## Legislating Corporate Social Responsibility: Learning from India



United Nations
Educational, Scientific and
Cultural Organization







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Ryerson CSR Institute Talk
Ted Rogers School of Management, Ryerson University,
Toronto, Canada
March 18, 2016



# Corporate Social Responsibility Mandate

- Companies Act 2013 registered with turnover>\$150mn, profits>\$ 1mn
- Board sub-committee headed by an independent director, 2% of net profit annually
- Projects themes as per schedule, not for employees/families,
- Annual reporting, independent monitoring





#### Schedule VII

- Poverty, hunger
- Health, malnutrition
- Gender equality, women empowerment
- Education, vocational, skills
- Environmental sustainability
- Protection of heritage
- PM's Relief Fund





#### **Patterns in First Year**

- CSR spend by 409 private, 51 public companies
- About \$ 1bn, top 20 account for half, half public
- Health/malnutrition 25%, education/skills 25%, environment 15%
- Total 1790 projects, half in economically developed regions





#### **Further Patterns**

- Manufacturing/mining companies mostly cover 'backyards'
- IT/Telcom/Financial companies spread around
- Only a few focus on women's empowerment/violence against girls
- Most companies DIY (do it yourself through own NGO)





### **Challenges?**

- Engagements that complement public service delivery weak (capacity enhancement, monitoring, advocacy)
- Projects through and with local civil society hesitant
- Learning from grassroots resisted
- Short-termism (11 months) and concrete targets in projects



