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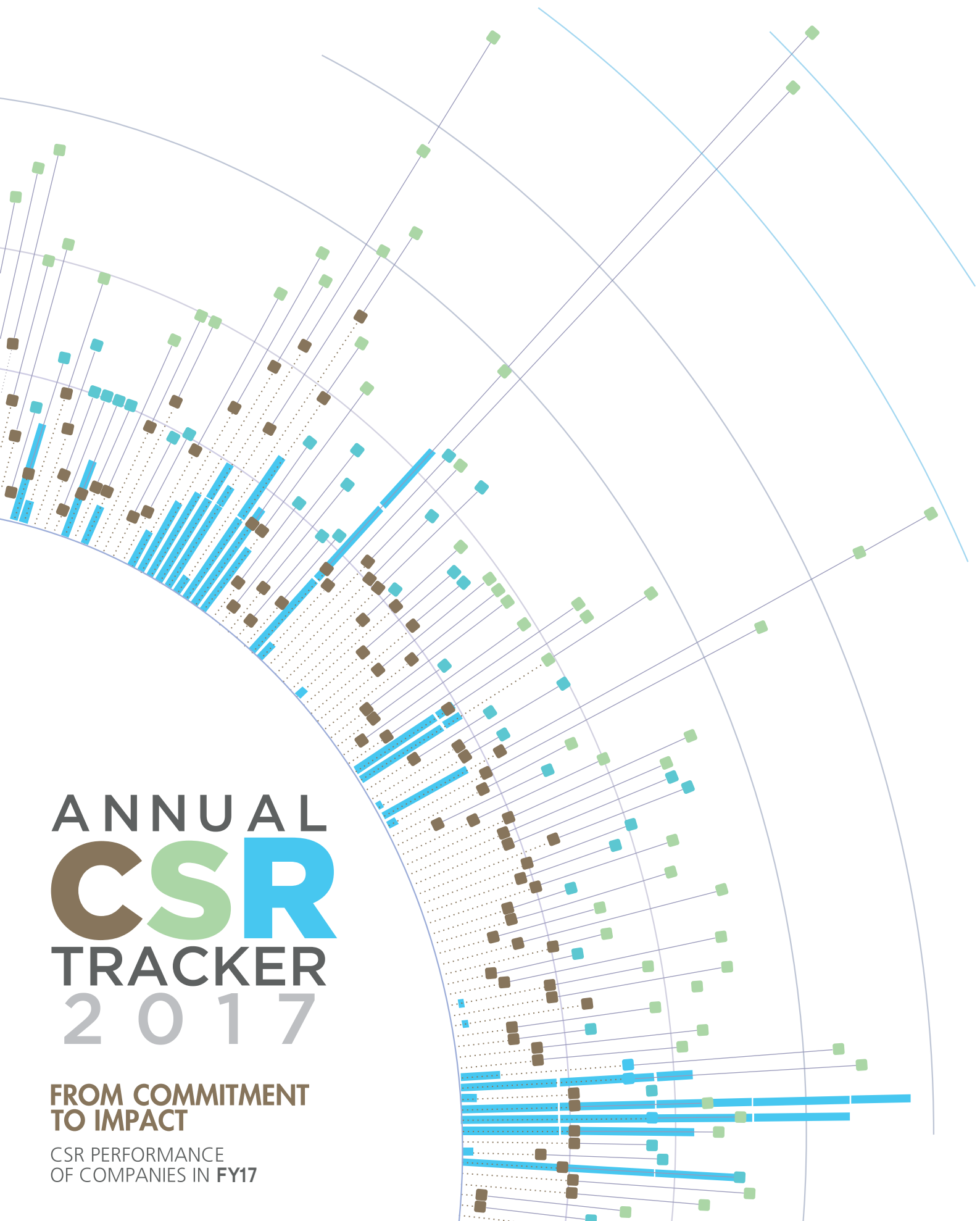


Confederation of Indian Industry

ANNUAL CSR TRACKER 2017

FROM COMMITMENT
TO IMPACT

CSR PERFORMANCE
OF COMPANIES IN FY17



Credits

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Preface

Confederation of Indian Industry (CII) takes immense pleasure in presenting the third edition of *Annual CSR Tracker 2017*. Similar to the last two editions, this is the most comprehensive analysis of CSR disclosures of Bombay Stock Exchange (BSE-listed) companies obligated to practice CSR as per the Companies Act, 2013.

The *Annual CSR Tracker 2017* is based on disclosures of 1,522 companies as compared to 1,270 companies in 2016 and 1,181 in 2015. Disclosures are broken into approximately, 41 indicators spread across six aspects of CSR legislation: governance, policy, financials, spends as per Schedule VII, spend channels, and spend locations. Also included is beneficiary data that companies voluntarily disclose in their annual reports.

Purpose of the Tracker

The CSR Tracker aims to evaluate CSR spends related to business operations of companies that seek to be sustainable in the long run. The nature and amount of spends reflect alignment of business interests through the development areas.

Through this Tracker, CII strives to put in perspective the industry trend in terms of their spends towards this mandate. Notwithstanding the intended spends of companies towards fulfilling their business interests, this report also examines the neglected areas of spends which is a motivation to many companies to do an informed planning of their spends for the coming financial year. Some contributions will always remain unpredictable and

unforeseen, largely, coming from government in the wake of natural calamities.

From Commitment to Impact is the theme for *Annual CSR Tracker 2017*. This year too, the trend towards better planning and implementation continued and CSR spends went up by about 9% in FY17 as compared to the previous year despite industrial slowdown reflected through profit before tax (PBT) numbers. In three years of the legislation, things have stabilised, organisational structures and processes have been designed, tested and put in place, CSR strategies and plans rolled out, and implementation partners identified, we find that in 2017, companies are moving beyond compliance to focus on creating a long-term impact for the beneficiaries.

After three years of the legislation, we look back and assess whether its objectives are achieved and to what extent. Extent of achievement should be assessed in context of the intent of law. In absence of any documented intent, statements made by various representatives of the government are used. Per those statements, the intent of the law was to mainstream practice of business involvement in CSR and make it socially, economically and environmentally responsible.

Annual CSR Tracker 2017 continues to be a resourceful and unique compilation; setting the benchmark in guiding and encouraging companies as well as government to meet their CSR requirement.

Executive Summary

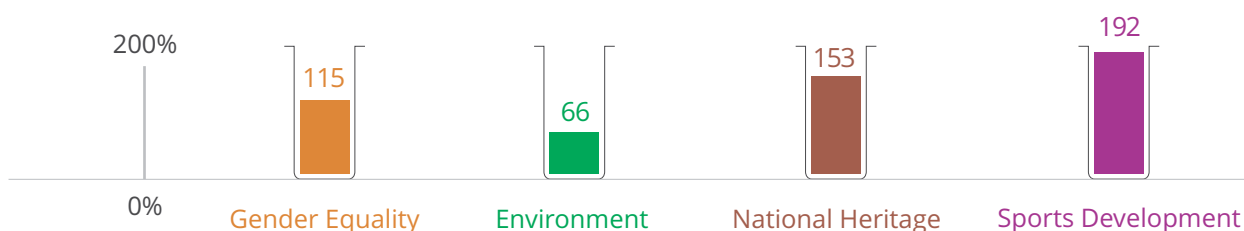
This year marks the third edition of *Annual CSR Tracker 2017*. CII consolidated CSR disclosures of 1,522 companies listed on BSE and analysed the legislative obligation of these companies to comply with Section 135 of the Companies Act, 2013. This Tracker presents India's most comprehensive analysis of CSR disclosures till date. Analyses presented in this report rest on data captured in over 2,000,000 cells of a worksheet.

Based on average net profit of last three years (FY14-16 to be used for arriving at the applicable two per cent budget), Rs 9,680 crore was the required CSR budget for FY17. The companies have collectively spent Rs 8,897 crore or 92% of the two per cent requirement in FY17. This is an increase of about nine per cent in CSR spends in FY17 as compared to FY16. This edition draws from earlier Trackers of 2015 and 2016, and presents the changing pattern in the spends of last two years vis-à-vis FY17. It is a reflection of how CSR has emerged from the periphery; practiced by small companies (in the initial stages of the law being implemented) to becoming part of the mainstream businesses. This is primarily

because companies are now obligated to follow CSR as per law. Some of the important points explained in detail in Tracker 2017.

Key findings

- In FY17, health and sanitation received about 25% of the total CSR spends, whereas, one-third was received by education and skill development. FY17 had a substantial increase in CSR spends as against FY16 in the areas of environment (66%), gender equality (115%), national heritage (153%) and sports development (192%). There was a noteworthy increase in the spends with respect to armed forces and veterans in FY17 amounting to Rs 33 crore in comparison to FY16, where less than Rs 1 crore was spent. With respect to development activities, in all three years, about 26% of the companies preferred to invest in one activity and about 11% in five or more.
- Public Sector Enterprises (PSEs') contribution has been consistent over the past three years at an average of about 30% of the total CSR spends. In FY17 as against



the previous year, national heritage and sports development have seen a significant rise of 1,100% and 390%, respectively.

- A huge drop in the contribution made to the Prime Minister's Relief Fund as compared to 2016 where 79 companies contributed Rs 80.55 crore to this area and 120 companies contributed Rs 107.43 crore in 2015. This year, only 45 companies reported to have invested about Rs 23 crore. Moreover, four PSEs reported to have invested Rs 3.6 crore in Prime Minister's National Relief Fund in FY17.
- Number of companies spending exclusively through corporate foundations as a channel for programme and project implementation had an increase of about 83% in FY17 as against FY16.
- Across all three years; FY15-17, the industrialised states of Maharashtra, Gujarat and Tamil Nadu remained favoured destinations for CSR investment. It appears that, over a span of three years, about 40% of the

companies preferred investing in one state/UT and about four per cent in more than 10 States/UTs. Moreover, Northeast India received investment from 35% of the PSEs and 65% of the Non-PSEs.

- Out of the 32 industry categories the major contributors to CSR spends in all three financial years are oil and gas, software and services, utilities; and metals and mining. Big increases in CSR spends in FY17 in comparison to FY15, are reported in automobiles and auto components, construction materials, consumer durables, coal and other financial services.

Analysis in the Tracker is representative of the cumulative efforts of companies towards the mandated CSR legislation, that, in its implementation, has proved a social and economic obligation more than the originally conceived philosophy of philanthropy in India. However, need of the hour suggests developing a culture of 'Corporate Conscience' among companies and in their business operations towards better CSR signifying a responsible and willing acceptance of the mandate.

Introduction

Three financial years have passed since the CSR legislation came into force. To what extent has it achieved its intent? Annual CSR Tracker 2017 seeks to objectively and quantitatively answer this question.

The present Tracker builds on CSR Trackers of financial years 2015 and 2016. Each one happens to be the most comprehensive analysis of CSR disclosures in 'Director's Report'. Two factors make them most comprehensive. One, the scope covers all elements of CSR legislation including governance and not just the CSR spends. Two, the number of companies included for analysis, each entity listed on the BSE and with the obligation to comply with the CSR legislation. Cumulatively, 3,973 companies have been analysed over the past three years.

While assessing the success of the CSR legislation, one must objectively keep in mind its intent. Whereas the legislation does not document the intent, one has to rely on the various statements made by the legislators and regulators while the legislation came into action. Basis that, the primary intent was to mainstream and upscale corporate social responsibility among companies.

Defining CSR for the purposes of law was perhaps one of the biggest challenges for the governments. Globally and in India, CSR has been understood, defined, and scoped differently to suit one's context. It is often put in binary terms such as, voluntary or mandatory, related to business and operations or detached from business.

The stakeholders involved in the development of legislation might have conceptually converged on the general understanding that CSR referred to the ethical principle that a business should be responsible in terms of the social and environmental impacts of its actions. However, the law needed to be more specific than that. Though there was always a risk of it being narrowly construed.

The other challenge was that various social and environmental responsibilities were already legislated under many other laws. CSR legislation could not have gained precedence over other laws. Therefore, in that context, CSR legislation required businesses to take philanthropic responsibilities. Increasing the challenge were varying approaches and practices of CSR suggesting that philanthropy and 'strategic CSR' were opposed to each other.

Yet another challenge was to expect companies of varied scale and capabilities to comply with a certain type of CSR practice. On one hand were mature companies that were global benchmarks in corporate philanthropy and on the other hand were those that were non-starters. Setting the bar too high might have deterred the latter. Anyhow, most legislation set minimum standards of conduct leaving space for those who want to go beyond compliance.

Given those challenges, the CSR legislation can be thought of nothing less than a feat. However, one of the five basic requirements caused maximum debate and continues to grab disproportionate attention, often

incorrectly articulated. Three of the five basic requirements are related to board responsibility of governing CSR. Another requirement is to report or explain the context set for overall corporate disclosure requirements. The final requirement is of recommendatory spend of two per cent of profits that gets all the attention.

The CSR legislation is therefore often misconstrued. Constant focus on two per cent spend has made businesses vulnerable to stakeholders expecting a share of the pie. Companies too often focus on meeting that minimum spend requirement at the cost of the social impact that the spend is supposed to achieve.

Disclosures in FY17 end scores this point. Most of the companies that came under the purview of Section 135 in 2017, have managed to spend the money but have missed to comply with the other requirements. Hence there is a dip as compared to FY16 in overall percentage

of companies complying on governance parameters.

Some companies have begun to disclose beneficiary data or impact data, which goes beyond the requirements of the legislation. This is certainly an indicator of improving transparency, though the quality of that data leaves much to be desired.

Alignment of business strategy is slowly but surely happening. There is increased transparency and keeping with the trend of increasing disclosures, this year has experienced improvement. While companies keep exploring different areas of spends under the umbrella of CSR legislation it is time for businesses to trade competition for collaboration in performing philanthropic responsibilities and understand how a company not just needs to engage in CSR, but find ways to make the spends meaningful and responsible so that they resonate with the intent of law.

CSR Legislation

Section 135 of the Companies Act, 2013 suggests that companies with an annual turnover of Rs 1,000 crore and more, or net worth of Rs 500 crore and more, or a net profit of Rs 5 crore or more to spend at least 2 per cent of their average net profits of the previous three financial years on CSR activities. The key elements of the legislation are that any company that falls into the above criteria does the following:

1. Constitute a CSR committee of the board, comprising three or more directors out of which at least one director must be an independent director.
2. Formulate and recommend a CSR policy to the board.
3. The board of directors (Board) shall ensure that the company spends, in every financial year, at least 2 per cent of its average net profit for the previous three financial years, in fulfilment of its CSR policy.

4. The 'Director's Report' of a company covered under these rules pertaining to a financial year commencing on or after the 1st day of April 2014 shall include an annual report on CSR activities in the specified template. In case a company fails to spend 2 per cent of its profits, the board needs to specify the reasons for the same.

According to the Act, 'Corporate Social Responsibility' means and includes but is not limited to: (i) Projects or programmes relating to activities specified in Schedule VII of the Act; or (ii) Projects or programmes relating to activities undertaken by the Board in pursuance of recommendations of the CSR committee of the Board as per declared policy of the company subject to the condition that such policy will cover subjects enumerated in Schedule VII of the Act.'

Schedule VII includes activities



Methodology

Annual CSR Tracker 2017 is based on disclosures on CSR of companies to ascertain the extent to which they have complied with the legislation.

BSE provided a list of companies that fell within the ambit of the legislation. Total 1,601 companies were listed with the BSE, out of which 1,522 companies (1,270 in FY16) including 53 state-owned companies came up with their annual reports within the timeline; and the same were analysed for CSR spent study.

Remaining companies were excluded for the following reasons:

1. Annual reports were not published by cut-off date; 6 December 2017.
2. Public sector banks governed by the RBI do not fall under the purview of the Companies Act, 2013.

Report boundaries

1. *Annual CSR Tracker 2017* is limited to BSE-listed companies that fall under the purview of the CSR legislation.
2. Information disclosed in annual reports for FY17 is included for analysis. Information contained at sources other than annual reports is beyond the scope of *Annual CSR Tracker*.

CESD analysed CSR disclosures of 1,522 companies, of which 53 were state-owned companies using 41 indicators across six key aspects:

▶ Governance

▶ Policy

▶ Financials

▶ Spend as per Schedule VII activities

▶ Spend channels

▶ Spend locations

Analysis

1. Governance

Governance relates to two aspects:

- CSR committee: presence of board-level CSR committee, number of committee members, and frequency of CSR committee meetings.
- CSR policy: presence of CSR policy, presence of CSR policy on company's website, and brief description of CSR policy in the 'Director's Report'.

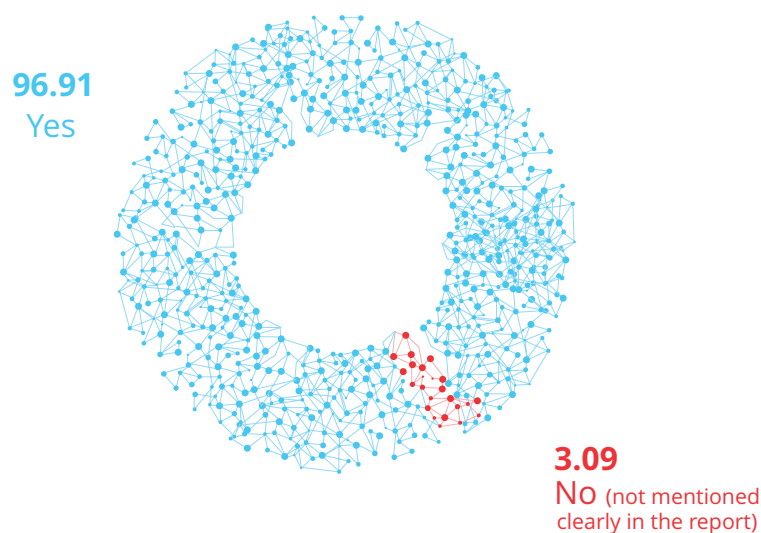


Figure 1 : % of companies with a board-level CSR committee in FY17

96.78% companies reported to have a board-level CSR committee in FY15. The percentage increased to 98.66% in FY16 and then decreased to 96.91% in FY 17. The analysis indicated that the decrease in the percentage is mainly due to new companies included in FY17. The new companies are the ones that are having to comply with the requirements of Section 135 of the Companies Act, 2013 for the first time. This points to the possibility of lack of proper understanding of the legislative requirements and overshadowing of the soft law of having to spend at least 2%.

In FY17, of the companies with a board level CSR committee, 98.71% have an independent director as a member of the CSR committee and about 47% have an independent director as the chair of the CSR committee. There is no significant difference regarding the presence of an independent director in the CSR committee in a span of three years.

In 2016, about 44%, and in 2015, about 46% of the companies with a board-level CSR committee, had an independent director as the chair of the CSR committee.

In FY17, 3.09% companies either do not have or have not clearly mentioned the presence of a CSR committee.

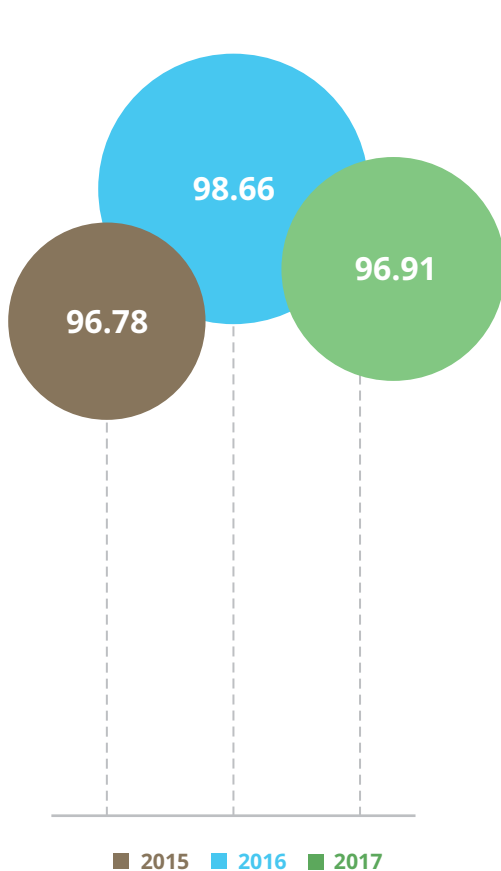


Figure 2: % of companies with a CSR committee

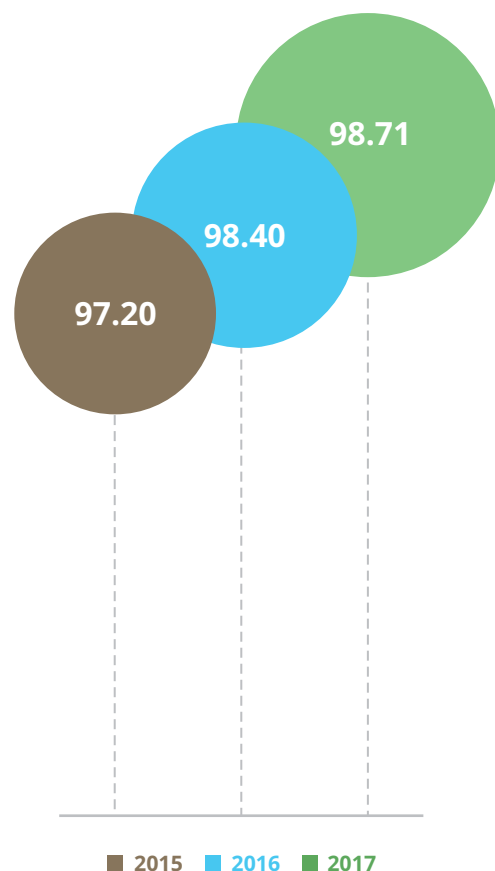
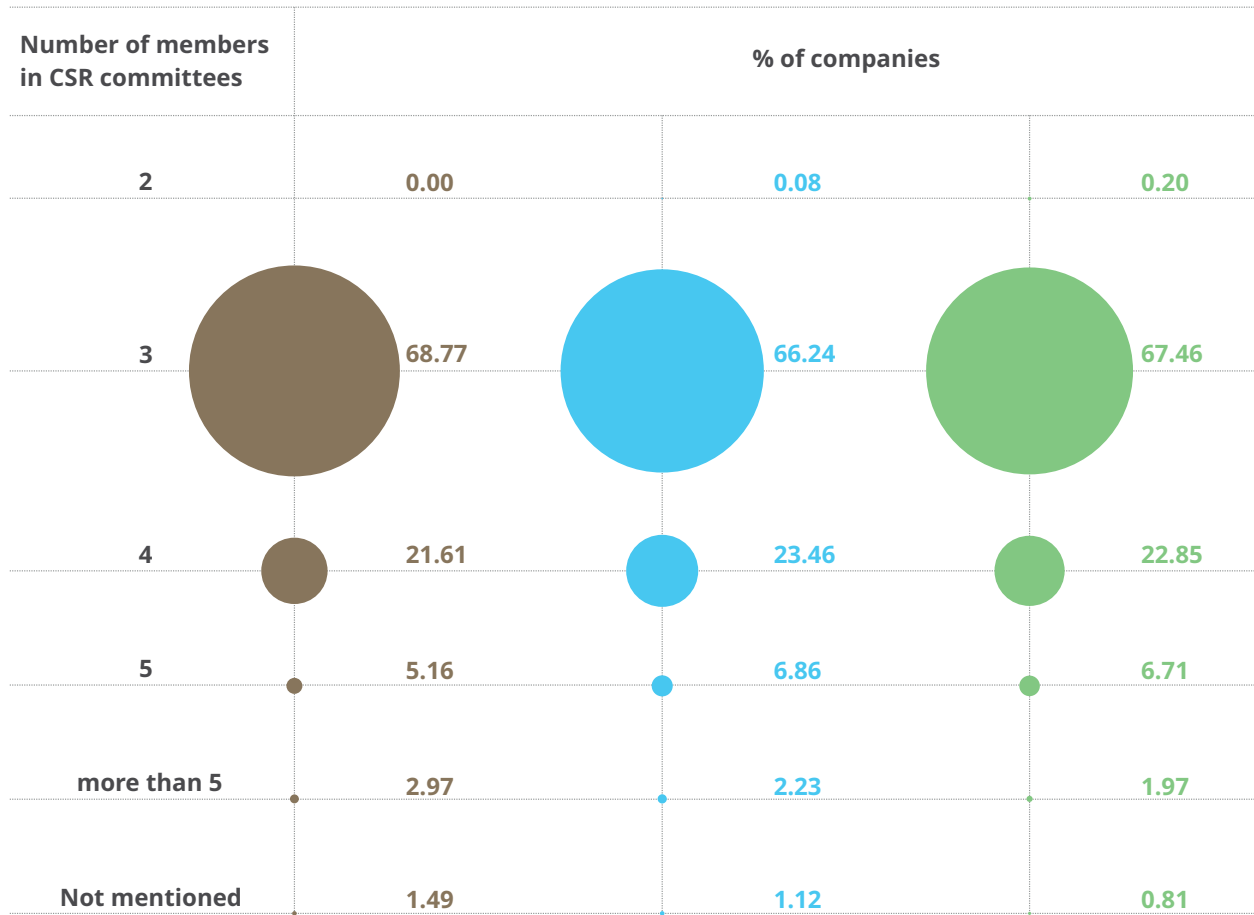


Figure 3: Presence of independent director in the companies



■ 2015 ■ 2016 ■ 2017

Figure 4: CSR committee size

Of the companies that have a board-level CSR committee, in FY17, about 99% have at least three members which is mandated by law. About 32% of the companies have four or more committee members. The statistics are similar to FY16. Whereas, in FY15 this proportion stood at 30%.

Moreover, one company in FY16 and three companies in FY17, respectively, reported to have only two members in their CSR committee.

CSR Meetings

Of the total number of CSR meetings held in FY15, FY16 and FY17, the companies holding just one meeting remained around 30% for all three years.

The percentage of companies that held four or five meetings remained more or less the same at around 10% in FY16 and FY17, respectively.

In FY17, companies not conducting CSR meetings decreased to 3.25% from 3.75% in the previous year. Moreover, this year, the proportion of companies that did not mention about CSR committee meetings decreased to about 23% as against 31.32% in FY15. Further, in FY17, eight companies reported to have met more than five times a year.

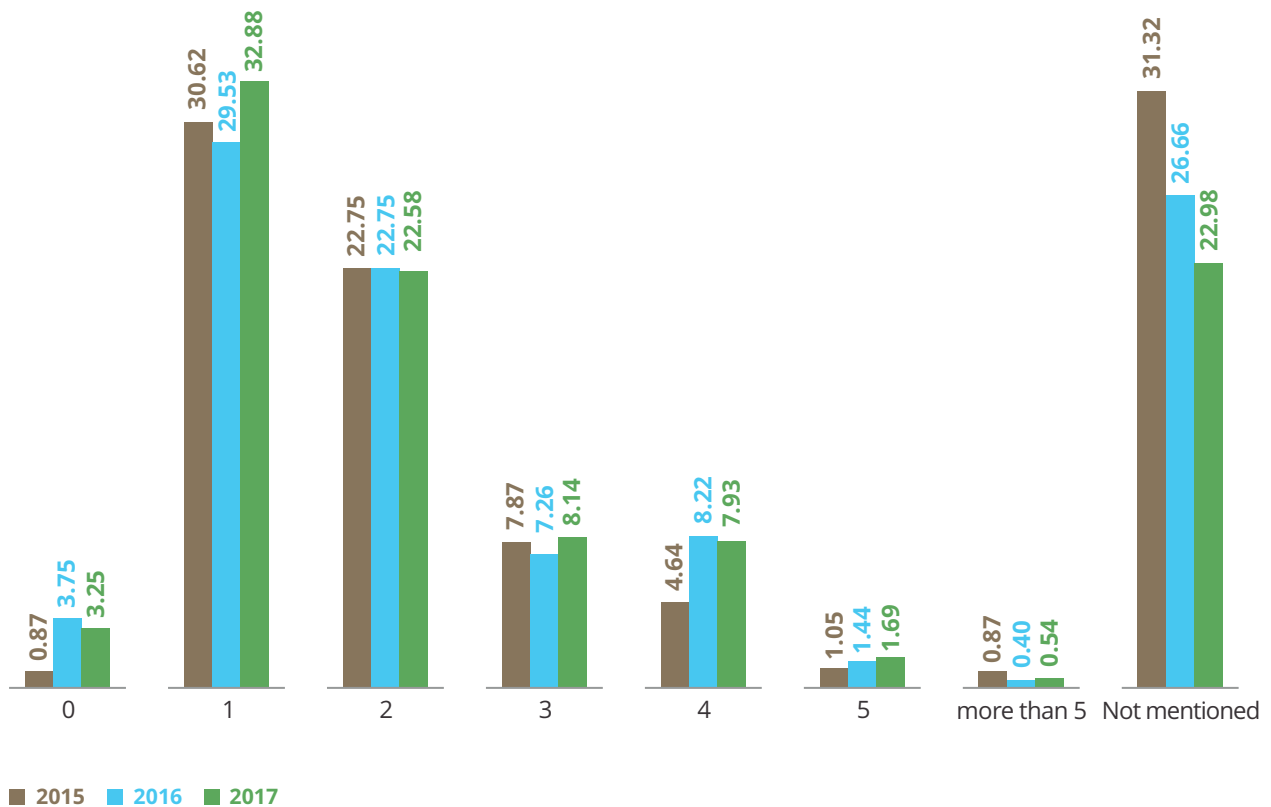
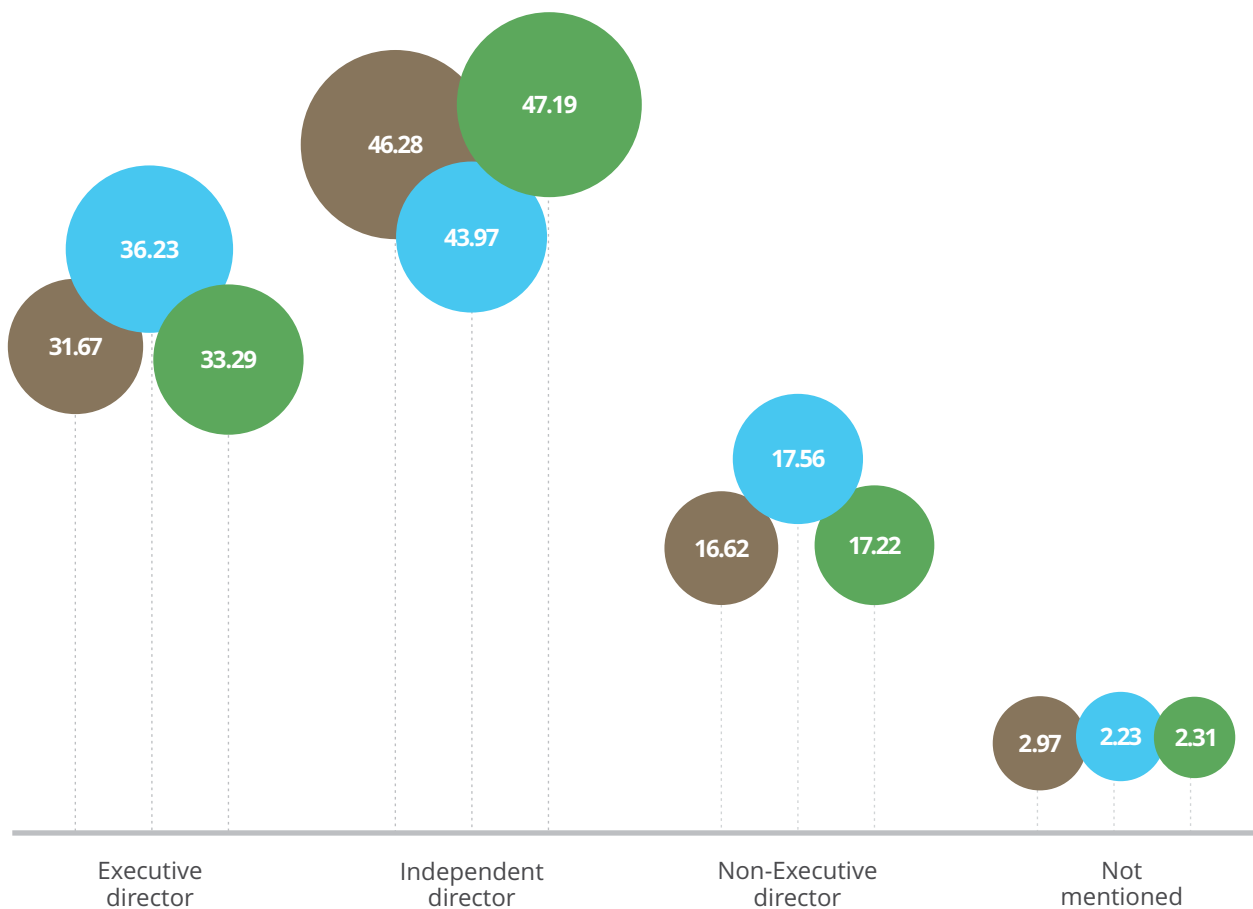


Figure 5: Frequency of CSR committee meetings



■ 2015 ■ 2016 ■ 2017

Figure 6: % of position of the CSR committee chair on the board

In 2015, 31.67% of the companies had an executive director as CSR committee chair and this number went up to 36.23% in 2016. Compared to this, in 2017, companies having an executive director as the committee chair dropped to 33.29%.

In FY17, 47% of the companies had an independent director as the committee chair, which is an increase of about three percentage points as compared to 43.97% in 2016. Moreover, in FY17, about 60% of the PSEs have an independent director as CSR committee chair.

Also, across all the three years, about 2% and 3% of the companies did not disclose the role of the CSR committee chair on the board.

2. CSR Policy and Disclosure on Company's Websites

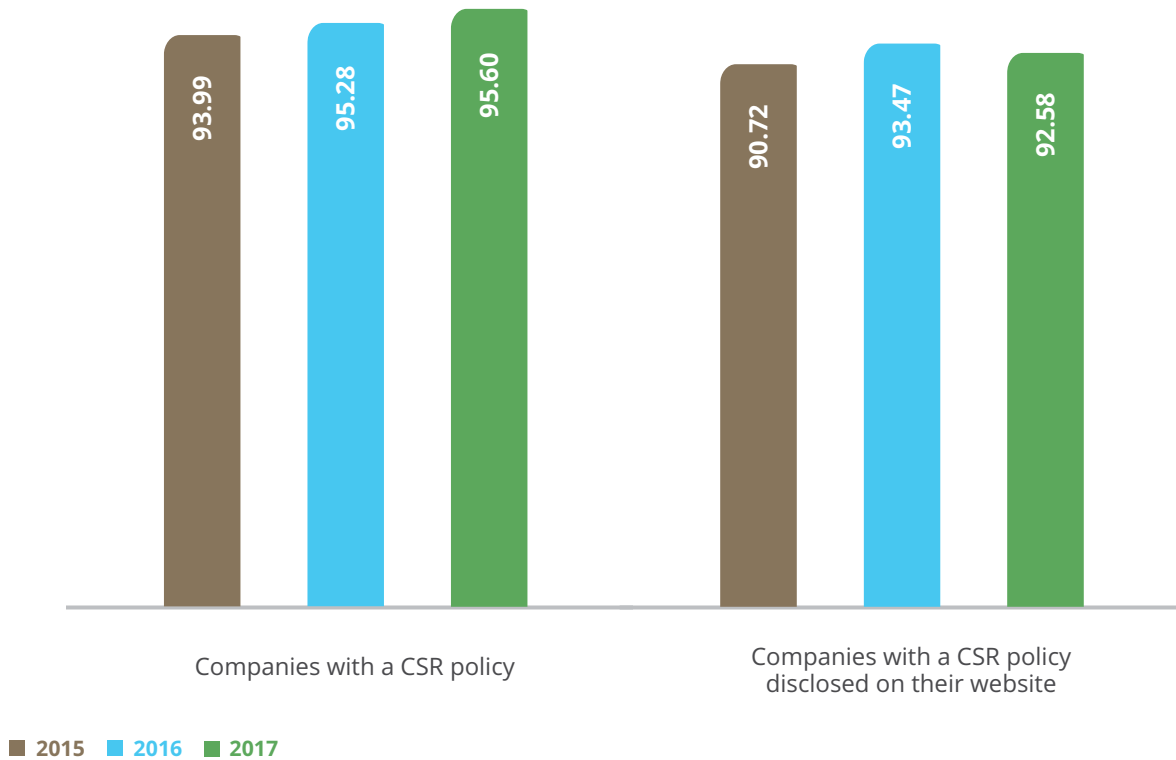


Figure 7: CSR policy

About 94% of the companies reported to have a CSR policy in FY15. It increased to 95.28% in FY16 and further increased to 95.60% in FY17.

Moreover, 90.72% and 93.47% of the companies in FY15 and FY16, respectively, reported to have disclosed the CSR policy on their websites.

In FY17, the proportion of companies that disclosed the CSR policy on the company website dropped to 92.58% from 93.47% in FY16. The unproven hypothesis is that the companies not disclosing the CSR policy on their website are unaware of the requirement. This tends to reinforce the possibility of lack of proper understanding of the legislative requirements and the overshadowing of the soft law of having to spend at least 2%.

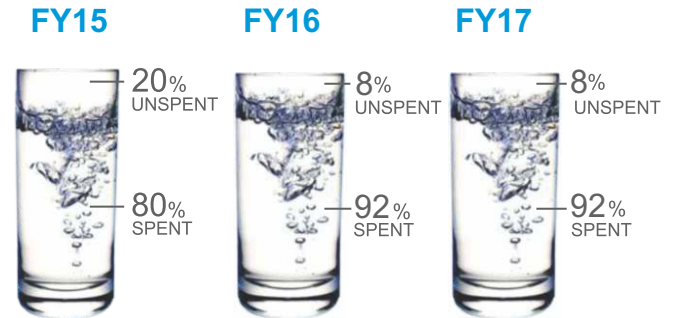
3. Financials

Based on average net profit of last three years (FY14-16 to be used for arriving at the applicable 2 per cent budget), Rs 9,680 crore was the required 2 per cent.

1,191 companies have collectively spent Rs 8,897 crore or 92% of the 2 per cent requirement in FY17.

1,201 companies out of the 1,522 companies in the sample for this study, had a positive average net profit in the last three financial years.

Of these 1,201 companies, 1,118 companies spent on CSR.



1,191

Total number of companies that spent on CSR

Of 1,191 companies,

49

are PSEs

Prescribed 2% CSR

9,679.71

Rs crores

Average net profit or loss of last three years not mentioned and spent on CSR: 14

1.18%

Loss-making companies that have spent on CSR: 59

4.95%

Total Budget

12,008.96

Rs crores

Budget spent on CSR

74.09%

Profit-making companies that have spent on CSR: 1118

93.87%

Amount spent on CSR

8,897.48

Rs crores

% of the prescribed 2% spent on CSR

91.92%

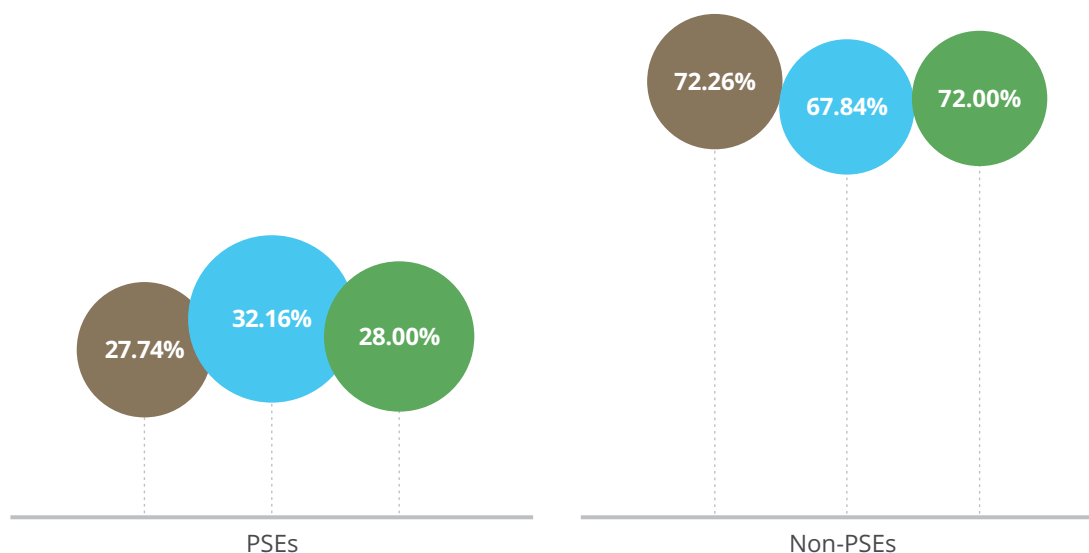
CSR spends have increased by 9% in FY17 as compared to FY16

Of the 1,201 companies that were expected to spend on CSR:

- 1,118 companies have spent on CSR
- Of these, 692 companies have spent at least 2%
- 420 companies spent less than 2%
- Six companies have not specified their average net profit, and therefore whether they spent more or less than 2% cannot be determined.

In both FY17 and FY16, about two-thirds of the PSEs spent at least 2% of their average net profit on CSR as compared to only 37% in FY15.

Of the 1,191 companies that have spent on CSR, 49 are PSEs and their contribution amounts to 28% (Rs 2,492 crore) of the total CSR spend (Rs 8,897 crore) in 2017. Of this, 88% is attributed to 13 PSEs. Similarly, of 72% (Rs 6,406 crore) spent by non-PSEs in FY17; 50% is attributed to 16 companies.

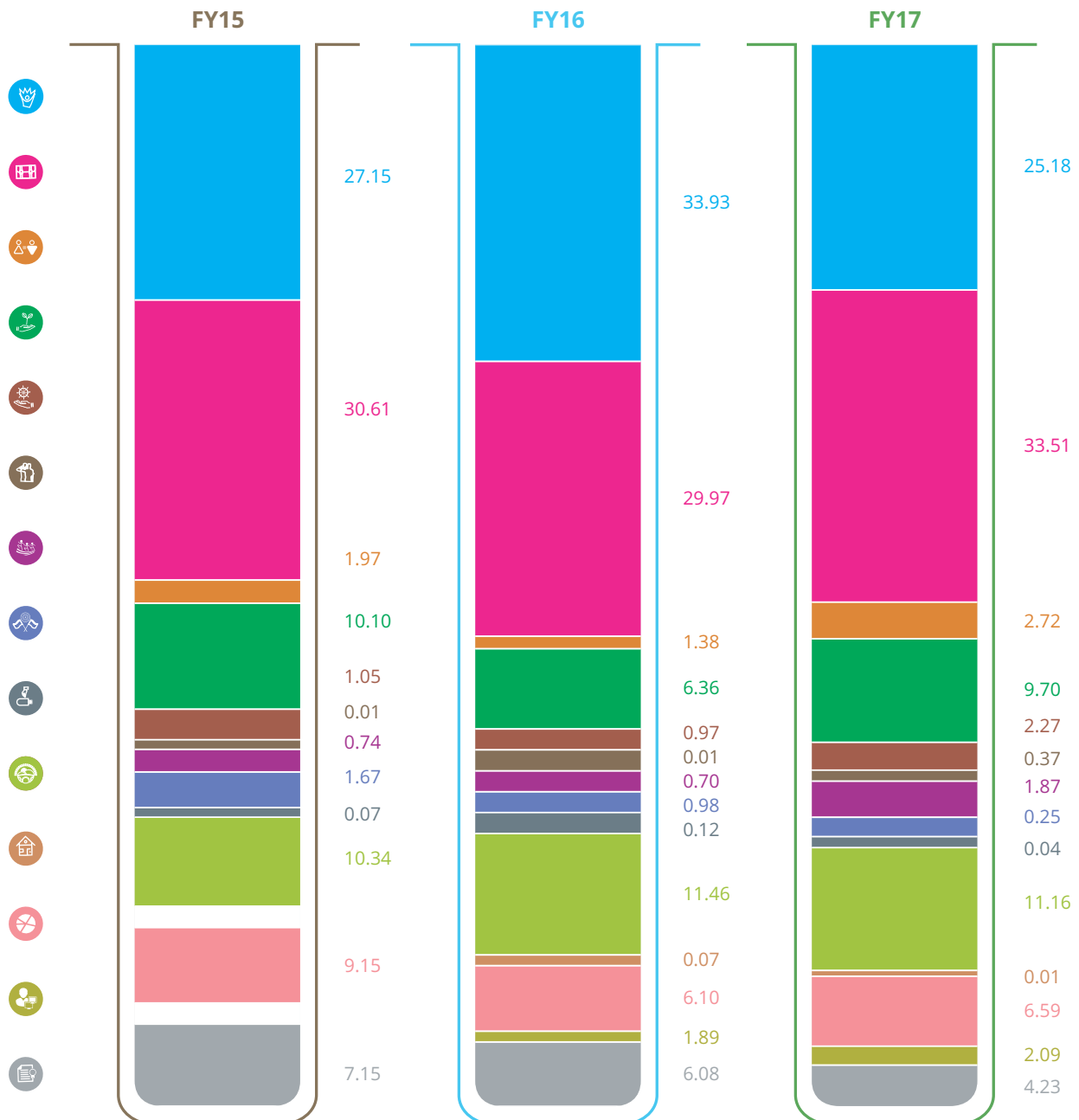


■ 2015 ■ 2016 ■ 2017

Figure 8: % of CSR spends: Non-PSEs vs PSEs

Percentage of CSR spend by PSEs has been consistent over the past three years at an average of about 30% of the total CSR spends.

4. CSR Spend

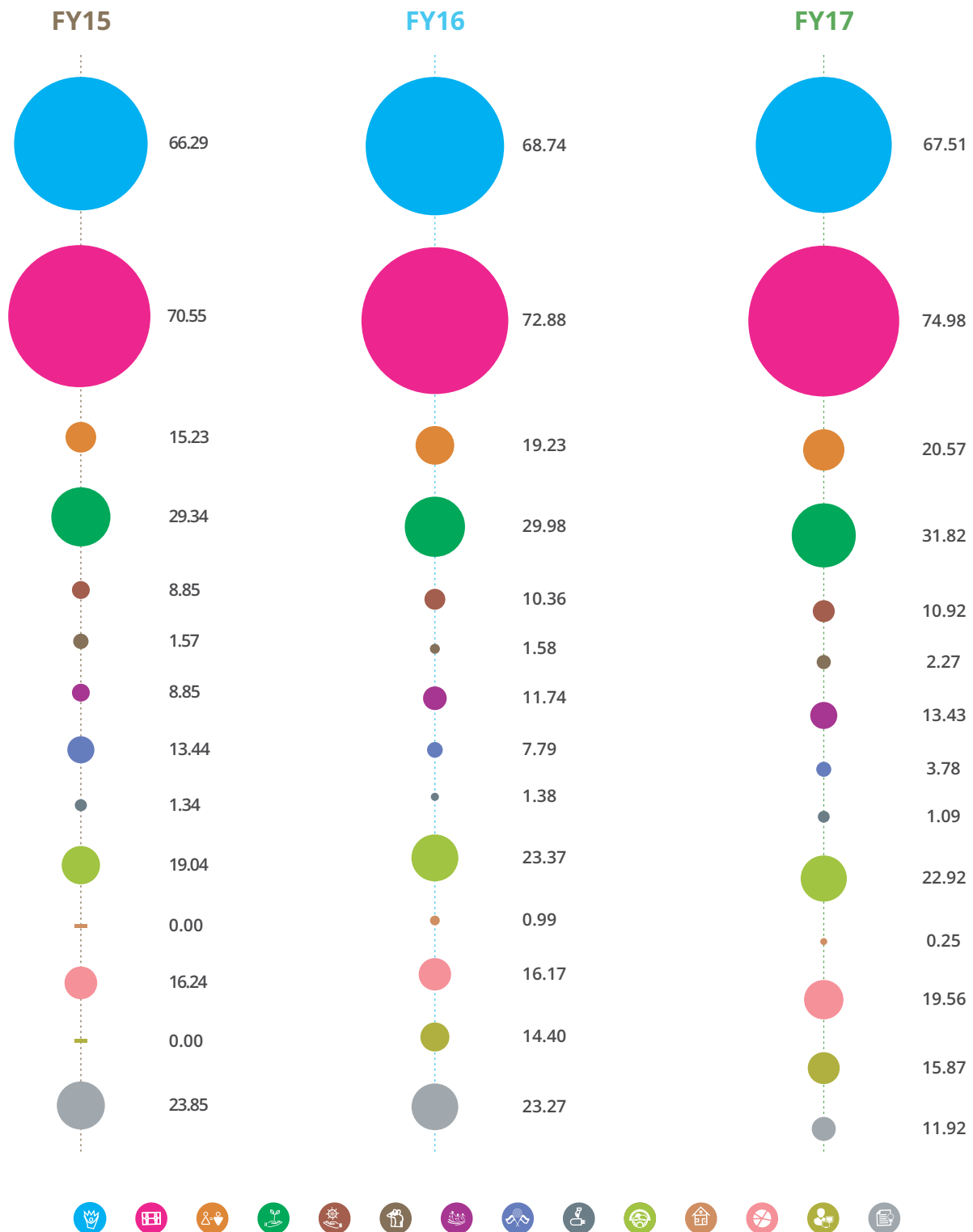


Note: For data sets, please refer to Table A.1 in Annexure

Figure 9: % of CSR spends (in Rs crore)

Once again, education and healthcare received the maximum share of corporate funds together amounting to about 60% of the total CSR spends in the year 2017. About 68% of companies invested in health and sanitation in 2017 as compared to 69% in 2016 and 66% in 2015. Whereas, three-fourths of the companies spent on education and skill development in FY17.

Four PSEs reported to have invested Rs 3.6 crore in Prime Minister's National Relief Fund in 2017.



Note: For data sets, please refer to Table A.4 in Annexure
 Figure 10: % of companies in each development area

Spends across development areas



Health & Sanitation

Rs 2,240.16 crore was spent towards healthcare and sanitation. This includes activities like health camps, medical facility provided by company, health/mobile medical vans, construction or repair of hospitals, toilet construction, installation of safe drinking water units in school and villages. The amount spent on healthcare and sanitation declined in 2017 as compared to 2016, by around 9 percentage points.

55 companies, including 13 PSEs spent Rs 164 crore towards Swachh Bharat Abhiyan; whereas 16 companies, including five PSEs reported to have invested Rs 150 crore in Swachh Bharat Kosh.



Education & Skill Development

In FY17, about three-fourths of the companies contributed one-third (Rs 2,981.95 crore) of total CSR spends in education and skill development. Most of the companies supported vocational skills and employment enhancing trainings.

None of the companies reported to have contributed to Pradhan Mantri Kaushal Vikas Yojana.

FY17 witnessed an increase of more than 50% in CSR spends compared to FY15. This could be attributed to the importance given to skills development in the Union Budget 2016-17 where it was stated that 'education, skills and job creation' would make India a knowledge-based and productive society as one of the 'nine pillars' that would transform the country. Finance Minister had announced the setting up of 1,500 multi-skill training institutes and national board for skill development certification.



Gender Equality

In FY17, a total of Rs 242 crore was spent towards gender equality. Of this, about 27% is attributed to 14 PSEs.

This year, percentage of companies contributing towards gender equality is similar to that in 2016. However, this year there has been a substantial increase of 115% in the spend, which is about Rs 242 crore, as compared to the previous year.



Environment & Ecology

This area received 9.70% of the total CSR spend in 2017. The analysis indicates about 32% of the companies have invested in environmental activities. CSR amount towards environmental activities has increased by 66% amounting to Rs 863.29 crore as against Rs 520.20 crore in FY16. However, in the year 2016, there was a decrease of 20% over spends in FY15. Further, about 24 per cent of the total spent in FY17 is attributed to 40 PSEs.

Two companies reported to have contributed to Clean Ganga Fund amounting to Rs 0.81 crore, and no company is reported to have spent in Clean Ganga Abhiyan.



National Heritage, Art & Culture

In FY17, CSR spends towards national heritage have gone up by almost 200% upto Rs 202 crore as compared to FY15. A total of 130 companies invested in this area in 2017 whereas 79 companies did so in 2015. Moreover, one PSE reported to have contributed to the Sardar Patel Rashtriya Ekta Trust.

It is worth noting that 112 non-PSEs contributed Rs 57 crore towards national heritage, whereas 18 PSEs spent Rs 144.72 crore.



Armed Forces Veterans

There has been a contribution of Rs 33 crore towards Armed Forces Veterans. The lion's share of investment made in this area is attributed to one of the leading companies in the IT industry, that is Infosys. There has been a substantial increase as compared to 2016, where less than Rs 1 crore was spent towards Armed Forces Veterans.



Sports Development

This year experienced big jump in the CSR spends towards sports development. 160 companies spent Rs 167 crore, an increase of about 192% as compared to 2016 where 119 companies spent Rs 57.08 crore.



Prime Minister's Relief Fund

In FY17, only 45 companies contributed about Rs 23 crore towards Prime Minister's Relief Fund. There is a huge drop as compared to 2016 where 79 companies contributed Rs 80.55 crore to this area and 120 companies contributed Rs 107.43 crore in 2015.



Technology Incubators

In FY17, the spend on technology incubators which is Rs 3.84 crore, has come down by as much as 60% as compared to 2016, although the number of companies investing in this area remains the same.



Rural Development

11.16% (Rs 993 crore) of the CSR amount by 23% of the companies was spent towards development of rural areas in FY17, which is similar to the spend in 2016. Of the total CSR spends, 28% is attributed to PSEs.



Slum Area Development

In FY17, three companies namely, Divyashakti Granites Ltd, Jyothy Laboratories Ltd and Dewan Housing Finance Corporation Ltd, have invested in slum area development amounting to less than Rs 1 crore. This is a decline as compared to 2016 where ten companies reported to have spent Rs 5 crore.



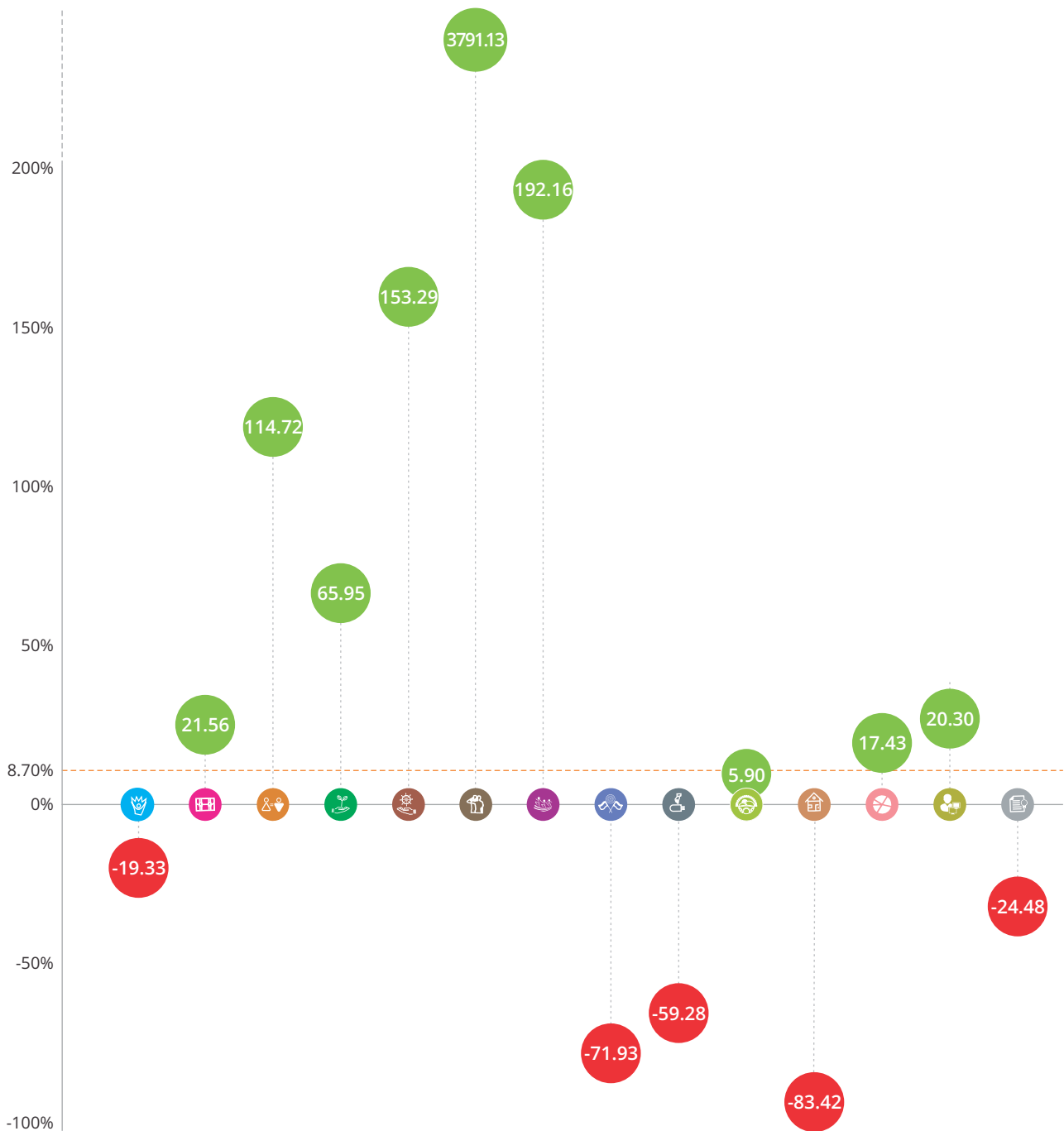
Administrative Overhead Expenses

Companies have begun to disclose CSR spends accounted as administrative expenses or overheads. There was no such disclosure in FY15. Similar to FY16, this year too, close to two per cent of the total spends (Rs 186 crore) have been accounted as administrative expenses or overheads which does not fall under CSR spent criteria.



Others

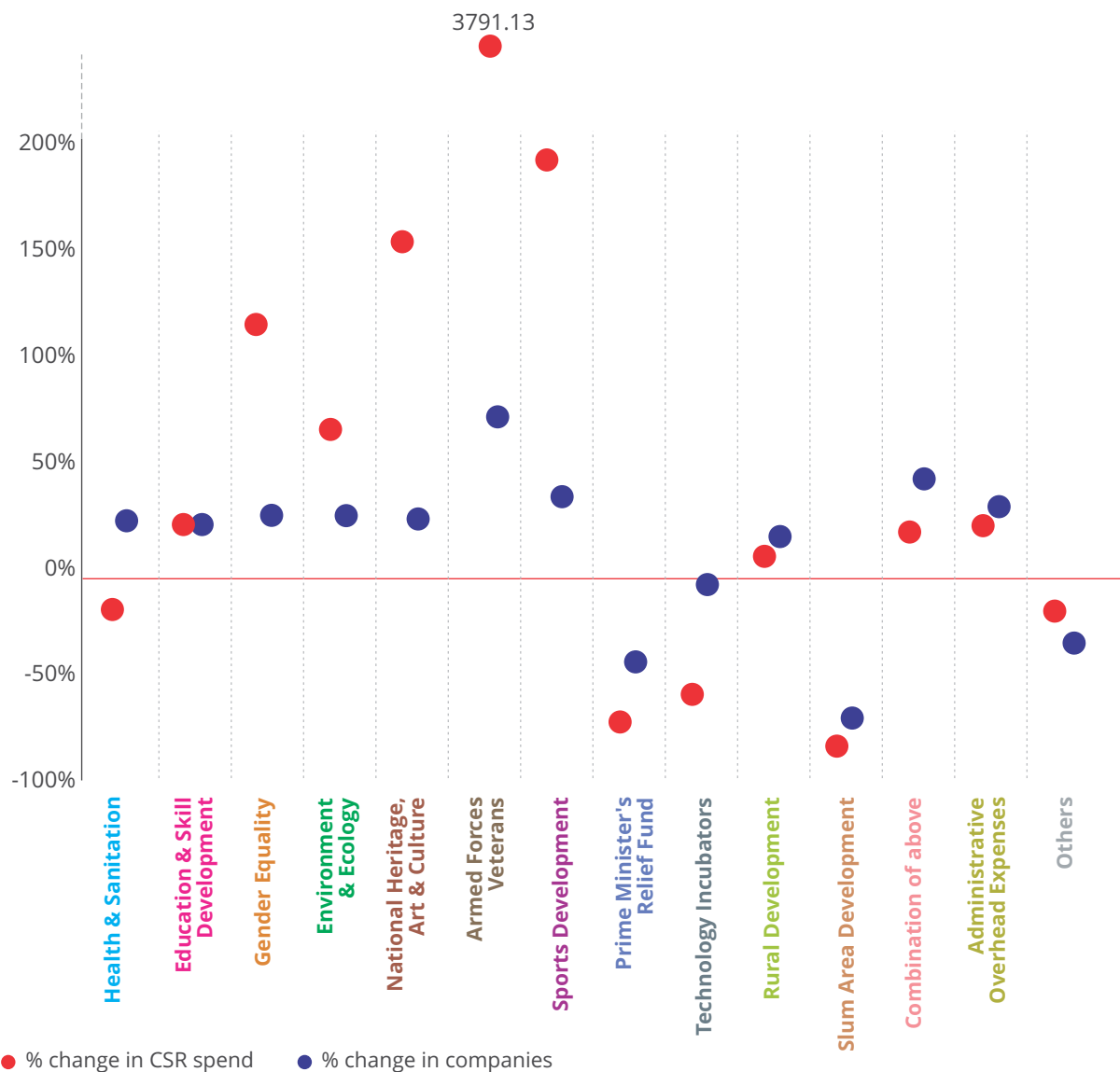
CSR spent on activities other than 11 areas mentioned under Schedule VII activities are categorised as 'Others'. This includes contribution made towards corpus, chief minister fund, disaster relief funds/material, CSR training to company staff, employee/staff contribution, miscellaneous, consultancy fees, baseline assessment, impact assessment study, relief & rehabilitation activities in the flood-affected areas, donation to trust for 'Statue of Unity', surgical aid of street and welfare of abandoned animals, drought relief. The total spend in this category was Rs 375.97 crore.



Note: For data sets, please refer to Table A.2 in Annexure
 Figure 11: % change in CSR spends against overall change in FY17

The overall increase in CSR spends in FY17 as compared to the previous year is 8.70% (shown as dotted line). Development areas that show maximum increase in the CSR spends as against FY16 are sports development, national heritage, gender equality and environment. Armed forces veterans stands out with an increase in spends of more than 3,700%. Whereas the areas where CSR spends dipped are slum development, PM relief fund, technology incubation fund as well as health and sanitation.

Although, CSR spends towards rural development moved up by about 6%, the increase does not commensurate with the overall increase in spends.



Note: For data sets, please refer to Table A.3 in Annexure

Figure 12: CSR spends vis-à-vis percentage of companies

The above graph represents the relationship between the percentage change in number of companies invested in and CSR spends in FY17 as against FY16.

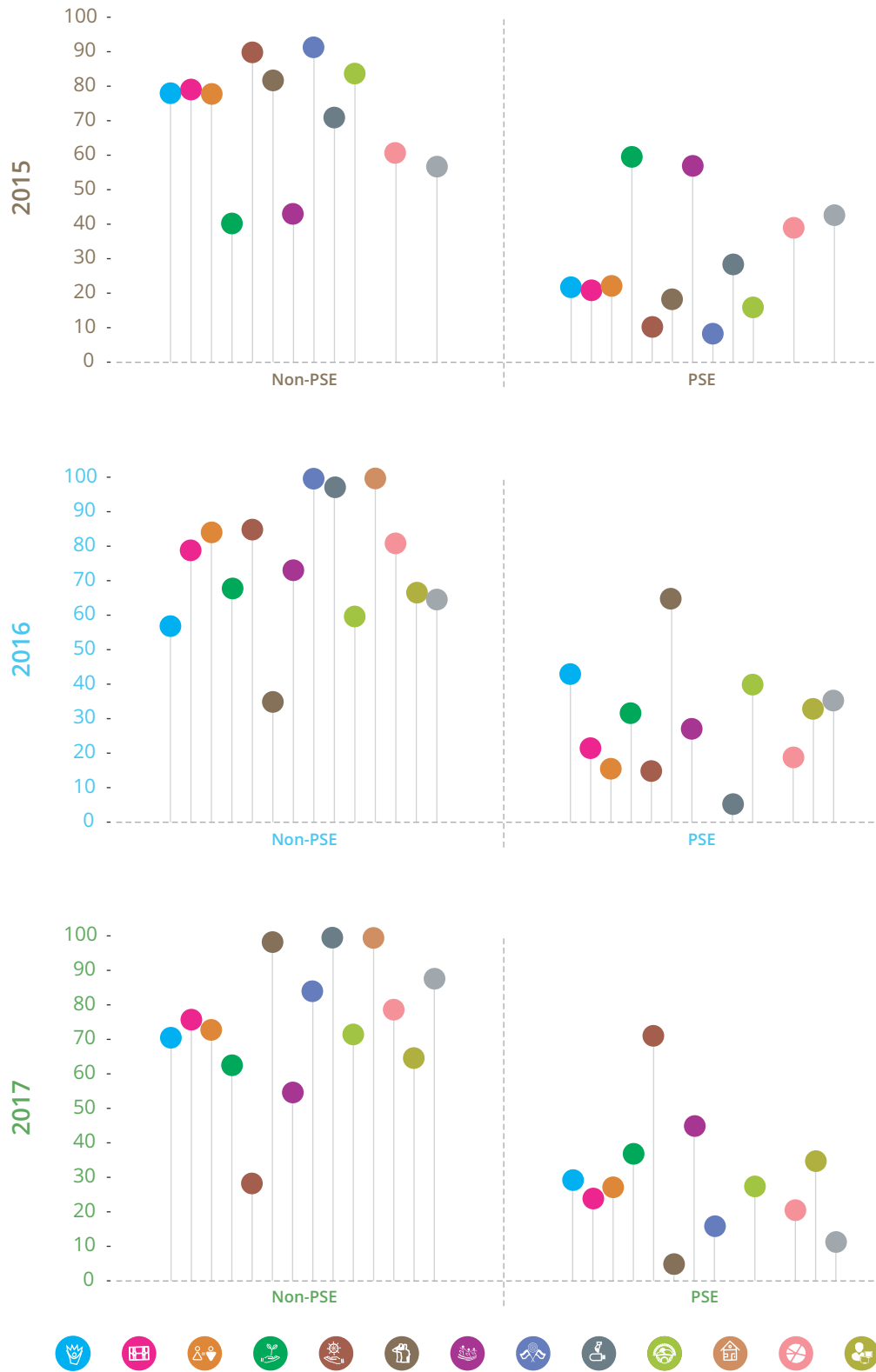
In the area of health and sanitation, though the number of companies increased by about 23%, the spend dipped by 19% in FY17. Gender equality saw a big jump in CSR spends, by about 115%, whereas the increase in companies was around 26%. There was an increase in spend in the area of national heritage by 153%, while the number of companies increased by about 24%.

In the area of armed forces veterans there was a massive jump in CSR spends of more than 3,700%, accompanied by increase in the companies by 68.75%, in FY17.

This year, in the area of sports development, there was a 34.45% increase in the number of companies accompanied by an increase in spend of about 192%. There was a decline of about 72% in the spend with respect to the PM relief fund in FY17 and the decrease in number of companies was about 43%.

In FY17, in the area of rural development, though the number of companies increased by about 15% increase in spend was not as much and stood at 6%.

CSR spends: Non-PSEs vs PSEs



Note: For data sets, please refer to Table A.5 in Annexure

Figure 13: Non-PSEs vs PSEs

In FY17, about 30% of the total CSR spends in health and sanitation and 24% in education and skill development are attributed to PSEs.

It is observed that sports development has received a significantly larger share of CSR investment from PSEs in 2017 as compared to the past two years. It increased from Rs 15.28 crore in FY16 to Rs 74.81 crore this year, which is a jump of about 390%.

At the same time, there is a significant drop of about 45% in CSR spend in the area of health and sanitation by PSEs in FY17 as compared to FY16 (from Rs 1,194.89 crore in FY16 to Rs 659.27 crore in FY17). This could be attributed to the launch of the Swachh Bharat Abhiyan and a major push given to this initiative by the government in the previous years.

In the area of national heritage, PSEs spent Rs 144.73 crore in FY17 as compared to Rs 11.98 crore in FY16, a massive rise of about 1100%. One PSE is reported to have contributed to the Sardar Patel Rashtriya Ekta Trust.

The area of gender equality saw a rise of about 272% in spend by PSEs in FY17 in comparison with FY16.

In FY17, four PSEs reported to have contributed Rs 3.59 crore to the PM's relief fund.

There is no CSR spend in the areas of technology incubation or slum development by a single PSE in FY17. Moreover, slum development did not receive any funds from PSEs in the previous year either.

Sustainable Development Goals (SDGs) mapped with Schedule VII activities

Schedule in VII activities crore)	Sustainable Development Goals (SDGs number)	Total SDGs covered	CSR spends FY17 (Rs crore)
 Health & Sanitation	   	4	2240.16
 Education & Skill Development	   	4	2981.95
 Gender Equality	  	3	241.90
 Environment & Ecology	      	7	863.29
 National Heritage	 	2	201.91
 Armed Forces Veterans	  	3	33.05
 Sports Development	 	2	166.78
 PM Relief Fund	      	7	22.61

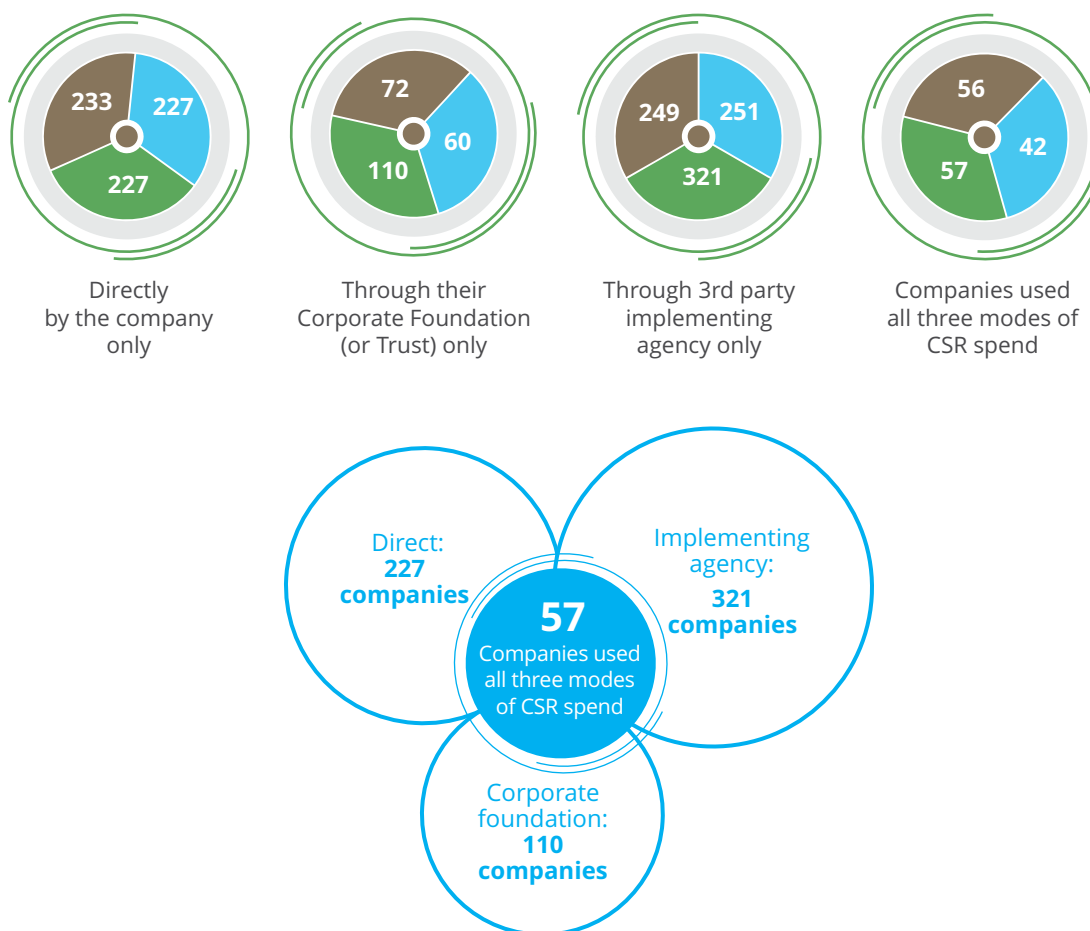
 Technology Incubation Fund	  	3	3.84
 Rural Development	    	5	993.06
 Slum Development	      	7	0.91

- ▶ SDGs 1 and 9 are reflected in six CSR areas
- ▶ SDGs 2, 3 and 4 are reflected in five CSR areas
- ▶ SDG 6 is reflected in four CSR areas
- ▶ SDG 8 is reflected in three CSR areas
- ▶ SDGs 7, 10, 11, 13 and 15 are reflected in two CSR areas
- ▶ SDG 5, 12 and 14 are reflected in one CSR area
- ▶ Education and skills development, the major recipient of CSR spends in FY17, is mapped with SDGs 1, 2, 4 and 8.
- ▶ Health and sanitation, which received about one-fourth of the total CSR spends in FY17, is mapped with SDGs 1, 2, 3 and 6.
- ▶ Rural development, which received about 11% of the total CSR spends in FY17, is mapped with SDGs 1, 2, 3, 4 and 9.
- ▶ Environment & Ecology, which received 9.70% of the total CSR spends in FY17, is mapped with SDGs 6, 7, 9, 11, 13, 14 and 15.

5. Spend Channels

Companies use either one or a following combination of the given channels for CSR spends:

- Directly by the company foundation
- Through the company
- Through implementation agencies

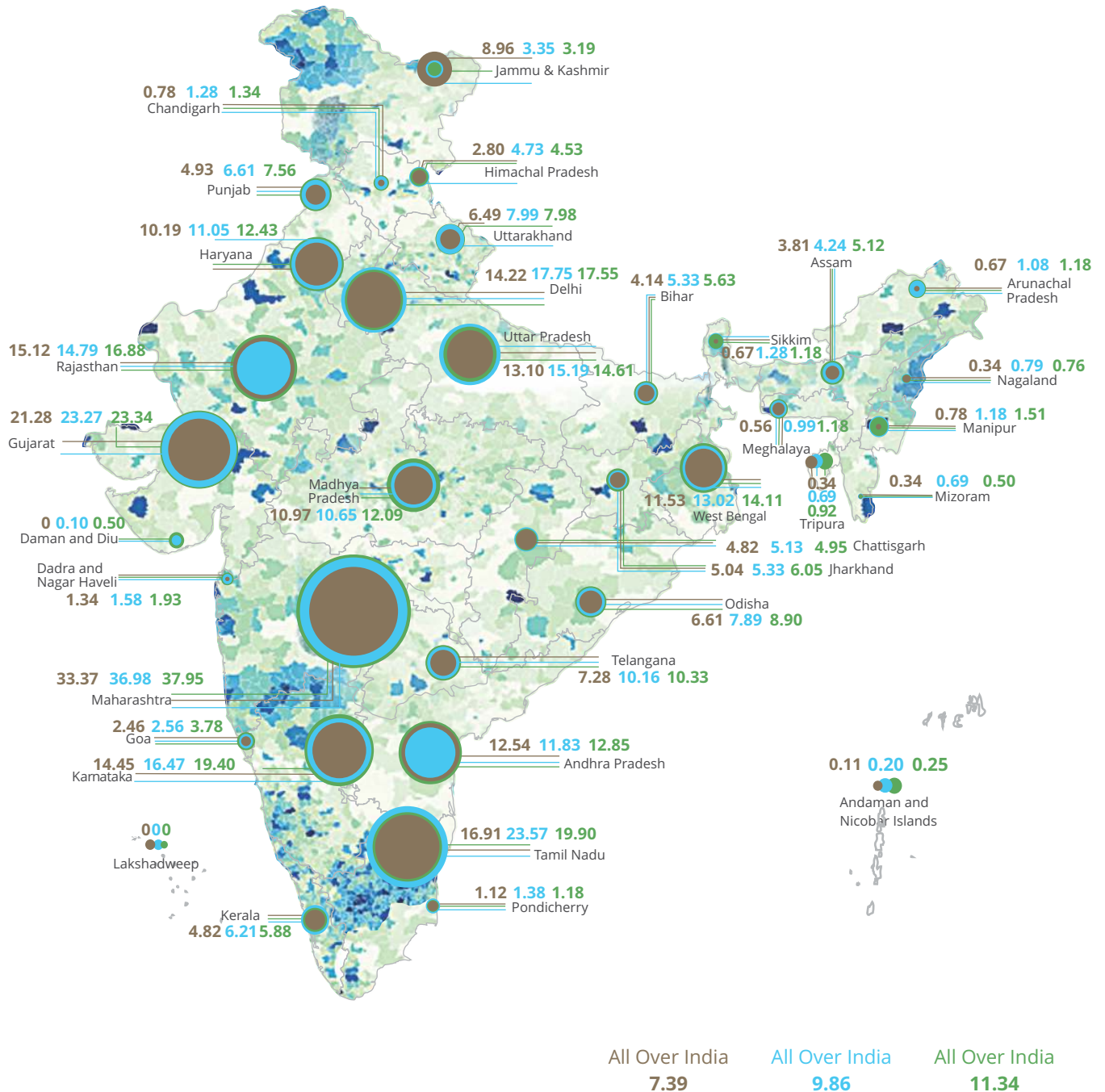


■ 2015 ■ 2016 ■ 2017

Figure 14: CSR spend channels in FY17

Figure 14 depicts the absolute number of companies using all the three channels or exclusively one channel for CSR implementation. The remaining companies used a combination of two out of three approaches for CSR spend. The disclosures does not provide precise information on the two channels used by companies. Therefore, the figure does not specify the number of companies using exactly two channels. There has been an increase of about 83% in FY17 as compared to FY16 in the number of companies spending exclusively through corporate foundations as a channel for programme and project implementation. Those using all the three channels has seen an increase of 36%.

6. Geography/ Spend Locations



■ 2015 ■ 2016 ■ 2017

Note: For data sets, please refer to Table A.6 in Annexure

Figure 15: % of companies

The industrialised states of Maharashtra, Gujarat and Tamil Nadu remained favoured destinations for CSR investment, across all three years.

The trend in Maharashtra with maximum number of companies investing in CSR continues in FY17. Pan-India investment has seen an increase of about 35% in 2017 as compared to the previous year. 135 companies invested Pan India as compared to 100 in 2016 and 66 in 2015, respectively.

The state of Goa has seen a significant jump in the number of companies investing in CSR, from 26 in FY16 to 45 in FY17—an increase of around Pan India 73%. This jump can be attributed to industries such as other financial services, pharmaceuticals & biotechnology, consumer durables, food beverages & tobacco and banks.

Other states apart from Northeast India, worth a mention; where there is a more than 30% increase in the number of companies investing are Karnataka, Rajasthan, Madhya Pradesh, Odisha, Punjab, Jharkhand, Goa and Haryana.

It has been observed that the CSR spend in Jammu and Kashmir dropped significantly in FY16 and continued in the same vein in 2017 as well. This suggests that natural disaster which struck maybe the reason for the spike in CSR spends in 2015.

It is to be noted that no company has invested in Lakshadweep in the past three years.

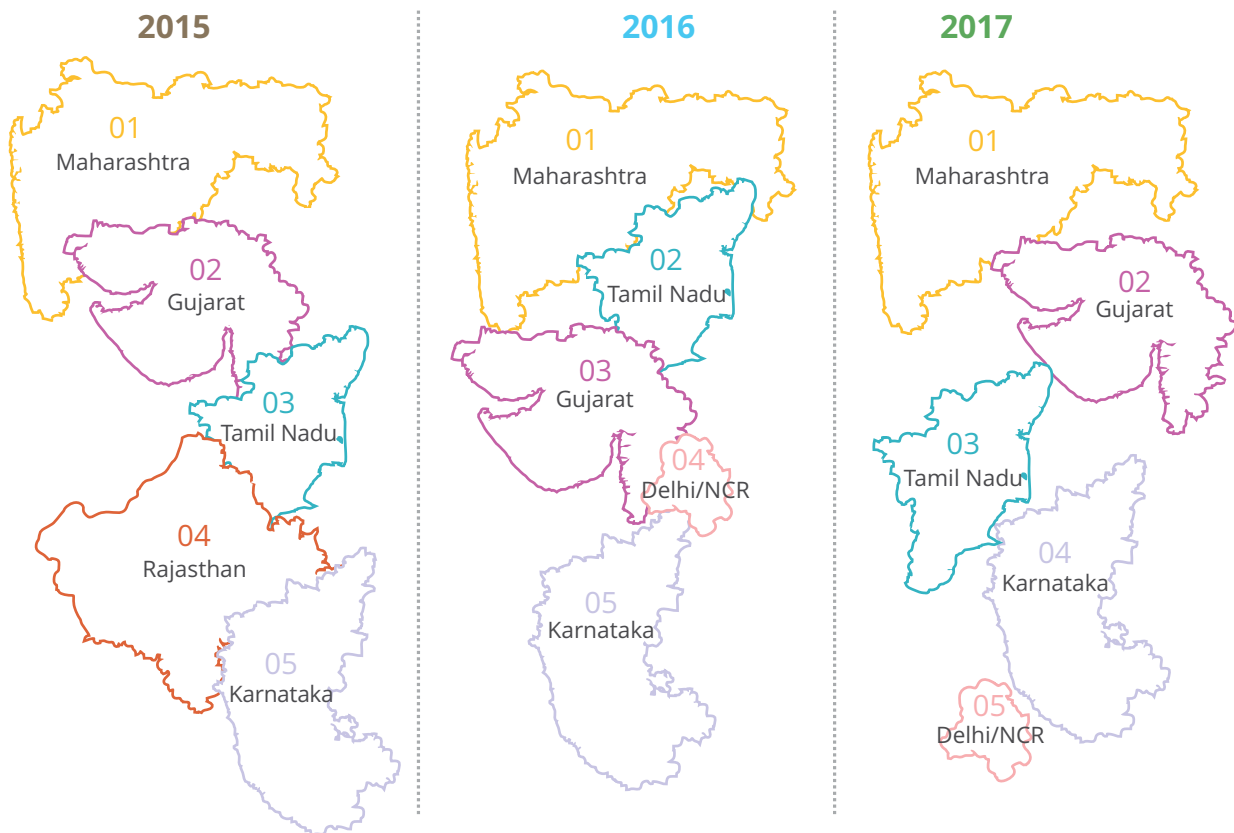
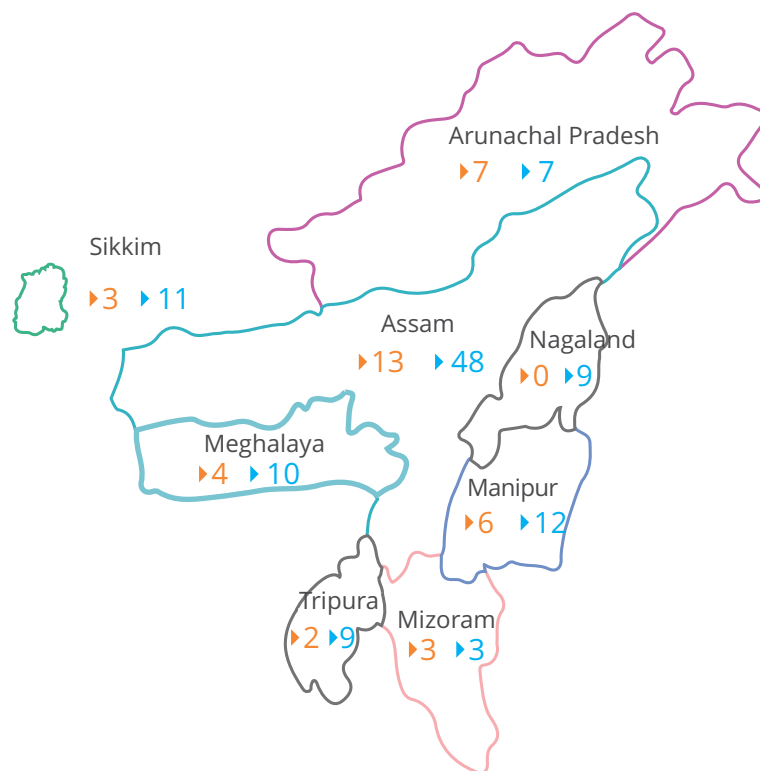


Figure 16: Top five states that received investment from maximum number of companies



► PSEs ► Non-PSEs

Figure 17: Number of companies spending in Northeast India in FY17

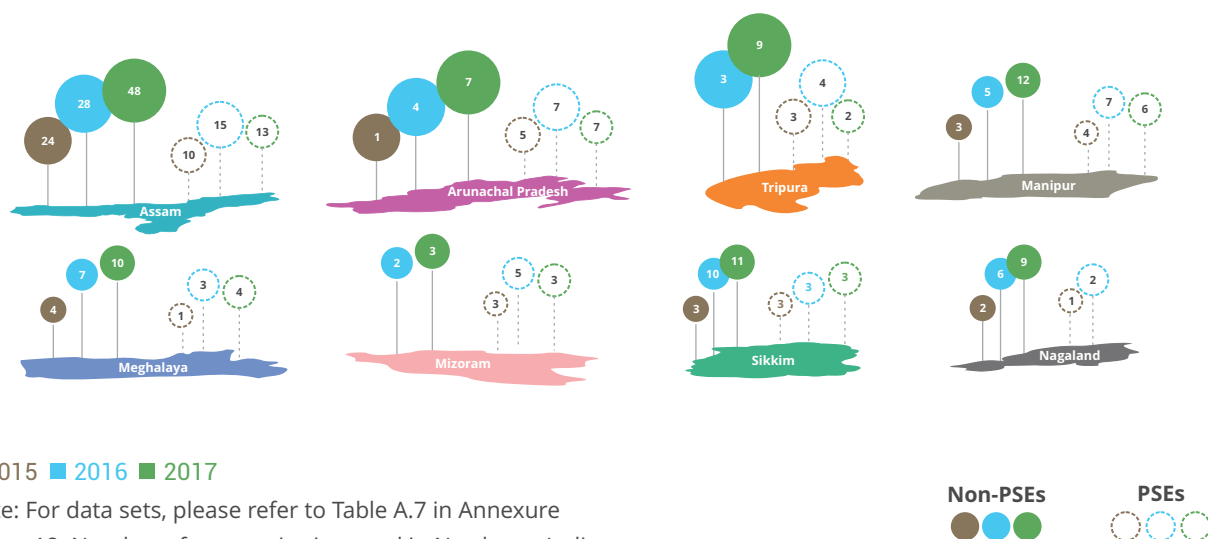
Assam in Northeast India, continued to receive maximum number of companies investing in the state. Compared to the previous year, the total number of companies increased by more than 40% of which 70% increase was led by Non-PSEs.

None of the Non-PSEs invested in Tripura in FY15, whereas nine Non-PSEs reported to have invested in the state in FY17. Though the absolute number (nine) is still in single-digit the increase is a whopping 267% as compared to FY15.

In Manipur, more than twice the number of Non-PSEs invested in CSR in FY17 as compared to FY16.

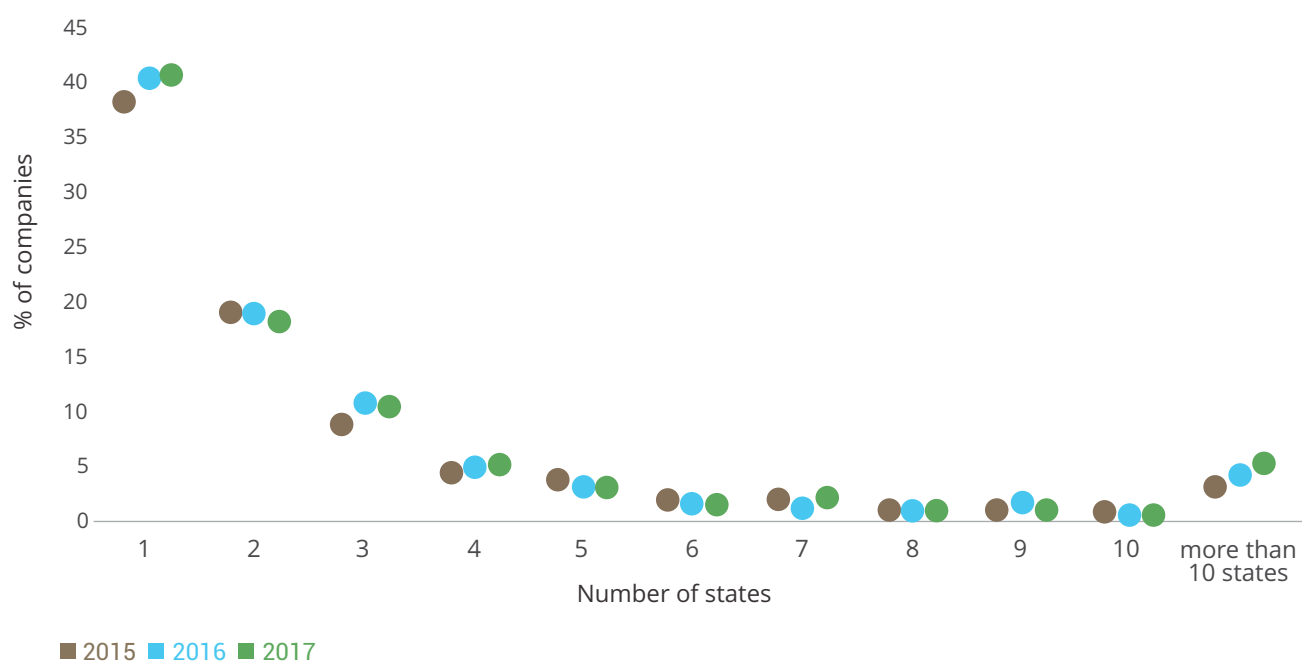
In FY17, none of the PSEs reported to have invested in Nagaland.

In sum, over the span of three years, northeast India received investment from 35% of the PSEs and 65% of the Non-PSEs.



38 PSEs and 109 Non-PSEs, reported to have invested in Northeast India in FY17. Number of companies investing in Northeast India increased by almost 120% in FY17 as against Fy15.

From the trend of over three years, it appears that companies prefer to concentrate spends in one state or union territory (UT). The preferred destination is the state of their operations. This overwhelming preference is mainly attributed to single-location enterprises which are unlikely to have multi-million rupees as CSR budgets. The ones with operations in multiple states are likely to be investing in two or more states. Companies falling in this category are those with multi-million rupees as CSR budgets as well as those with multi-state operations, including services companies. About 40% of the companies, in all three years, preferred to invest in one state/UT and about four per cent in more than 10 states/UTs.

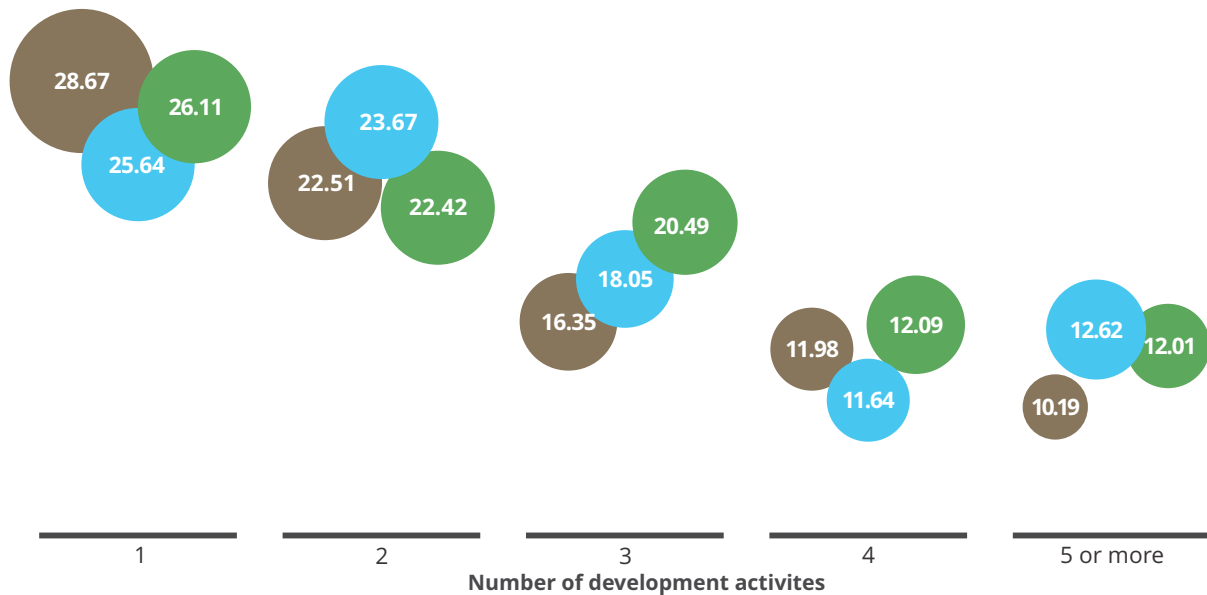


Note: For data sets, please refer to Table A.8 in Annexure

Figure 19: Percentage of companies investing in multiple states or union territories (excluding Pan India)

In 2017, about 60% of the companies reported to have invested in either 1 or 2 states/ UTs. 64 companies invested in more than 10 states/UTs as against 27 companies in FY15. Further, 12 companies invested in more than 20 states/UTs in FY17.

The below graph excludes companies that have invested in combination of more than one CSR area (in cases where separate numbers are not available), administrative/overheads and other CSR areas.



Note: For data sets, please refer to Table A.9 in Annexure

* Swachh Bharat Abhiyan and Swachh bharat kost have been consolidated into one CSR area i.e Health and Sanitation

* Clean Ganga Abhiyan and Clean Ganga fund have been consolidated into one CSR Area i.e Environment & Ecology

■ 2015 ■ 2016 ■ 2017

Figure 20: % of companies investing in multiple developmental activities*

About 26% of the companies, in all three years, preferred to invest in one development activity and about 11% in five or more development activities.

In FY17, about 45% of the companies reported to have invested in at least three development activities as against 42% and 39% in FY16 and FY15, respectively.

Moreover, 143 companies invested in five or more development activities as against 128 and 91 in FY16 and FY15, respectively.



■ 2015 ■ 2016 ■ 2017

Note: For data sets, please refer to Table A.10 in Annexure
Figure 21: Industry-wise analysis of CSR spends

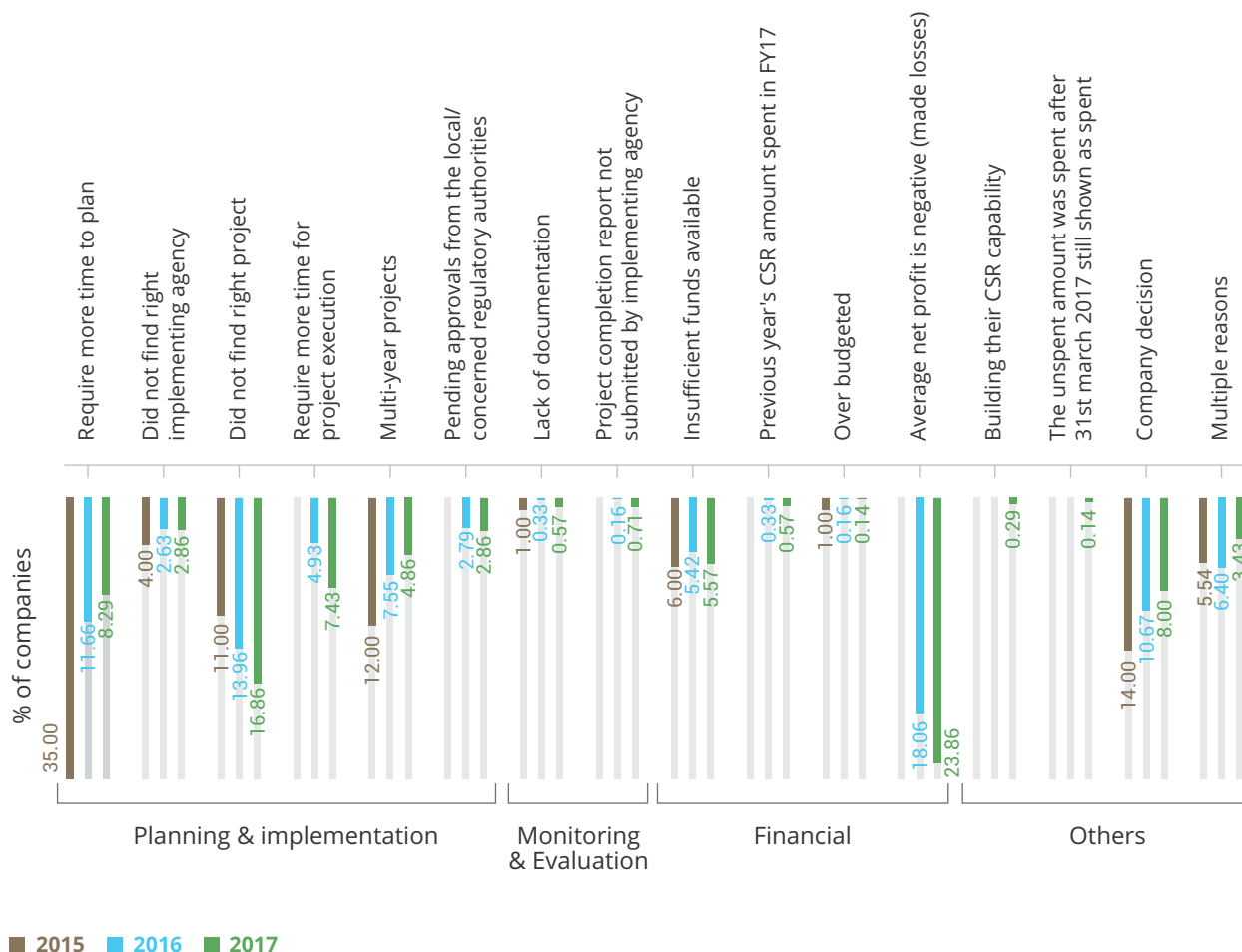
The major contributors to CSR spends in all three financial years are oil and gas, software and services, utilities and metals and mining. Traditionally, these industries were characterised by large profits, having a bearing on the absolute CSR spends. But these industries are also subject to variations in macro-economic indicators that impact profit as well as CSR spends. That is evident through their year-on-year CSR spends. FY17 was not a good year for metals and mining, and utilities, and has therefore affected CSR spends. In utilities, the CSR spends increased by 91.31% in FY16 as against FY15. The spends decreased by 24% in FY17 as against FY16. In metals and mining, although the number of companies decreased by one-sixth, the CSR spends increased by 11.46% in FY16 as against FY15. Further, in FY17 as compared to FY16, while the number of companies increased by 38%, the CSR spends decreased by 12.12%.

Similarly, auto industry is considered to be the barometer of economic health. The growth in CSR spends for automobiles and auto components, in FY17 was 19.08% with a simultaneous increase in number of companies by 10.71% as against FY16, whereas CSR spends increased by more than 90% and the number of companies increased by 13.51% in FY16 as against FY15. This reflects the comparable slowdown in the auto industry in FY17 as compared to FY16.

Disruption in the Indian telecom sector has had an impact on the CSR spends in FY17. In telecommunications equipment, CSR spends increased by 113.02% along with the increase in number of companies by 20% in FY16 as against FY15. Moreover, in FY17 as compared to FY16, the number of companies increased by 16.67% whereas the CSR spends decreased by 20%. Similarly, CSR spends in telecom services declined by slightly over 14% despite an increase in telecom services companies increasing by 22% .

Overall, the other industries where macro-economic factors, particularly demonetisation impacted the CSR spends is evident in consumer durables, diversified consumer services, food, beverages and tobacco, financial services, and realty.





Note: For data sets, please refer to Table A.11 in Annexure

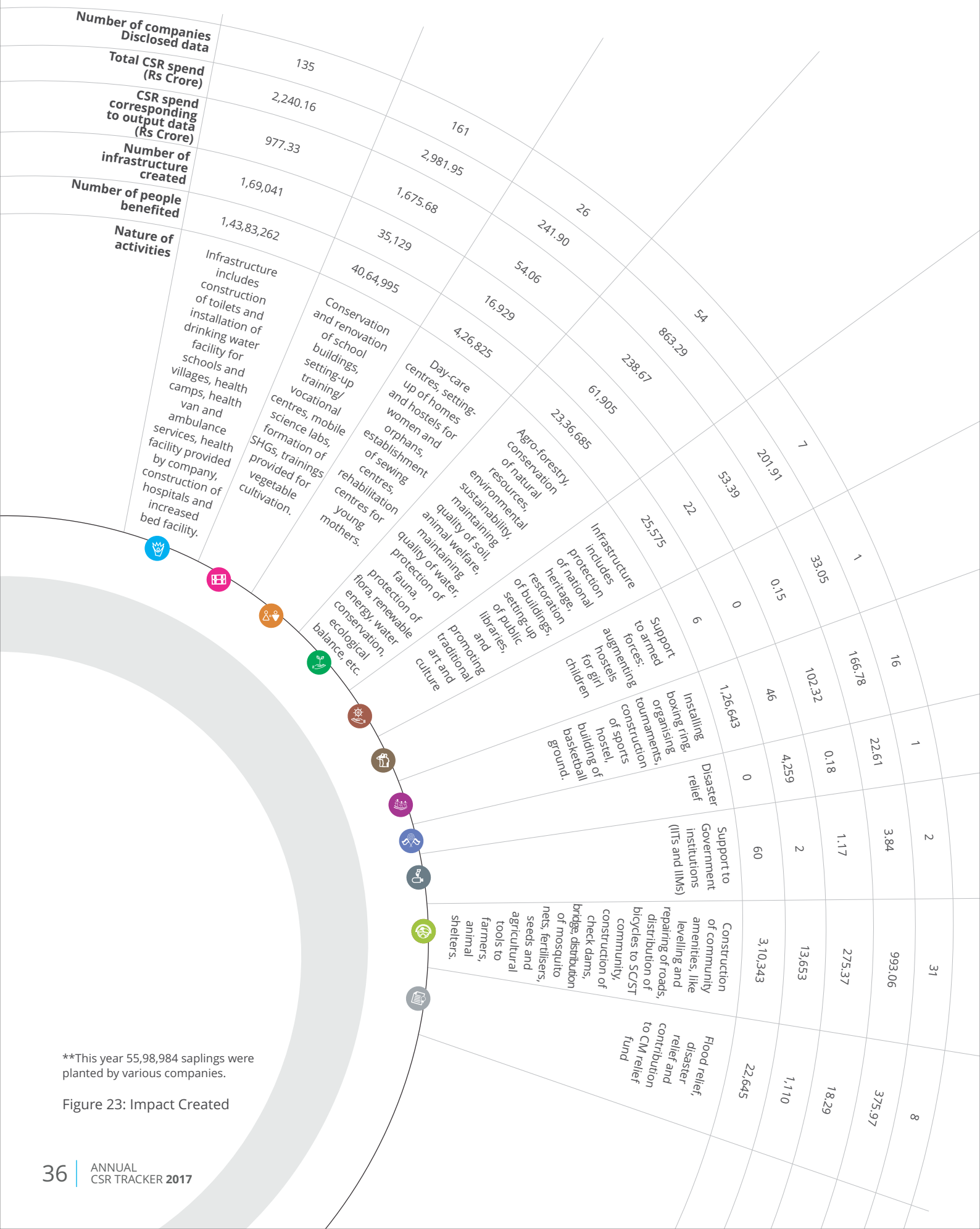
Figure 22: Reasons for underspend or no spend in CSR

According to Section 135, companies are required to disclose reasons for not spending 2% of the average net profit of past three financial years. CESD categorises the reasons into four types. These are: planning and implementation, monitoring & evaluation, financial, and others.

Most of the reasons fall within planning and implementation, with about 43% of the companies comprising that category. The proportion was similar in FY16. 'finding the right project' continued to be a challenge for about 17% of the companies. 3.43% of the companies provided more than one reasons from the list for spending less than 2% of the requirement. Moreover, about 8.29% of companies 'required more time to plan'.

13.57% (nine per cent in FY15 and 14% in FY16) of the companies did not disclose any reason for underspend, which is not in compliance to requirements of Section 135.

Output/Beneficiary Data



**This year 55,98,984 saplings were planted by various companies.

Figure 23: Impact Created

It was in FY16 that some companies began to disclose output data. 13% or 166 of 1,270 companies making such disclosures, reflected going beyond legislative requirements and improving the quality of disclosures.

This year, 189 companies out of 1,522 companies analysed, there is an increase of about 14% in companies against FY16, that have disclosed impact data in their annual reports.

2.17 crore people benefitted from Rs 3,396.61 crore spent for which output data has been reported. This averages to Rs 1,565.47 per person.

Most of these 189 companies have labelled the data as that of impact achieved because of their CSR activities. Equipped with technical capabilities on impact measurements and social value created, CESD has captured the data as output numbers and not impact created.

It is worth mentioning here that a few companies have disclosed impact in qualitative terms and not assigned any numbers to it.

In the absence of any guidance on disclosures of outputs or impacts, companies chose to express it in different ways. For analysis, output data were grouped into two categories: one in terms of people in communities, and the other in terms of infrastructure created. For instance, number of people benefited through activities such as education or health or skills training is captured as people benefited, whereas number of schools or toilets constructed, number of health camps organised, are captured as infrastructure created. The output data is then mapped with CSR spends of companies that reported the output data.

Annexure

Table A.1 CSR spends

CSR areas	Fy15 (Rs crore)	(% of total CSR spend)	Fy16 (Rs crore)	(% of total CSR spend)	Fy17 (Rs crore)	(% of total CSR spend)
Health & Sanitation	1,748.896	27.15	2,776.85	33.93	2,240.16	25.18
Education & Skill Development	1,971.67	30.61	2,453.07	29.97	2,981.95	33.51
Gender Equality	127.03	1.97	112.66	1.38	241.90	2.72
Environment & Ecology	650.82	10.10	520.20	6.36	863.29	9.70
National Heritage	67.45	1.05	79.71	0.97	201.91	2.27
Armed Forces Veterans	0.82	0.01	0.85	0.01	33.05	0.37
Sports Development	47.61	0.74	57.08	0.70	166.78	1.87
PM Relief Fund	107.43	1.67	80.55	0.98	22.61	0.25
Technology Incubation Fund	4.24	0.07	9.44	0.12	3.84	0.04
Rural Development	666.36	10.34	937.75	11.46	993.06	11.16
Slum Development	–	–	5.47	0.07	0.91	0.01
Combination of above	589.33	9.15	499.04	6.10	586.02	6.59
Administrative/ Overhead expenses	–	–	154.64	1.89	186.03	2.09
Others	460.29	7.15	497.84	6.08	375.97	4.23

Table A.2 % change in CSR spends

CSR areas	% change in CSR spends between FY15 and FY16	% change in CSR spends between FY16 and FY17
Health & Sanitation	58.78	-19.33
Education & Skill Development	24.42	21.56
Gender Equality	-11.31	114.72
Environment & Ecology	-20.07	65.95
National Heritage	18.18	153.29
Armed Forces Veterans	3.59	3791.13
Sports Development	19.90	192.16
PM Relief Fund	-25.02	-71.93
Technology Incubation Fund	122.67	-59.28
Rural Development	40.73	5.90
Slum Development	did not capture in FY15	-83.42
Combination of above	-15.32	17.43
Administrative/Overhead expenses	did not capture in FY15	20.30
Others	8.16	-24.48
Total CSR spend	27.06	8.70

Table A.3 CSR spends vis-à-vis percentage of companies

CSR areas	% change between FY15 and FY16		% change between FY16 and FY17	
	CSR spend	Companies	CSR spend	Companies
Health & Sanitation	58.78	17.74	-19.33	22.81
Education & Skill Development	24.42	17.30	21.56	20.84
Gender Equality	-11.31	43.38	114.72	25.64
Environment & Ecology	-20.07	16.03	65.95	25.00
National Heritage	18.18	32.91	153.29	23.81
Armed Forces Veterans	3.59	14.29	3791.13	68.75
Sports Development	19.90	50.63	192.16	34.45
PM Relief Fund	-25.02	-34.17	-71.93	-43.04
Technology Incubation Fund	122.67	16.67	-59.28	-7.14
Rural Development	40.73	39.41	5.90	15.19
Slum Development	Did not capture in FY15	Did not capture in FY15	-83.42	-70.00
Combination of above	-15.32	13.10	17.43	42.07
Combination of above Administrative/ Overhead expenses	Did not capture in FY15	Did not capture in FY15	20.30	29.45
Others	8.16	10.80	-24.48	-39.83

Table A.4 Number of companies in each development area

CSR areas	FY15		FY16		FY17	
	Number of companies	% of companies	Number of companies	% of companies	Number of companies	% of companies
Health & Sanitation	592	66.29	697	68.74	804	67.51
Education & Skill Development	630	70.55	739	72.88	893	74.98
Gender Equality	136	15.23	195	19.23	245	20.57
Environment & Ecology	262	29.34	304	29.98	379	31.82
National Heritage	79	8.85	105	10.36	130	10.92
Armed Forces Veterans	14	1.57	16	1.58	27	2.27
Sports Development	79	8.85	119	11.74	160	13.43
PM Relief Fund	120	13.44	79	7.79	45	3.78
Technology Incubation Fund	12	1.34	14	1.38	13	1.09
Rural Development	170	19.04	237	23.37	273	22.92
Slum Development	-	-	10	0.99	3	0.25
Combination of above	145	16.24	164	16.17	233	19.56
Administrative/ Overhead expenses	-	-	146	14.40	189	15.87
Others	213	23.85	236	23.27	142	11.92

Table A.5 Non-PSEs vs PSEs

CSR areas	FY15 (Rs crore)			FY16 (Rs crore)			FY17 (Rs crore)		
	Non-PSEs	PSEs	Total	Non-PSEs	PSEs	Total	Non-PSEs	PSEs	Total
Health & Sanitation	1,365.92	382.93	1,748.85	1,581.96	1,194.89	2,776.85	1,580.90	659.27	2,240.16
Education & Skill Development	1,562.52	409.00	1,971.52	1,925.63	527.43	2,453.07	2,268.99	712.96	2,981.95
Gender Equality	98.88	28.15	127.03	94.98	17.67	112.66	176.19	65.70	241.90
Environment & Ecology	262.24	388.58	650.81	352.29	167.91	520.20	542.87	320.42	863.29
National Heritage	60.57	6.88	67.45	67.74	11.98	79.71	57.18	144.73	201.91
Armed Forces Veterans	0.67	0.15	0.82	0.30	0.55	0.85	32.62	0.43	33.05
Sports Development	20.44	27.17	47.61	41.80	15.28	57.08	91.97	74.81	166.78
PM Relief Fund	98.38	9.05	107.43	80.55	0.00	80.55	19.01	3.59	22.61
Technology Incubation Fund	3.03	1.21	4.24	9.20	0.24	9.44	3.84	-	3.84
Rural Development	559.77	106.60	666.36	561.83	375.92	937.75	715.78	277.29	993.06
Slum Development	-	-	-	5.47	-	5.47	0.91	-	0.91
Combination of above	360.33	228.97	589.30	405.09	93.94	499.04	463.13	122.89	586.02
Administrative/Overhead expenses	-	-	-	103.45	51.19	154.64	120.77	65.26	186.03
Others	262.36	197.94	460.30	322.25	175.59	497.84	331.66	44.31	375.97

Table A.6 Geography / spend locations

All Over India/states	FY15		FY16		FY17	
	Number of companies	% of companies	Number of companies	% of companies	Number of companies	% of companies
All Over India	66	7.39	100	9.86	135	11.34
Maharashtra	298	33.37	375	36.98	452	37.95
Gujarat	190	21.28	236	23.27	278	23.34
Tamil Nadu	151	16.91	239	23.57	237	19.90
Rajasthan	135	15.12	150	14.79	201	16.88
Karnataka	129	14.45	167	16.47	231	19.40
Delhi/NCR	127	14.22	180	17.75	209	17.55
Uttar Pradesh	117	13.10	154	15.19	174	14.61
Andhra Pradesh	112	12.54	120	11.83	153	12.85
West Bengal	103	11.53	132	13.02	168	14.11
Madhya Pradesh	98	10.97	108	10.65	144	12.09
Haryana	91	10.19	112	11.05	148	12.43
Jammu & Kashmir	80	8.96	34	3.35	38	3.19
Telangana	65	7.28	103	10.16	123	10.33
Odisha	59	6.61	80	7.89	106	8.90
Uttarakhand	58	6.49	81	7.99	95	7.98
Jharkhand	45	5.04	54	5.33	72	6.05
Punjab	44	4.93	67	6.61	90	7.56
Kerala	43	4.82	63	6.21	70	5.88
Chhattisgarh	43	4.82	52	5.13	59	4.95

All Over India/states	FY15		FY16		FY17	
	Number of companies	% of companies	Number of companies	% of companies	Number of companies	% of companies
Bihar	37	4.14	54	5.33	67	5.63
Assam	34	3.81	43	4.24	61	5.12
Himachal Pradesh	25	2.80	48	4.73	54	4.53
Goa	22	2.46	26	2.56	45	3.78
Dadra and Nagar Haveli	12	1.34	16	1.58	23	1.93
Pondicherry	10	1.12	14	1.38	14	1.18
Chandigarh	7	0.78	13	1.28	16	1.34
Manipur	7	0.78	12	1.18	18	1.51
Sikkim	6	0.67	13	1.28	14	1.18
Arunachal Pradesh	6	0.67	11	1.08	14	1.18
Meghalaya	5	0.56	10	0.99	14	1.18
Nagaland	3	0.34	8	0.79	9	0.76
Tripura	3	0.34	7	0.69	11	0.92
Mizoram	3	0.34	7	0.69	6	0.50
Andaman and Nicobar Islands	1	0.11	2	0.20	3	0.25
Daman and Diu	0	0.00	1	0.10	6	0.50
Lakshadweep	0	0.00	0	0.00	0	0.00

Table A.7 Number of companies invested in northeast India

States	FY15		FY16		FY17	
	Non - PSEs	PSEs	Non - PSEs	PSEs	Non - PSEs	PSEs
Assam	24	10	28	15	48	13
Manipur	3	4	5	7	12	6
Sikkim	3	3	10	3	11	3
Arunachal Pradesh	1	5	4	7	7	7
Meghalaya	4	1	7	3	10	4
Nagaland	2	1	6	2	9	0
Tripura	0	3	3	4	9	2
Mizoram	0	3	2	5	3	3

Table A.8 Companies investing in multiple states/Union Territories

Number of States/UTs	Number of companies		
	FY15	FY16	FY17
1	344	412	486
2	172	195	221
3	82	111	127
4	41	53	66
5	36	34	41
6	18	18	21
7	20	14	27
8	9	10	14
9	6	19	14
10	8	7	7
more than 10 states	29	45	64

Table A.9 Companies investing in multiple development activities

Number of development areas	Number of companies		
	FY15	FY16	FY17
1	256	260	311
2	201	240	267
3	146	183	244
4	107	118	144
5	48	65	74
6	26	40	43
7	11	16	20
8	5	7	6
9	1	0	0

Table A.10 Industry-wise analysis

Industry	FY15		FY16		FY17	
	CSR spend	% of spend	CSR spend	% of spend	CSR spend	% of spend
Automobiles & auto components	244.97	3.80	467.06	5.71	556.18	6.25
Banks	454.24	7.05	563.64	6.89	652.57	7.33
Capital goods	329.40	5.11	400.59	4.89	388.77	4.37
Chemicals & petrochemicals	146.46	2.27	164.92	2.01	218.60	2.46
Coal	72.21	1.12	139.29	1.70	140.03	1.57
Commercial services & supplies	34.30	0.53	30.19	0.37	30.15	0.34
Construction materials	79.57	1.24	107.89	1.32	214.06	2.41
Consumer durables	35.89	0.56	64.81	0.79	92.65	1.04
Diversified	17.52	0.27	17.18	0.21	15.35	0.17
Diversified consumer services	1.10	0.02	1.74	0.02	1.18	0.01
Food, beverages & tobacco	282.28	4.38	336.72	4.11	430.07	4.83
Forest materials	12.01	0.19	11.85	0.14	22.64	0.25
General industrials	51.11	0.79	57.03	0.70	62.39	0.70
Hardware technology & equipment	0.58	0.01	0.58	0.01	1.05	0.01
Healthcare equipment & supplies	0.56	0.01	0.93	0.01	1.17	0.01
Healthcare services	13.82	0.21	14.93	0.18	16.30	0.18

Industry	FY15		FY16		FY17	
	CSR spend	% of spend	CSR spend	% of spend	CSR spend	% of spend
Hotels, restaurants & tourism	13.37	0.21	17.43	0.21	20.11	0.23
Household & personal products	152.18	2.36	166.55	2.03	203.63	2.29
Insurance	-	-	9.79	0.12	0.00	0.00
Media	45.75	0.71	59.89	0.73	78.83	0.89
Metals & mining	675.15	10.48	752.51	9.19	661.29	7.43
Oil & Gas	1,667.84	25.89	1,556.94	19.02	1,723.26	19.37
Other financial services	333.76	5.18	641.29	7.83	679.08	7.63
Pharmaceuticals & biotechnology	188.69	2.93	299.28	3.66	352.14	3.96
Realty	64.66	1.00	70.28	0.86	56.90	0.64
Retailing	8.46	0.13	11.54	0.14	15.86	0.18
Software & services	708.73	11.00	808.92	9.88	1,088.27	12.23
Telecom services	65.67	1.02	96.94	1.18	83.04	0.93
Telecommunications equipment	1.92	0.03	4.09	0.05	3.24	0.04
Textiles, apparels & accessories	86.61	1.34	117.68	1.44	141.05	1.59
Transportation	101.61	1.58	137.54	1.68	145.74	1.64
Utilities	551.51	8.56	1,055.09	12.89	801.88	9.01

Table A.11 Reasons for underspend or no spend on CSR

Justification for not spending the 2%	Number of companies	% of companies
Did not find right project	118	16.86
Not mentioned	95	13.57
Require more time for project execution	52	7.43
Previous year's CSR amount spent in FY17	4	0.57
Average net profit is negative (made losses)	167	23.86
Require more time to plan	58	8.29
Pending approvals from the local/concerned regulatory authorities	20	2.86
Insufficient funds available	39	5.57
Did not find right implementing agency	20	2.86
Company decision	56	8.00
Lack of documentation	4	0.57
Multiyear projects	34	4.86
Multiple reasons from the list	24	3.43
Project completion report not submitted by implementing agency	5	0.71
The unspent amount was spent after 31st March 2017 still shown as spent	1	0.14
Building their CSR capability	2	0.29
Over budgeted	1	0.14



Confederation of Indian Industry

The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the development of India, partnering industry, Government, and civil society, through advisory and consultative processes.

CII is a non-government, not-for-profit, industry-led and industry-managed organization, playing a proactive role in India's development process. Founded in 1895, India's premier business association has over 8,500 members, from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 200,000 enterprises from around 265 national and regional sectoral industry bodies.

CII charts change by working closely with Government on policy issues, interfacing with thought leaders, and enhancing efficiency, competitiveness and business opportunities for industry through a range of specialized services and strategic global linkages. It also provides a platform for consensus-building and networking on key issues.

Extending its agenda beyond business, CII assists industry to identify and execute corporate citizenship programmes. Partnerships with civil society organizations carry forward corporate initiatives for integrated and inclusive development across diverse domains including affirmative action, healthcare, education, livelihood, diversity management, skill development, empowerment of women, and water, to name a few.

As a developmental institution working towards India's overall growth with a special focus on India@75 in 2022, the CII theme for 2017-18, **India@75: Inclusive. Ahead. Responsible** emphasizes Industry's role in partnering Government to accelerate India's growth and development. The focus will be on key enablers such as job creation; skill development and training; affirmative action; women parity; new models of development; sustainability; corporate social responsibility, governance and transparency.

With 67 offices, including 9 Centres of Excellence, in India, and 11 overseas offices in Australia, Bahrain, China, Egypt, France, Germany, Iran, Singapore, South Africa, UK, and USA, as well as institutional partnerships with 355 counterpart organizations in 126 countries, CII serves as a reference point for Indian industry and the international business community.

www.cii.in



CII-ITC Centre of Excellence for Sustainable Development

CII-ITC Centre of Excellence for Sustainable Development is a not-for-profit, industry-led institution that helps business become sustainable organisations. It is on a mission to catalyse innovative ideas and solutions, in India, and globally, to enable business, and its stakeholders, in sustainable value creation. It's knowledge, action and recognition activities enable companies to be future ready, improve footprints profiles, and advocate policymakers and legislators to improve standards of sustainable business through domestic and global policy interventions.

CESD leverages its role of all-inclusive ecosystem player, partnering industry, government, and civil society. It has been a pioneer of environment management systems, biodiversity mapping, sustainability reporting, integrated reporting, and social & natural capital valuation in India, thus upgrading business in India to sustainable competitiveness.

With three locations in India, CESD operates across the country and has also been active in parts of South and South East Asia, Middle East, and Africa. It has held institutional partnerships and memberships of the United Nations Global Compact, Global Reporting Initiative, International Integrated Reporting Council, Carbon Disclosure Project, development agencies of Canada, the USA, the UK, and Germany.

www.sustainabledevelopment.in

CII-ITC Centre of Excellence for Sustainable Development

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