delhi - 110 001
Dated: 18th June, 2014

To,
All Regional Director,
All Registrar of Companies,
All Stakeholders

Subject: - Clarifications with regard to provisions of Corporate Social Responsibility under section 135 of the Companies Act, 2013.

Sir,

This Ministry has received several references and representation from stakeholders seeking clarifications on the provisions under Section 135 of the Companies Act, 2013 (herein after referred as 'the Act') and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as well as activities to be undertaken as per Schedule VII of the Companies Act, 2013. Clarifications with respect to representations received in the Ministry on Corporate Social Responsibility (herein after referred as ('CSR')) are as under:-

- (i) The statutory provision and provisions of CSR Rules, 2014, is to ensure that while activities undertaken in pursuance of the CSR policy must be relatable to Schedule VII of the Companies Act 2013, the entries in the said Schedule VII must be **interpreted liberally** so as to capture the essence of the subjects enumerated in the said Schedule. The items enlisted in the amended Schedule VII of the Act, are broad-based and are intended to cover a wide range of activities as illustratively mentioned in the Annexure.

Contd....

- (ii) It is further clarified that CSR activities should be undertaken by the companies in project/ programme mode [as referred in Rule 4 (1) of Companies CSR Rules, 2014]. One-off events such as marathons/ awards/ charitable contribution/ advertisement/ sponsorships of TV programmes etc. would not be qualified as part of CSR expenditure.
- (iii) Expenses incurred by companies for the fulfillment of any Act/ Statute of regulations (such as Labour Laws, Land Acquisition Act etc.) would not count as CSR expenditure under the Companies Act.
- (iv) Salaries paid by the companies to regular CSR staff as well as to volunteers of the companies (in proportion to company's time/hours spent specifically on CSR) can be factored into CSR project cost as part of the CSR expenditure.
- (v) "Any financial year" referred under Sub-Section (1) of Section 135 of the Act read with Rule 3(2) of Companies CSR Rule, 2014, implies 'any of the three preceding financial years'.
- (vi) Expenditure incurred by Foreign Holding Company for CSR activities in India will qualify as CSR spend of the Indian subsidiary if, the CSR expenditures are routed through Indian subsidiaries and if the Indian subsidiary is required to do so as per section 135 of the Act.
- (vii) 'Registered Trust' (as referred in Rule 4(2) of the Companies CSR Rules, 2014) would include Trusts registered under Income Tax Act 1956, for those States where registration of Trust is not mandatory.

Contd....

(viii) Contribution to Corpus of a Trust/ society/ section 8 companies etc. will qualify as CSR expenditure as long as (a) the Trust/ society/ section 8 companies etc. is created exclusively for undertaking CSR activities or (b) where the corpus is created exclusively for a purpose directly relatable to a subject covered in Schedule VII of the Act.

2. This issues with the approval of Competent Authority.

Yours faithfully,

Sd/-

(Seema Rath)
Assistant Director (CSR)
Phone No. 23389622

Copy to:

1. PSO to Secretary
2. PPS to Additional Secretary
3. PS to DG (IICA)/JS (M) /JS(B)/JS(SP)/DII (UCN)/EA/DII(POLICY)
4. DIR (AK)/DIR (AB)/DIR(NC)/DIR(PS)
5. e-Governance Cell for uploading on website of MCA

Annexure referred to at para (i) of General Circular No. 21/2014 dated 18.06.2014

Sl. No.	Additional items requested to be included in Schedule VII or to be clarified as already being covered under Schedule VII of the Act	Whether covered under Schedule VII of the Act
1.	<p>Promotion of Road Safety through CSR:</p> <p>(i) (a) Promotions of Education, “Educating the Masses and Promotion of Road Safety awareness in all facets of road usage,</p> <p>(b) Drivers’ training,</p> <p>(c) Training to enforcement personnel,</p> <p>(d) Safety traffic engineering and awareness through print, audio and visual media” should be included.</p> <p>(ii) Social Business Projects : “giving medical and Legal aid, treatment to road accident victims” should be included.</p>	<p>(a) Schedule VII (ii) under “promoting education”.</p> <p>(b) For drivers training etc. Schedule VII (ii) under “vocational skills”.</p> <p>(c) It is establishment functions of Government (cannot be covered).</p> <p>(d) Schedule VII (ii) under “promoting education”.</p> <p>(ii) Schedule VII (i) under ‘promoting health care including preventive health care.’</p>
2.	<p>Provisions for aids and appliances to the differently- able persons - ‘Request for inclusion</p>	<p>Schedule VII (i) under ‘promoting health care including preventive health care.’</p>
3.	<p>The company contemplates of setting up ARTIIC (Applied Research Training and Innovation Centre) at Nasik. Centre will cover the following aspects as CSR initiatives for the benefit of the predominately rural farming community:</p> <p>(a) Capacity building for farmers covering best sustainable farm management practices.</p> <p>(b) Training Agriculture Labour on skill development.</p>	<p>Item no. (ii) of Schedule VII under the head of “promoting education” and “vocational skills” and “rural development”.</p> <p>(a) “Vocational skill” livelihood enhancement projects.</p> <p>(b) “Vocational skill”</p>

	<p>(c) Doing our own research on the field for individual crops to find out the most cost optimum and Agri – ecological sustainable farm practices. (Applied research) with a focus on water management.</p> <p>(d) To do Product Life Cycle analysis from the soil conservation point of view.</p>	<p>(c) ‘Ecological balance’, ‘maintaining quality of soil, air and water’.</p> <p>(d) “Conservation of natural resource” and ‘maintaining quality of soil, air and water’.</p>
4.	<p>To make “Consumer Protection Services” eligible under CSR. (Reference received by Dr. V.G. Patel, Chairman of Consumer Education and Research Centre).</p> <p>(i) Providing effective consumer grievance redressal mechanism.</p> <p>(ii) Protecting consumer’s health and safety, sustainable consumption, consumer service, support and complaint resolution.</p> <p>(iii) Consumer protection activities.</p> <p>(iv) Consumer Rights to be mandated.</p> <p>(v) all consumer protection programs and activities” on the same lines as Rural Development, Education etc.</p>	<p>Consumer education and awareness can be covered under Schedule VII (ii) “promoting education”.</p>
5.	<p>a) Donations to IIM [A] for conservation of buildings and renovation of classrooms would qualify as “promoting education” and hence eligible for compliance of companies with Corporate Social Responsibility.</p> <p>b) Donations to IIMA for conservation of buildings and renovation of classrooms would qualify as “protection of national heritage, art and culture, including restoration of buildings and sites of historical importance” and hence eligible for compliance of companies with CSR.</p>	<p>Conservation and renovation of school buildings and classrooms relates to CSR activities under Schedule VII as “promoting education”.</p>

6.	Non Academic Technopark TBI not located within an academic Institution but approved and supported by Department of Science and Technology.	Schedule VII (ii) under “promoting education”, if approved by Department of Science and Technology.
7.	Disaster Relief	<p>Disaster relief can cover wide range of activities that can be appropriately shown under various items listed in Schedule VII. For example,</p> <ul style="list-style-type: none"> (i) medical aid can be covered under ‘promoting health care including preventive health care.’ (ii) food supply can be covered under eradicating hunger, poverty and malnutrition. (iii) supply of clean water can be covered under ‘sanitation and making available safe drinking water’.
8.	Trauma care around highways in case of road accidents.	Under ‘health care’.
9.	Clarity on "rural development projects"	Any project meant for the development of rural India will be covered under this.
10.	Supplementing of Govt. schemes like mid-day meal by corporates through additional nutrition would qualify under Schedule VII.	Yes. Under Schedule VII, item no. (i) under ‘poverty and malnutrition’.
11.	Research and Studies in the areas specified in Schedule VII.	Yes, under the respective areas of items defined in Schedule VII. Otherwise under ‘promoting education’.
12.	Capacity building of government officials and elected representatives – both in the area of PPPs and urban infrastructure.	No.

13.	Sustainable urban development and urban public transport systems	Not covered.
14.	Enabling access to, or improving the delivery of, public health systems be considered under the head “preventive healthcare” or “measures for reducing inequalities faced by socially & economically backward groups”?	Can be covered under both the heads of “healthcare” or “measures for reducing inequalities faced by socially & economically backward groups”, depending on the context.
15.	Likewise, could slum re-development or EWS housing be covered under “measures for reducing inequalities faced by socially & economically backward groups”?	Yes.
16.	Renewable energy projects	Under ‘Environmental sustainability, ecological balance and conservation of natural resources’,
17.	(i) Are the initiatives mentioned in Schedule VII exhaustive? (ii) In case a company wants to undertake initiatives for the beneficiaries mentioned in Schedule VII, but the activity is not included in Schedule VII, then will it count (as per 2(c)(ii) of the Final Rules, they will count)?	(i) & (ii) Schedule VII is to be liberally interpreted so as to capture the essence of subjects enumerated in the schedule.
18.	US-India Physicians Exchange Program – broadly speaking, this would be program that provides for the professional exchange of physicians between India and the United States.	No.
