

CORPORATE SOCIAL RESPONSIBILITY (CSR)

RELATING TO THE TEXTILE SECTOR FOR ITS IMPACT AND SCOPE FOR FUTURE

February, 2017



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GLOSSARY

<i>ABNL</i>	<i>Aditya Birla Nuvo Limited</i>
<i>ALPCSR</i>	<i>Arvind Limited Policy on Corporate Social Responsibility</i>
<i>A.A.D.T.T</i>	<i>Advanced Academy for Development of Textile Technologies</i>
<i>ADI</i>	<i>Adivasi Development Initiative</i>
<i>ALIMCO</i>	<i>Artificial Limbs Manufacturing Corporation of India</i>
<i>BAIF</i>	<i>Award winning charitable organization in Uttarakhand</i>
<i>BRR</i>	<i>Business Responsibility Reporting</i>
<i>BKNS</i>	<i>Bhartiya Kushtha Niwarak Sangh</i>
<i>CSO</i>	<i>Central Statistical Office</i>
<i>COO</i>	<i>Officer Chief Operating</i>
<i>CSR</i>	<i>Corporate Social Responsibility</i>
<i>CARE</i>	<i>CARE India, national development organization in India fighting poverty and exclusion by empowering women and girls</i>
<i>CSI</i>	<i>Corporate Social Innovation</i>
<i>CTTC</i>	<i>Center for Traditional Textiles of Cusco</i>
<i>DHWS</i>	<i>Dahej Health & Welfare Society</i>
<i>EU</i>	<i>European Union</i>
<i>FY</i>	<i>Financial Year</i>
<i>GERI</i>	<i>Gujarat Engineering Research Institute</i>
<i>GRI</i>	<i>Global Reporting Initiative's</i>
<i>CII</i>	<i>Confederation of Indian Industry</i>
<i>H&M</i>	<i>Hennes & Mauritz AB is a Swedish multinational retail-clothing company</i>
<i>HIV/AIDS</i>	<i>Human Immunodeficiency Virus infection and Acquired Immune Deficiency Syndrome</i>
<i>IL&FS</i>	<i>Infrastructure Leasing & Financial Services Limited (IL&FS)</i>
<i>IGNOU</i>	<i>Indira Gandhi National Open University</i>
<i>IRDP</i>	<i>Integrated Rural Development Program</i>
<i>ISSS</i>	<i>Indian Oil Sachal Swasthya Seva</i>
<i>IRSL</i>	<i>Indo Rama Synthetics (India) Limited</i>
<i>InFLUENCE</i>	<i>Infosys Framework for Learning Using External Community Engagement</i>
<i>JKTGVY</i>	<i>J. K. Trust Gram Vikas Yojana</i>
<i>KPI</i>	<i>Key Performance Indicator</i>

<i>KGBV</i>	<i>Kasturba Gandhi Balika Vidhyalayas</i>
<i>LDBSV</i>	<i>Lalbai Dalpatbhai Bhartiya Sanskriti Vidyamandir</i>
<i>M&S</i>	<i>Marks & Spencer- A major British multinational retailer headquartered Westminster, London</i>
<i>MES</i>	<i>Modular Employable Skills</i>
<i>MMUs</i>	<i>Mobile Medicare Units</i>
<i>MREP</i>	<i>Mewat Rural Education Programme</i>
<i>NASA</i>	<i>National Aeronautics and Space Administration</i>
<i>NGO</i>	<i>Non-Government Organization</i>
<i>NPO</i>	<i>Not For Profit Organization</i>
<i>NRM</i>	<i>Natural Resource Management</i>
<i>NSDC</i>	<i>National Skill Development Corporation</i>
<i>NVG</i>	<i>National Voluntary Guidelines</i>
<i>NABARD</i>	<i>National Bank for Agriculture and Rural Development</i>
<i>NLRDF</i>	<i>Naroda Lalbhai Rural Development Fund</i>
<i>NCVT</i>	<i>National Council for Vocational Training</i>
<i>PAT</i>	<i>Profit after Tax</i>
<i>PSR</i>	<i>Personal Social Responsibility</i>
<i>RPET</i>	<i>Recycled Polyester</i>
<i>SIB</i>	<i>Social Impact Bond</i>
<i>SDIS</i>	<i>Skill Development Initiative Scheme</i>
<i>SEED</i>	<i>Society for Educational welfare and Economic Development</i>
<i>STIR</i>	<i>Skilled Tailoring Institute by Raymond</i>
<i>SHG</i>	<i>Self-Help Group</i>
<i>SWA</i>	<i>Swachh Welspun Abhiyan</i>
<i>SBTC</i>	<i>State Blood Transfusion Council</i>
<i>S MDF</i>	<i>Sumant Moolgaokar Development Foundation</i>
<i>TMC</i>	<i>Tata Medical Centre</i>
<i>VTO</i>	<i>Volunteer time off</i>
<i>VTXL</i>	<i>Vardhman Textiles Limited</i>

FOREWORD

India as a country and as an economy has achieved phenomenal distinctions since Independence. It has grown to be one of the largest economies in the world, and an increasingly important player in the emerging global order. However, still much is expected from all the stakeholders to alleviate the situation of people living in abject poverty (even though the proportion of poor people has decreased) and the largest number of undernourished children globally. What emerges is a picture of uneven distribution of the benefits of growth which, many believe, is the root cause of social unrest.

Companies too have been the target of those perturbed by this uneven development, and as a result, their contributions to society are under severe scrutiny. With increasing awareness of this gap between the haves and the have-nots, this scrutiny will only increase over time and societal expectations will be on the rise. Many companies have been quick to sense this development, and have responded proactively while others have done so only when pushed.

The Government as well as regulators have responded to this unrest and the National Voluntary Guidelines for Social, Environmental and Economic Responsibilities of Business or the NVGs (accompanied by the Business Responsibility Reports mandated by the SEBI for the top 100 companies) and the CSR clause within the Companies Act, 2013 are two such instances of the steps taken.

According to Indian Institute of Corporate Affairs (IICA), a minimum of 6,000 Indian companies will be required to undertake CSR projects in order to comply with the provisions of the Companies Act, 2013, with many companies undertaking these initiatives for the first time. Further, some estimates indicate that annual CSR commitments from companies can amount to as much as INR 20,000 crore.

This combination of regulatory as well as societal pressure has meant that companies have to pursue their CSR activities more professionally. This report attempts to take stock of the current CSR activities being undertaken by Top Indian Textile Companies, PSUs and Non-Textile Companies, while remaining aligned with the requirements of the Companies Act, 2013.



ACKNOWLEDGEMENTS

This report reflects the inputs of many experts from the Textile Industry and other corporates. Technopak wishes to acknowledge in particular, the guidance provided by Shri. S. K. Panda, Former Secretary - Ministry of Textiles, for conducting this study.

We would also like to thank the following people for their cooperation and valuable inputs:

1. Ms. Rashmi Verma, Secretary, Ministry of Textiles
2. Ms. Babni Lal, Economic Advisor, Ministry of Textiles
3. Ms. Indrani Kaushal, Additional Economic Advisor, Ministry of Textiles
4. Mr. A. K. Ganguly, Consultant, Ministry of Textiles
5. Mr. J. C. Bham, Company Secretary, Bombay Dyeing
6. Mr. Atul Kumar Kedia, Vice-President (Legal & Secretarial), Century Textiles
7. Mr. Chinmay Sengupta, Chief Operating Officer (COO), ICICI Foundation
8. Mr. R.P. Agarwal, Human Resource Manager (CSR), IOCL
9. Mr. Ashok Charovorty, Addl. General Manager, NTPC Limited
10. Mr. Navdeep Sharma, Head (Taxation), Nahar Group of Companies
11. Mr. Sachit Jain, Joint Managing Director, Vardhman Textiles Limited
12. Ms. Prachi Deshpande, Director (Secretarial & Corporate Affairs), Bombay Rayon Fashions Ltd.
13. Mr. Jayant Sood, Head-Corporate, Indo Rama Synthetics (I) Limited
14. Mr. Varkey Joseph, Head Tailoring Circle, Raymond Limited
15. Ms. Priti Alkari, DGM-Secretarial Raymond Limited
16. Mr. Vinod Kulkarni, DGM-CSR, Tata Motors Limited
17. Dr. Deepak Kumar, Head Quality, Bharti Foundation
18. Mr. Rakesh Kumar, General Manager (Business Development), India Infrastructure Finance Company Limited
19. Ms. Rashmi Wills, Head – Business Development, CAF India
20. Dr. Stuti, National Partnership Officer, Humana People to People India
21. Mr. Mukesh Jain, Joint Secretary, Department of Empowerment of Persons with Disabilities
22. Ms. Mamta Saikia, Vice President, Bharti Foundation
23. Mr. Bipul Chatterjee, Head – CSR, Hindalco
24. Mr. Ashok K. Pavadia, Adviser and Joint Secretary, Inter-State Council Secretariat
25. Ms. Nishtha Satyam, Lead – ResourcMobilisation, Partnerships and Public Relations, UN Women
26. Dr. Abhishek Lakhtakia, Reliance Foundation
27. Niraj Kumar Lal, Head – CSR, SHARDA Trust
28. Ms. Geetanjali Gaur, Programme Executive, IICA
29. Mr. H. S. Hariprasad, Additional Private Secretary to Minister of State for Heavy Industries and Public Enterprises
30. Ms. Nomenita Chetia, Senior Assistant Director, FICCI
31. Prabhjot Sodhi, Country Program Manager, CEE Delhi

EXECUTIVE SUMMARY

Despite a history of giving back to society, businesses in India have at best made only capricious and sporadic contributions to society. In the past decade or so, the inclusivity and distribution of the gains made through globalization and economic reforms have dominated the socio-political discourse in India. With the advent of liberalization, India had seen a tremendous growth in last two decades. However, unfortunately, along with the growth there has been a yawning gap between the 'Haves' and the 'Have nots' in the country.

Often, justifications for CSR are built upon the social tension that might arise from an absence thereof. It is often ignored that the monies spent on CSR activities would help alleviate poverty via the provision of education, healthcare and skill development. The beneficiaries of such programs may in turn add to the economic activities of society and raise the demand for products and services produced by the sponsor companies. Evidence suggests that there are a number of business benefits as well for organizations engaged in CSR with a long term commitment.

Companies with diverse backgrounds have been practicing Corporate Social & Environment responsibility with the transformative aspirations to bring about the well-being of communities and society per se. It has been observed that during the period 2010-2015, that there has been a considerable surge in the number of companies adopting CSR policies, with 185% more companies formulating a code to follow, to identify sectors and execute projects as per the regulations of CSR (Refer to Figure 19, Page 65). With the advent of the recent promulgation of the Companies Act, 2013, there has been an increasing focus to don up CSR as a business discipline and expect every initiative to deliver business results. As per the law, companies meeting any one or more of the following criteria are required to contribute at least 2% of their average net profits of the preceding three years towards CSR:

- i. Net worth \geq INR 500 cr.
- ii. Turnover \geq INR 1000 cr.
- iii. PAT \geq INR 5 cr.

The Act also mandates the eligible companies to constitute a CSR Committee of the Board, which should consist of three or more directors, out of which at least one director should be an independent director.

To understand how companies have devised and executed CSR over the past five years, Technopak conducted in-depth interviews with scores of managers, directors, and CEOs who are directly or indirectly responsible for their firms' CSR strategies; along with their implementation partners i.e. NGOs, and has developed more than a dozen case studies on the subject.

Technopak created a comprehensive database of 500 companies based on the ET 500 lists (lists of annual ranking of the largest companies in India based on their total income i.e. revenues and PAT) from FY'2009-10 to FY'2013-14. These companies were arranged in the descending order of their PAT and revenues for FY 2010-2014. During the analysis it was observed that, there were a considerable number of companies, which had common presence in the analysed period. Further, a list made was arranged such that only those companies were selected, which were consistently in the top 500 lists as per their revenue and PAT. These companies were then scored using an average of their ranks in PAT and revenues for the FY'2013-14. Finally, a sample of 271 companies was arrived at for the study. This sample included 220 non-textile companies and 50 textile companies. However, at the time of the analysis, annual reports of only 259 companies were available, of which 50 were textile companies and 209 non-textile companies. During the analysis, it was observed that there were certain NGOs/civil society organizations that were working with many of the top 271 companies in the analysed period. A list of 65 NGOs/civil society organizations was made such that only those NGOs were selected which were consistently in collaboration with the top companies (detailed methodology explained in main report, Chapter 2.2: Project Methodology, Page 22).

BSE and Indian Institute of Corporate Affairs, signed a Memorandum of Understanding (MoU) on September 23, 2013 to work collaboratively in the domains of business sustainability, CSR, investor education and other allied areas. BSE - IICA are going to launch a Corporate Social Responsibility Index (Refer to Annexure 2, Page 88). Inspired by this, Technopak created a **“Technopak CSR Index”**.

During the analysis of Companies Act, 2013 and annual reports of the shortlisted companies, it was observed that there were four critical steps in analysing the impact created by the legislation i) PAT % Spend on CSR ii) Existence of CSR Policy iii) Constitution of CSR Committee iv) Presence of Independent director in CSR committee. Based on this information, we endeavoured to create four sub-indices, which after giving deserving weights were cumulated to a comprehensive Technopak CSR Index. Detailed methodology and results of the CSR Index are explained in the report (Methodology of Technopak CSR Index, Page 70). It was observed that out of the four criteria, higher percentage spends on the PAT was the only key differentiator, due to which scores of many companies were having very little difference in the absolute values. After the scores were rounded off to two decimal places, it was found that many companies have scores in similar range. Therefore, it was imperative to club them into different groups, as under:

Group 1: Corresponds to the companies where the PAT spend was 3% and above, along with highest scores in all other independent indices. These companies were classified as Pro-Active companies.

Group 2: Companies having PAT spend more than 2% but less than 3% along with highest scores in all other independent indices. These companies were classified as Active companies.

Group 3: Companies having PAT spend more than 1% but less than 2% along with highest scores in some of the independent indices. These companies were classified as Passive companies.

Group 4: Companies having PAT spend less than 1% along with highest scores in some of the independent indices. These companies were classified as Passive companies.

Group 5: Despite the fact that they were required to comply with 2% spend regulation, companies were not spending at all on CSR. These companies were classified as Passive companies.

Technopak has endeavoured to crystallize the aforesaid findings from the Textile & Non-Textile Companies towards CSR by categorizing their approaches towards adopting CSR as Passive, Active and Pro-active. It was observed that Passive companies planned and executed CSR projects in close vicinity of operations and own business linked sectors, which only helped that company and not the society, leaving an impression of just having the ‘focus on letter but not on spirit’. Active companies transcended their project outreach across the geographies and sectors with equal external stakeholder engagement practices. As against this, pro-active companies used corporate social innovation for nation building. These approaches take into account the basic systems designed in executing the projects and the degree of interaction of the system with both external and internal stakeholders.

Out of the 50 companies Technopak had shortlisted to be analysed from the perspective of CSR, 45 textile companies were eligible to be assessed under the CSR Index (Figure 10: Distribution of companies in groups using CSR Index, Page 34). Due to the average PAT for last 3 years being negative, 5 companies were excluded from this analysis. It was observed that 10 the textile companies - Aditya Birla Nuvo, Donear Industries, Raymond Limited, Arvind Limited and Century Enka Limited, Trident Limited, Welspun India, Ambika Cotton Mills Ltd, Nandan Denim Limited, and Rupa and Company Limited were working pro-actively towards CSR. Companies such as Grasim Industries Ltd., Bombay Dyeing & Manufacturing Company Ltd., Indo Rama Synthetics (India) Limited, Vardhman Textiles Ltd and Nitin Spinners Ltd. were Active in their approach towards adopting CSR and 30 companies were Passive in their approach (Refer to table on List of Textile Companies, Page 33).

As per the CSR Index of 221 textile and non-textile companies, out of top 10 companies, four companies were either directly linked to Textile/Garments sector or have group companies operating in the Textile Sector. These companies are Aditya Birla Nuvo, Donear Industries, Raymond Ltd., Welspun India Limited. (Refer to Exhibit 24, CSR Index: Top Ranked Companies, Page 72)

Post Notification of the Companies Act, 2013, there has been a considerable surge in the number of companies adopting CSR policies. Out of the 50 textile companies under study, only 12 companies had a CSR policy in 2012-13 while all had a CSR policy in 2014-15 (Refer to Figure 8: Existence of CSR Policies for Textile Companies, Page 31). There also has been a drastic change in the formation of a CSR Committee for textile companies post notification of the Companies Act, 2013. Only 9 companies had a CSR committee in 2012-13 while all had a CSR Committee in 2014-15 (Refer to Figure 9: Existence of CSR Committee for Textile Companies, Page 32).

As per analysis of the location of CSR activities, it was found that 71% Textile companies were carrying out CSR activities around the plant locations only (Refer to Figure 30: Plant Location and Location of CSR activities, Page 69). It was also discerned that only 44% of the total textile companies' spend equal to or more than the prescribed CSR budget, 40% companies spent less than 2% while 6% did not spend at all despite eligibility. 10% companies were not eligible to conduct CSR activities owing to their negative PAT or PAT less than 5 crores in the last 3 years (Refer to Figure 11: CSR Spend by Textile Companies as % of PAT, Page 35).

It was observed that majority of the textile companies are operating on low margins and therefore have limited funds available for CSR activities. Our study revealed that only 6 Textile companies were carrying out CSR activities in the textile sector and contributed Rs. 69.98 lakh. These companies are Century Enka Ltd, Alok Industries Ltd, SRF Ltd, Morarjee Textiles Ltd, Lovable Lingerie and Rajapalayam Mills Ltd (Refer to Exhibit 12: Best Practices for Textile Companies in Textile Sector, Page 37). It was found that there is still a shortfall of 22.2% in the CSR spending done by the textile companies w.r.t. the required statutory spending. The required CSR spending as per statutory guidelines to meet the 2% benchmark was Rs. 88 crores while the companies spent Rs. 68.52 crores (Refer to Table on actual vs. required spending on CSR from 2012-15, Page 32).

Further, it was discerned that the maximum spend in CSR was undertaken in education sector followed by healthcare, environmental awareness and skill development. Of the Rs. 68.52 crores spend towards CSR initiatives in 2014-15, 49% contribution was made in Education and 18% in Healthcare. Only 1% contribution was made in Textile sector. (Figure 6: Areas of CSR Spend by Textile companies, Page 30). Working in these sectors would not have been possible without the help of credible civil society organizations (CSOs/NGOs) such as BAIF Foundation, Smile Train, Care International, etc. (Exhibit 13: Detailed list of NGOs/Implementation partners for Textile Cos., Page 38).

In non-textile companies, Tech Mahindra Limited, Reliance Industries Limited, UPL Limited and Jubilant Life Sciences Limited were working pro-actively towards CSR and 67 of the 177 non-textile companies shortlisted for CSR Index were Active in their approach towards adopting CSR (Refer to table on List of Non-Textile Companies, Page 47).

Our study revealed that 18 Non-textile companies contributed Rs. 8.53 crores CSR spend in textile sector, top companies being HDFC Bank, Titan Company Ltd., and Larsen & Toubro Ltd (Refer to Exhibit 16: Best Practices for Non-Textile Companies in Textile Sector, Page 48).

Initially during 2010-11, only 10 companies from a total 259 were spending INR 277 crores. But, with the gradual progression and growing awareness along with legislative push from the government, the picture of CSR spend was completely changed. This is evident with the sudden spike in CSR spend numbers in the year 2012-13 when compared to preceding year 2011-12 (Figure 25: CSR Spend Scenario, Page 67). The impact was such that, with increase in 62 companies, the CSR spend actually shot up about 4.5 times the previous year. It

was observed that in the year 2014-15, out of 259 companies, 50 companies spent more than their prescribed CSR amount i.e. average of 2% of PAT for the preceding 3 years. 49 companies spent exactly an average of 2% of PAT for three preceding years as per guidelines for CSR expenditure. However, 47% companies are yet under shortfall of spending average of 2% of PAT of last three years for CSR activities.

Further, to build a statistical relationship between profitability of companies and their CSR spend, Technopak carried out regression analysis, which revealed that with every INR 1 crore increase in average PAT of preceding three years (2011-12, 2012-13, 2013-14) the CSR spend increased by INR 2.47 lakhs.

It was observed that innovation is becoming an increasingly important driver of any company's competitiveness and value. CSR driven innovation is a process where companies use CSR as a driver for designing a profitable product or service. Keeping this in mind we have also identified some of the exemplary CSR innovation models practiced globally. (Chapter 4: Innovative Models & Best Practices in CSR, Page 76).

This report also highlights some of the best CSR initiatives taken internationally in the field of textiles (Chapter 5: International Experience in CSR activities and Way Forward, Page 88). Similarly, a snapshot of CSR activities practiced by textile and non-textile companies has also been highlighted in the report. (Exhibit 15: Snapshot of CSR activities by Textile companies, Page 43 and Exhibit 20: Snapshot of CSR activities by Non-Textile companies, Page 54).

Since last few years global economies particularly US and Europe are not doing well. Therefore, the overall consumption scenario is not stable rather has shown a downward trend. This has resulted in sluggish exports from companies in India which are predominantly in the textile sector. Apart from this there have been two important factors which have marred growth prospects of such companies. These are volatile cost of raw material and increasing cost of manufacturing. Another important factor which has escalated the overall cost of manufacturing is underutilized capacities i.e. demand-supply gap across the textile value chain. For example, spinning companies are always carrying stocks resulting in higher cost of the end product. Due to aforesaid challenges Indian Textile companies like S Kumars, JCT, and Indo Rama Synthetics (India) Limited, have been under constant pressure to come out of losses and have not been able to contribute much towards their CSR activities.

The report aims to analyze the CSR impact created through the prism of corporates both from Textile and Non-Textile background, not only in terms of the effectiveness of the implementation of the legislation, but also to create a triple-bottom-line effect.

INTRODUCTION

1.1. Overview of CSR in India

Though the CSR landscape in India is now fast evolving, till recently most Indian CSR activities have traditionally been in a voluntary form. With the advent of the new Companies Act, 2013, there has been a renewed focus on CSR and the responsibility of the corporate sector to spearhead social development. The near-mandatory aspect of this law has received a lukewarm response from a majority of corporate houses. Although presently companies have some leeway in case of non-compliance, the obligation is eventually expected to snowball into a mandatory provision.

1.2. Companies Act, 2013

The Companies Act, 2013 replaced the Companies Act, 1956, and among the many changes instituted, one of the most prominent changes in the realm of CSR was the addition of Section 135, which mandates companies to 'comply' or 'explain' their CSR efforts, as enumerated in the section below.

Applicability of the law:

Companies meeting any one or more of the following criteria are required to contribute at least 2% of their average net profits of the preceding three years towards CSR:

Exhibit 1: CSR Eligibility as per Companies Act, 2013

Net worth: >= INR 500 cr	Turnover: >=INR 1000 cr	PAT: >=INR 5 cr
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The Act also lays down a number of rules in the context of the nature of CSR activities undertaken by the companies.

Some of the activities that can be undertaken by a company to fulfill its CSR obligations include:

- Eradicating hunger, poverty and malnutrition
- Promoting preventive healthcare
- Promoting education
- Promoting gender equality
- Ensuring environmental sustainability and ecological balance

The Act further specifies that contribution to any political party will not be considered as a CSR activity and only activities in India would be covered under the ambit of CSR expenditure. A company can undertake these activities through institutions with established track records, or partnerships with organizations. The law also lays down guidelines for setting up CSR committees that shall be responsible for proper reporting and documentation of the impact and nature of CSR activities undertaken by the company.

The law is a reflection of a deep-rooted belief in India those business and society need to cohabit, and that businesses need to give back to society in order to further their own long-term interests.

Taxation: There are certain provisions in the Companies Act, 2013 which grant normal or weighted deduction for contributions made to specified institutions for specified purposes and/or expenditure incurred for specified purposes. There does not appear to be any bar on a company desirous of incurring CSR expense to associate with some other charity or association to discharge its obligation or duty cast under the Companies Act. There is uncertainty that when CSR expenditure results in creation of capital assets like a



school or a hospital building, will it be considered as a revenue or capital expense? Suitable amendments to the I-T Act may be necessary to ensure allowance for deduction of CSR expenditure to avoid needless litigation.

Penalty: Penalties can be levied under two (2) different provisions.

1. Section 134(3) (o) & Section 134(8)

- Section 134(3)(o): to disclose all the relevant information about its CSR policy and its implementation on an annual basis.
- Section 134(8): Penalties for not discharging the duty as mentioned above are:
 - I. Fine, not less than fifty thousand rupees, may extend to twenty-five lakh rupees; and
 - II. Every officer of the company in default shall be:
 - punishable with imprisonment for a term which may extend to three years; or
 - with fine which shall not be less than fifty thousand rupees but which may extend to five lakh rupees,
 - or with both.

2. Section 450 & 451

General penalties for flouting the rules and repeat offences-

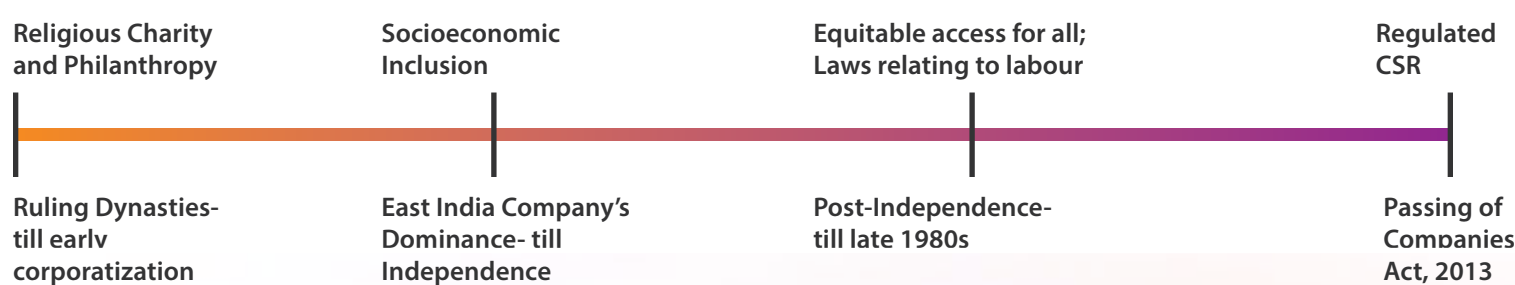
- Fine as per Section 450 may extend to ten thousand rupees (Rs. 10,000/-), and where the contravention is continuing one, a further fine to one thousand rupees (Rs. 1,000/-) for every day after the first during which contravention continues.
- As per Section 451 the defaulter is punished either with fine or with imprisonment and where the same offence is committed for the second or subsequent occasions within a period of three years, then, that company and every officer thereof who is in default shall be punishable with twice the amount of fine for such offence in addition to any imprisonment provided for that offence.

1.3. Evolution of CSR

CSR has seen an evolution from philanthropy, to community development, to strategic CSR.

In pre-colonial India, it was largely an offshoot of culture or religion that Indians performed works of charity. However, with the British Raj slowly bringing about a corporatization, the onus shifted to ensuring inclusivity in society. In tandem with Gandhian ideas about the responsibility of businesses towards society, corporate entities of the times committed themselves financially and otherwise. For instance, Jamsetji Tata, the founder of the Tata Group, became a pioneer in the field by setting up the JN Tata

Exhibit 2: CSR Evolution Continuum Technopak Analysis



Endowment Scheme, for higher education, in 1892. The scheme would later be awarded to such luminaries as former President K.R. Narayanan; one of India's pioneering women gynaecologists, Dr. Freney Cama; and scientist Raja Ramanna.

Following India's independence, over nearly three decades, the public sector enterprises gained dominance across various industries. Socialist principles were in currency, and matters like labour activism and distribution of wealth, prominent. This was also the time when, CSR was recognized, and reflected, in the backdrop of environmental degradation and sustainability.

The next paradigm shift came with the economic reforms, thanks to which liberalization, privatization, and globalization became the hallmarks of India's economy. Another consequence was the transition of CSR efforts towards the adoption of such strategies as might render business sustainable. This marked the beginning of

an intense debate on CSR, punctuated by events like the release of CII's Voluntary Code of Corporate Governance in 1998, the Satyam scandal in 2009, etc.

The Companies Act, 2013, signals the start of a new chapter in the history of CSR in India. It is hoped that effective implementation of this Act will enable a number of companies to work towards CSR, with long-term goals. Section 135 of the Companies Act, 2013, is a landmark provision in defining the sphere of activities that corporates should focus upon to identify, partner and execute CSR projects, creating a visible impact on the lives of millions of people.

1.4. Corporate Sustainability Reporting Standards

Sustainability reporting and communication has gained enormous

Section 135, Company's Act- Corporate Social Responsibility

- (1) Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.
- (2) The Board's report under sub-section (3) of section 134 shall disclose the composition of the Corporate Social Responsibility Committee.
- (3) The Corporate Social Responsibility Committee shall
 - (a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as Specified in Schedule VII;
 - (b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
 - (c) Monitor the Corporate Social Responsibility Policy of the company from time to time.
- (4) The Board of every company referred to in sub-section (1) shall,—
 - (a) After taking into account the recommendations made by the Corporate Social Responsibility Committee, approve the Corporate Social Responsibility Policy for the company and disclose contents of such Policy in its report and also place it on the company's website, if any, in such manner as may be prescribed; and
 - (b) Ensure that the activities as are included in Corporate Social Responsibility Policy of the company are undertaken by the company.
- (5) The Board of every company referred to in sub-section (1), shall ensure that the company spends, in every financial year, at least two percent. of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy:
 - Provided that the company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities:
 - Provided further that if the company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount.

Explanation— For the purpose of this section, "average net profit" shall be calculated in accordance with the provisions of section 198.

CSR Rules, 2014

Recently notified Companies (Corporate Social Responsibility Policy) Rules, 2014 has defined the term “Corporate Social Responsibility (CSR)” as “Corporate Social Responsibility (CSR)” means and includes but is not limited to:

- (i) Projects or programs relating to activities specified in revised Schedule VII to the Act; or
- (ii) Projects or programs relating to activities undertaken by the board of directors of a company (Board) in pursuance of recommendations of the CSR Committee of the Boards as per declared CSR Policy of the company subject to the condition that such policy will cover subjects enumerated in revised Schedule VII of the Act.

Meaning thereby, conducting all those activities which are either specified under revised Schedule VII to the Companies Act, 2013 or those which are recommended by the CSR Committee of the Board as per the CSR Policy and are undertaken by the Board of Directors of the Company will be covered under the scope of activities of Corporate Social Responsibility. **Hence the Board has complete liberty and flexibility to choose an appropriate CSR activity outside of revised Schedule VII.** The wording in clause 2(c) under “Definitions”, as mentioned in Corporate Social Responsibility (Policy) Rules, 2014, suggests that there may be flexibility to the Board to include activities beyond in revised Schedule VII.

Schedule VII

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, agro-forestry, 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 tradition and handicrafts;
- VI. Measures for the benefit of armed forces veterans, war widows and their dependants;
- VII. Training to promote rural sports, nationally recognized 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.”

significance in the past few years, with organizations across the world establishing diverse social, economic, and sustainability footprints. For organizations to be accountable for their CSR performance and benchmark against the best practices in order to identify new avenues for intervention and improvement, it becomes critical to have auditable reports in place. Thus, a number of corporate sustainability reporting standards have been developed and accepted globally. Some of these are discussed in the following exhibit.

Exhibit 3: Corporate Sustainability Reporting Standards

Reporting Standard	Particulars	Elements to be included in Report
Global Reporting Initiative	Founded in 1997, it provides a sustainability framework or a reporting system with measurable metrics	Economic, Environmental, and Social including labour practices, recent work, human rights, society, and product responsibility
Accountability's AA1000	Founded in 1995, Accountability provides principles-based standards for organizations to be more accountable, responsible, and sustainable	Governance, Business Model, Organizational Strategy, Sustainability Assurance, and Stakeholder Management
ISO 26000	It provides guidance for organizations to act in a socially responsible manner. However it cannot be certified, unlike other ISO standards	Organisational Governance, Human Rights, Labour Practices, Environment, Fair Operating practices, Consumer issues, Community involvement, and Development

1.5. Opportunities

The CSR norms and requirements have brought a whole range of new economic opportunities. CSR consultancies are mushrooming in all parts of India, as there is a large amount of capital, which need guidance and support.

Additional human resources are being hired and delegated to work on a company's CSR profile. NGOs (non-governmental organizations) have been fast to take advantage of this growing interest in philanthropic activities by companies. CSR activities have also improved retention rates for employees in various companies. Interventions that encourage and enable employees have significantly boosted employee morale and provided a sense of belonging in the company. For example, Dell's employees in India are engaged in volunteering activities. Some programs also involve 'Gift a holiday' where employees pledge to give a day's salary to a social cause. The desire of companies to project themselves as socially responsible has helped them improve their brand image and profits.



1.6. Challenges

Some safeguards should be put into place to ensure that there is no misuse of the law. A number of people have expressed concerns over the declining level of innovation that new CSR policies will bring in. They believe that when companies had the choice to allocate their own funds, there was a greater impetus to create new ideas and products. The changing landscape will mean that the companies are likely to follow the law in letter and spirit. Some legitimate concerns also involve the fear for this money to be siphoned off for political purposes and red tapism amongst others. It is felt that the new law that mandates Corporate Social Responsibility (CSR) by large corporations is vulnerable to fraud and exploitation.

In a recent episode, one of the biggest global automobile manufacturers programmed its diesel cars so that emission standards were met when the car was undergoing emissions testing. However, on-road emissions rates were up to 40 times higher than test conditions. This was the same company which

portrayed itself as an organization deeply ingrained in CSR and has been leading the Dow Jones Sustainability Index in the automotive sector. The company admitted to misrepresentation of facts by deceiving millions of customers and regulatory authorities to quench the insatiable desire of earning profits. Therefore, it is high time all stakeholders introspect on the dimensions of impact we want to have on our society.

As per a recent research on "Evaluation of Barriers of CSR", following are some of the common barriers which hinder the faster implementation of Corporate Social Responsibility;

Dell's employees in India are engaged in volunteering activities. Some programs also involve 'Gift a holiday' where employees pledge to give a day's salary to social cause.

Exhibit 4: Common Barriers to Corporate Social Responsibility (CSR) implementation

The following table provides a glimpse of some the common barriers to CSR Implementation, which have been observed globally:

S.No.	Barriers of CSR in Textile Industry	Explanation	Ref.*
1	Lack of stakeholder awareness	In developing nations, the unhealthy establishment of CSR and lack of ethical awareness keeps the stakeholders uninformed as to CSR implementation.	[I, II]
2	Lack of training	In order to practice CSR, managers, employees and all other individuals in the organization should have relevant training to foster a strategic implementation of CSR.	[II, III]
3	Lack of information	Because CSR is potentially difficult to define, acquiring relevant information regarding CSR presents challenges and slows down effective implementation.	[I, II]
4	Financial constraints	Due to the lack of financial support, organizational managers find that implementing CSR cannot fit their budgets; the initial investment cost is too high.	[II, III]
5	Lack of customer awareness	Indian customers are more likely to go for products that are cheaper rather than focusing on quality and other societal parameters. This motivates the manufacturers to focus on profits only.	[I, II]
6	Lack for concern for reputation	While some well-equipped organizations are aware of the importance of their industry's reputation and its impact on competitive advantage, some mid scale and developing organizations do not realize the value of their reputation. As a result, they are not motivated to implement CSR.	[II]
7	Lack of knowledge	Due to the lack of training and information, the CSR practices are poorly understood in many organizations, and this lack of knowledge on CSR among practitioners creates challenges.	[I,II,III]

S.No.	Barriers of CSR in Textile Industry	Explanation	Ref.*
8	Lack of regulations and standards	Unlike EU and US, the rules and laws are not very clearly established in the developing countries, which freely allow the stakeholders to avoid the CSR.	[II]
9	Diversity	CSR has multiple dimensions, which change from origin to origin, nation to nation and so on. This diversity restricts the practitioners from understanding how to implement the CSR based on their origin.	[III]
10	Company culture	Some organizations, relying on old company culture, are resistant to changing to new strategies like CSR.	[II]
11	Lack of social audit	Lack of social audit is one of the barriers for CSR which allows the stakeholders to be exempt from CSR reporting.	[II]
12	Lack of top management commitment	Some of the top level managers only focus on financial profit rather than societal benefits.	[II]

Source: Evaluation of Barriers of CSR using an Analytical Hierarchy Process – A Textile core by Kannan Govindan et al.

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I	Valmohammadi, C. Investigating corporate social responsibility practices in Iranian organizations: An ISO 26000 perspective. <i>Bus. Strategy Ser.</i> 2011, 12, 257–263.
II	Duarte, F.P.; Rahman, S. Perceptions of corporate social responsibility by Bangladeshi managers: An exploratory study. <i>Int. Rev. Bus. Res. Pap.</i> 2010, 6, 119–136
III	Baskaran, V.; Nachiappan, S.; Rahman, S. Supplier assessment based on corporate social responsibility criteria in Indian automotive and textile industry sectors. <i>Int. J. Sustain. Eng.</i> 2011, 4, 359–369
IV	Battaglia, M.; Bianchi, L.; Frey, M.; Iraldo, F. An innovative model to promote CSR among SMEs operating in industrial clusters: Evidence from an EU project. <i>Corp. Soc. Responsib. Environ. Manag.</i> 2010, 17, 133–141

1.7. Road Ahead

The compounding power of the individual effort is very powerful, and therefore social development will accelerate when we have a far greater number of people involved in these activities. This involvement can take numerous forms - building institutions or by strengthening existing solutions through their investing, philanthropy, managing, advocacy, research, teaching, policy making, purchasing, writing and so forth. The future may hold what can be called 'PSR': Personal Social Responsibility, where there is individual effort coupled with existing CSR.

It is high time all stakeholders introspect on the dimensions of impact we want to have on our society.

PROJECT BACKGROUND AND METHODOLOGY

2.1 Project Background

Ministry of Textiles, Government of India awarded the Study on “Corporate Social Responsibility (CSR) relating to the Textiles Sector for its impact and scope for future” vide letter no. 4/8/2014-ED Dated 4th June, 2015, to Technopak Advisors.

Terms of Reference (ToR)

The ToR of the study was:

- i. To detail (list turnover, profit and exports) the various Textile related Companies in spinning, weaving, processing, apparel and garmenting, and study the form in which CSR has been taken up by these Companies.
- ii. To also study the various Non-Textile Companies and study the form in which CSR has been initiated by them including skilling for textiles/garmenting, Swachh Bharat, Adarsh Gram, Promotion of the Girl Child or any other theme
- iii. To list out both Textile and Non-Textile Companies which by the way of CSR have taken up CSR activities relating to Textiles including skilling for the garmenting sector in textiles

SCOPE OF THE STUDY

The scope of the study covered the followings:

- Analysis of type of CSR activities done in spinning, weaving, processing, apparel and garmenting
- Details of CSR activities done by selected companies
- Work done on CSR in last few years since 2010-11
- Amount spent on CSR activity as a percentage of turnover as stipulated by the new Companies Act

- Target number of people
- Demographics of location of target people
- Impact on livelihoods especially women under sustainability initiatives of corporates
- Feedback of beneficiaries
- Any other relevant information

Timelines

The project duration was initially 4 months from the date of placement of the work-order. However, due to unavailability of Annual Reports for various companies by the end of September, 2015, the draft report submission deadline was rescheduled to 15th October, 2015 with due permission from Ministry of Textiles.

However, in due course of discussion with MoT, several points were added to the scope. Four MNC's and two textile PSUs were added in addition to 209 Non-Textile Companies and 50 Textile Companies.

50 textile companies were shortlisted to be analysed from CSR perspective. Out of these 50 companies, 45 textile companies were eligible to be assessed under the CSR Index. 5 companies were excluded for this analysis as their average PAT for last 3 years was either negative or less than the criteria.

2.2 Project Methodology

2.2.1 Rationale for Short-listing Top 209 Companies

CSR demands a long-term commitment from organizations and therefore, has to be guided by industry leaders and top companies. It becomes an annual exercise in order to plan and strategize for not just the coming year, but the following five years.



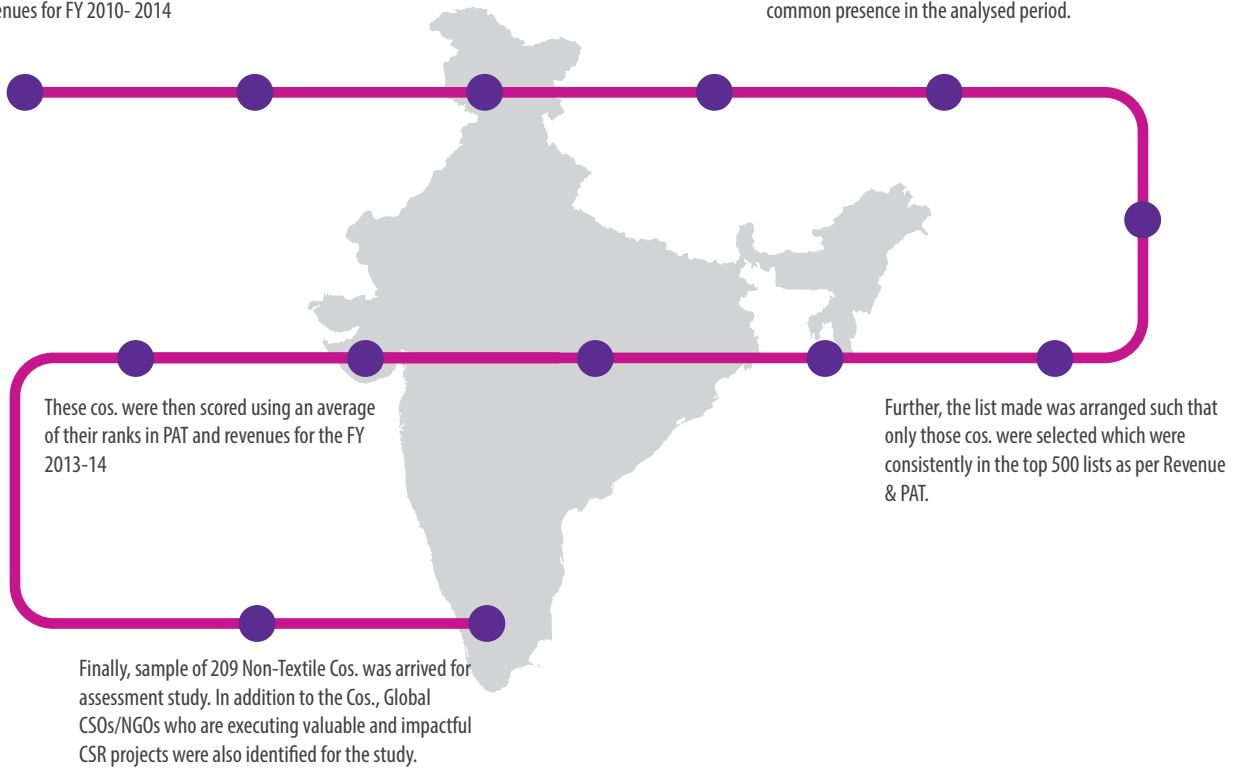
In cognizance of this fact, Technopak devised a ranking system to arrive at a final sample size of the top 209 Non-Textile companies.

The following exhibit depicts the rationale used by Technopak to arrive at the sample size for research

Exhibit 5: Rationale for Short-listing Top 209 Non-Textile Companies

A comprehensive Database of Top 500 Cos. was arranged in the descending order of their PAT and Revenues for FY 2010- 2014

During the analysis it was observed that, there were a considerable number of cos. which had common presence in the analysed period.



CSR demands a long-term commitment from organizations and therefore, has to be guided by the industry leaders and top companies.



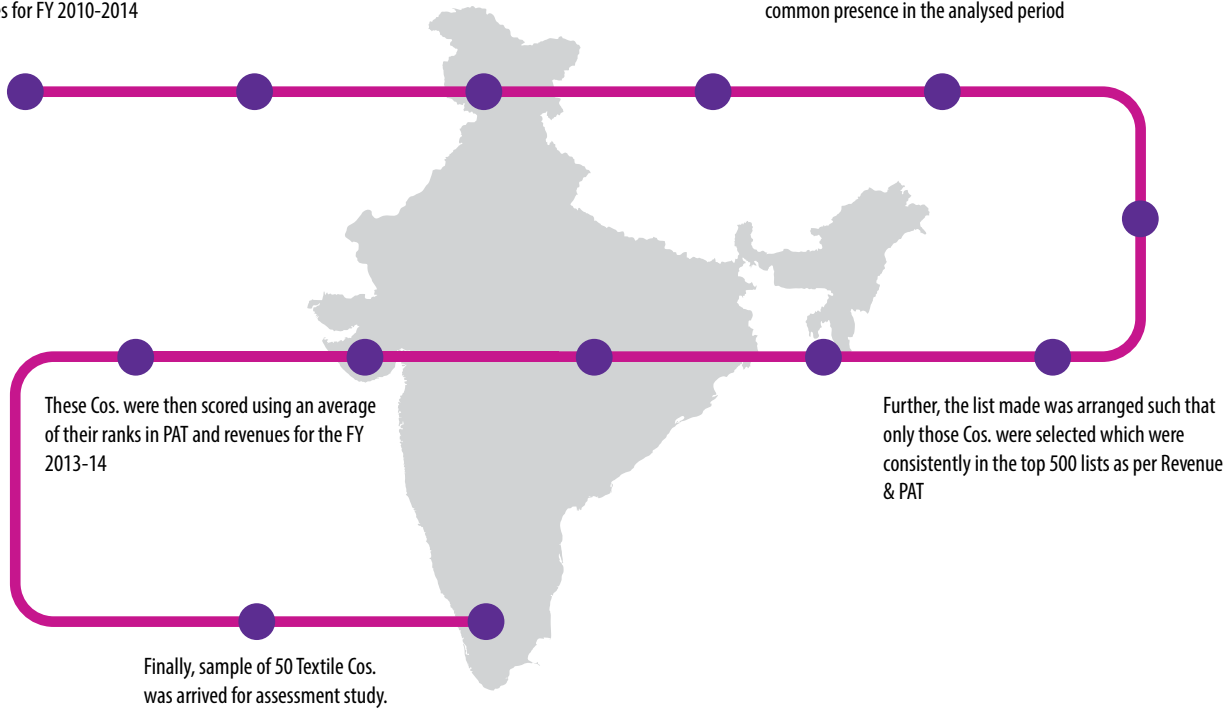
2.2.2. Rationale for Short-listing Top 50 Textile Companies

For the purpose of this study, Technopak has shortlisted the Top 50 Textile companies by using a comprehensive ranking system with respect to the PAT and Revenue of the Top 500 companies, for the period 2010-14.

Exhibit 6: Rationale for Short-Listing Top 50 Textile Cos.

A comprehensive Database of Top 500 Cos. was arranged in the decreasing order of their PAT and Revenues for FY 2010-2014

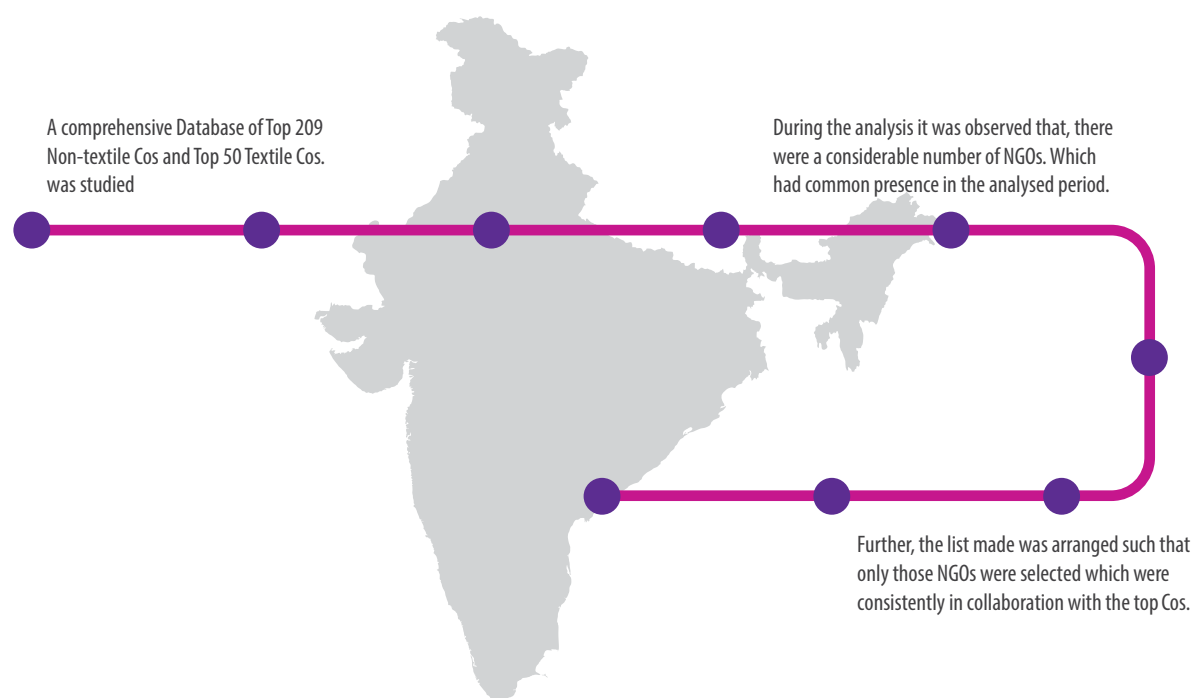
During the analysis it was observed, that there were a considerable number of Cos. which had common presence in the analysed period



2.2.3. Rationale for Short-Listing Top 65 NGOs

During the course of extensive secondary research, a variety of NGOs and SHGs were found, which have had a significant role in the implementation of the CSR activities of the shortlisted companies. However, taking into account several factors from secondary research, including a consistent and long term strategic partnership between the Company and the NGO, the Top 65 NGOs were selected, which would be in a position to offer insightful feedback with reference to the study.

Exhibit 7: Rationale for Short-Listing Top 65 NGOs



2.2.4. Data Entry Template

The data for the study has been collected from analyzing Annual Reports of 259 companies under following heads.

Company Profile

Company Name	CIN	Year	Textiles(Y/N)	Area of Work if Textile
Year of Incorporation	Corporate Office Address	City	PIN Code	State
Contact details	Registered Address	Industry group	Main product/service group	Intl. presence
No. of employees	Paid-Up Capital (INR crores)	Turnover (INR crores)	PAT (in crores)	Exports(Y/N)
PAT% Spent on CSR	Name of Company Secretary			

CSR Profile

CSR Reporting Standard	CSR Policy (Y/N)	CSR Committee (Y/N)	Business Responsible Report (BRR) (Y/N)	No. of Members (CSR Committee)
No. of Independent Director (CSR Committee)	CSR Dept. (Y/N)	CSR Manager Name	Contact Details	Implementation Model

CSR Projects

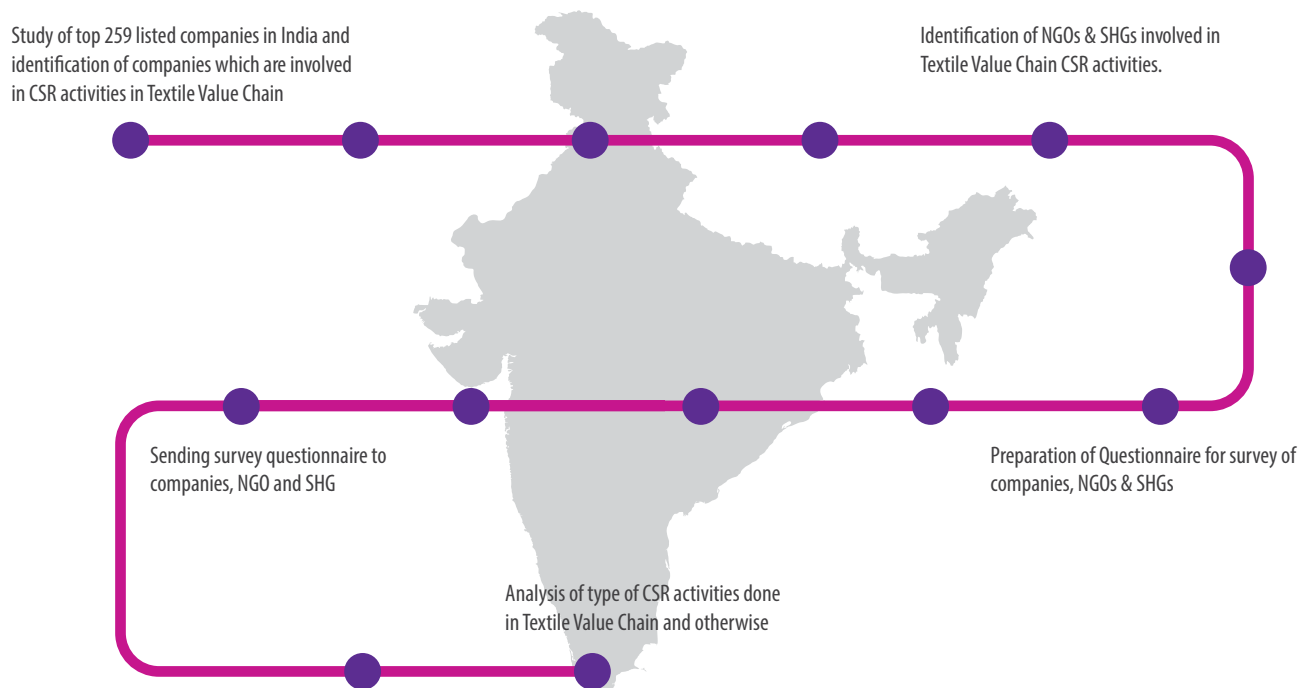
Healthcare	Education	Skill Development	Textile	Apparel and Garmenting
Women	Environment	Other CSR Activities	Swachh Bharat	Adarsh Gram
Promotion of Girl Child	Other Government Schemes	Foundation	NGOs	Other Collaborations
Number of people impacted by CSR activities done in all above listed areas			Location of those impacted by CSR	

2.2.5. Research Methodology

Developing a CSR Strategy is an iterative process which requires a collaborative effort from various stakeholders within the organization with a focused approach from the top. In this study, a top-down approach, with a defined sustainability framework, is in place to map organizations' move towards a sustainable CSR strategy.

- Sample Selection
- Secondary Data Collection (Please refer to the section on Data Entry Template)
- Questionnaire preparation for primary data collection
- Corporates to be approached for authenticating the compliance of CSR guidelines implemented.

Exhibit 8: Research Methodology



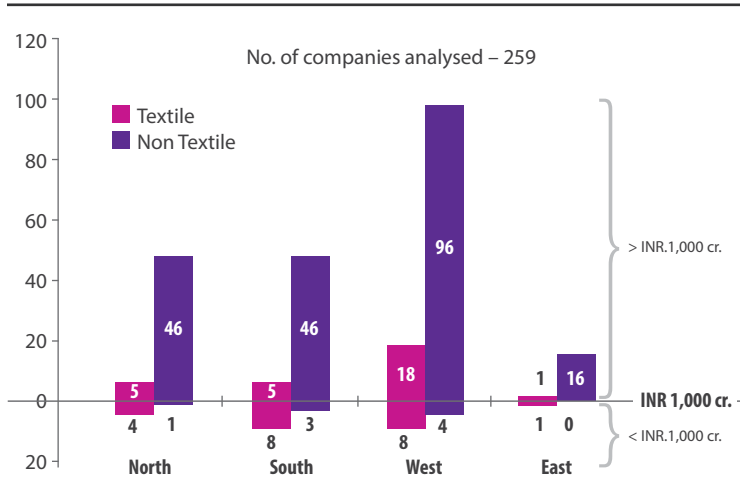
As per Indian Institute of Corporate Affairs, an autonomous institution acting as a think tank under Ministry of Corporate Affairs, Government of India, it is estimated that 6,000 Indian companies will be required to undertake CSR projects in order to comply with the provisions of the Companies Act 2013. Due to paucity of time and limited resources at disposal, Technopak shortlisted 259 companies including both Textile and Non-Textile companies for the study. Detailed profiling of those companies is portrayed in the following figures.

2.2.6. Research Universe

Technopak has analyzed the turnover of top 259 companies and the analysis is presented hereunder

Secondary Research

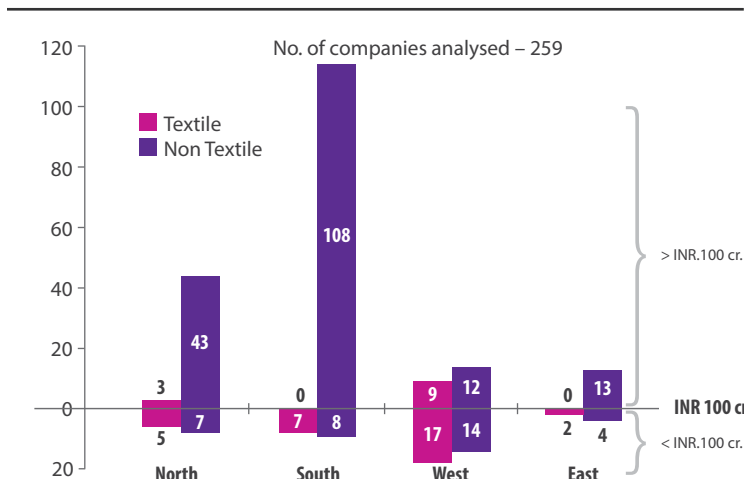
Figure 1: Distribution of companies as per turnover (above and below INR. 1000 cr.)



Five companies (4-textile and 1-non textile) with turnover below INR 1,000 crore have their corporate or registered offices located in the northern region whereas, the southern region has 11 such companies (8-textile and 3-non textile), the western region has 12 such companies (8-textile and 4-non textile) and the eastern region has one textile company with turnover below 1,000 crore.

From the figure 1, we can see that the western region has maximum number of textile companies with turnover above INR 1,000 crore whereas the north and south regions have a moderate number of textile companies, while the eastern region has only one such company,

Figure 2: Distribution of companies with PAT (above and below INR. 100 cr.)



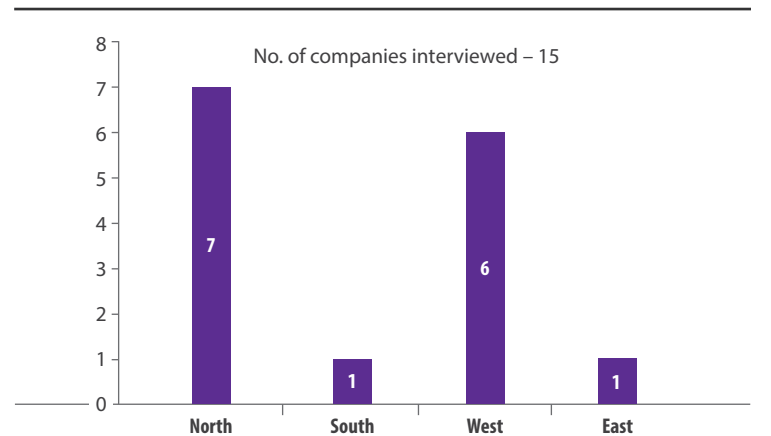
Analyzing the above graphs, it can be deduced that all the textile companies in eastern region have a PAT below INR 100 crore whereas in the western region only 35% of the textile companies have PAT above INR 100 crore. Hence, it may be inferred that most profitable textile companies are located in the western region of the country. The percentage of non-textile companies with PAT below INR 100 crore is very small as compared to textile companies with PAT below INR 100 crore.

The Southern region has a maximum number of companies with PAT above INR 100 crore followed by the northern region. Textile companies in the western region are performing well compared to textile companies in any other region. There are only 3 textile companies in the northern and 9 textile companies in the western region with a PAT above INR 100 crore.

Technopak’s Research Plan followed a structured approach to map the top 25 companies, by conducting one-to-one meetings with 25 companies involved in CSR in the textile & non-textile domain.

Amongst the 25 companies interviewed, 15 companies had turnover above 1,000 cr.

Figure 3: Distribution of companies interviewed with turnover above INR 1000 cr.

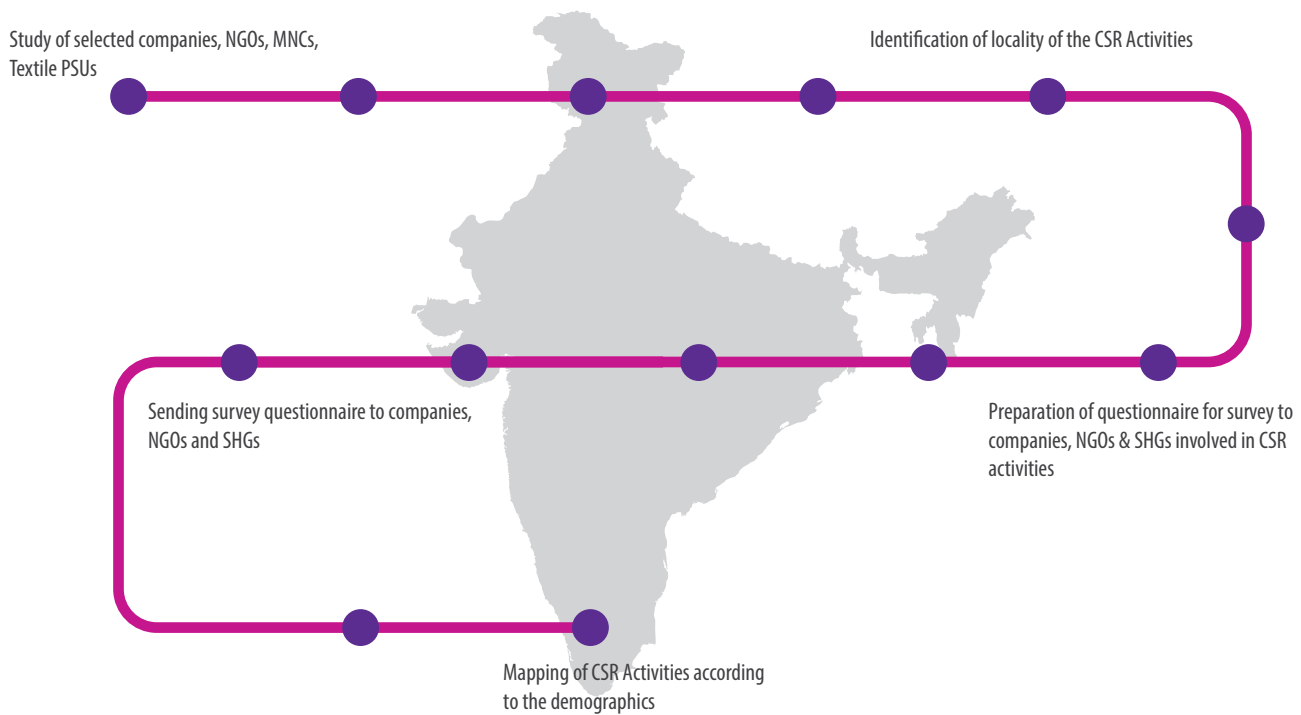


Majority of the companies interviewed with turnover above INR 1,000 crore belonged to the northern and western region with one company each from the southern and eastern region.

2.2.7. Implementation Partner Feedback-Methodology

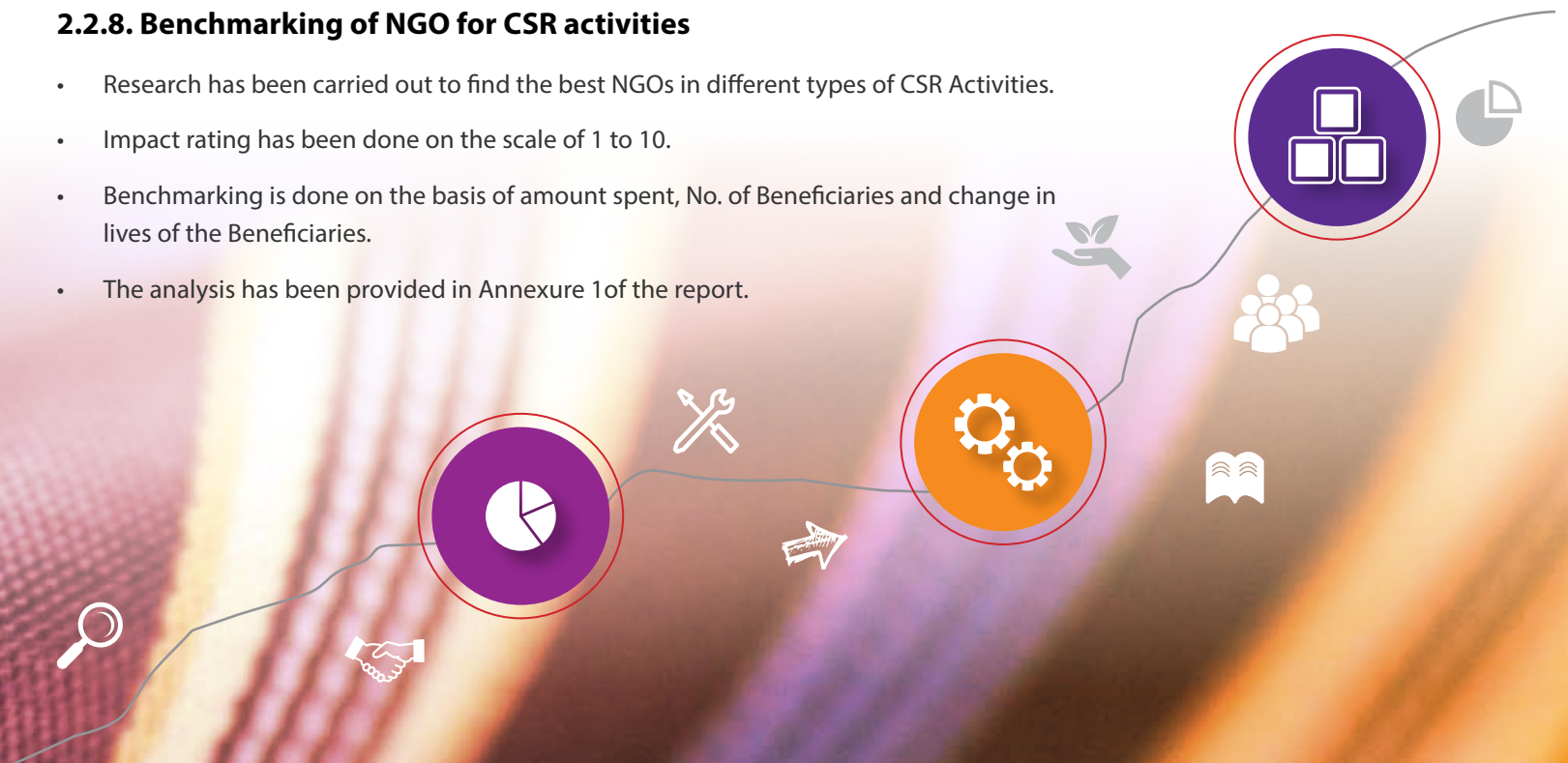
Given today's cutthroat competition, it becomes imperative for organizations to pursue sustainability or CSR with a long-term commitment. Forward-thinking organizations are finding ways to instill sustainability into their DNA, in order to realize their full potential, usually by having their own 'Foundations'. In addition, these organisations partner with certain NGOs, SHGs and so on, for proper implementation of their CSR activities. In this study, Technopak's methodology incorporates the valuable and on-ground feedback of these partners.

Exhibit 10: Implementation Partner Feedback-Methodology



2.2.8. Benchmarking of NGO for CSR activities

- Research has been carried out to find the best NGOs in different types of CSR Activities.
- Impact rating has been done on the scale of 1 to 10.
- Benchmarking is done on the basis of amount spent, No. of Beneficiaries and change in lives of the Beneficiaries.
- The analysis has been provided in Annexure 1 of the report.



ANALYSIS

As a part of this report, we have undertaken the task of analyzing the data covered under secondary research conducted for the Ministry of Textiles.

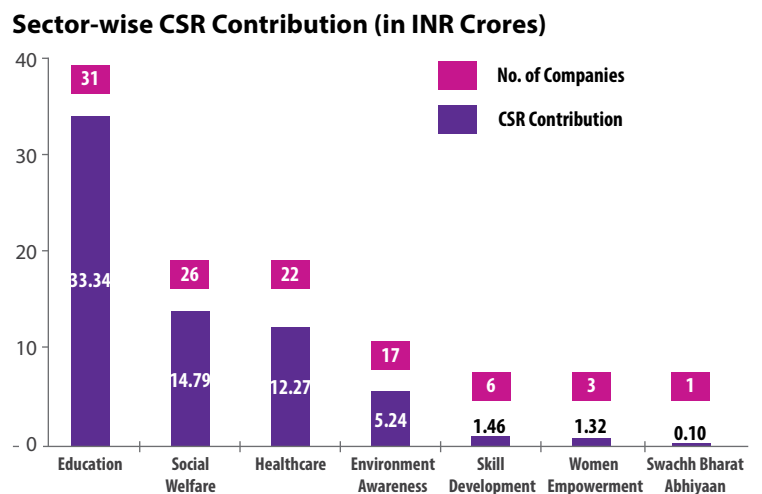
The following points are covered under the scope of the research study;

- Prevalence of CSR Committee, Policy & Business Responsibility Report
- Analysis of the type of CSR activities done in Textiles & Garmenting sector
- Details of CSR activities done by selected companies
- Work done on CSR in last few years since 2010-11
- Amount spent on CSR activity as stipulated by the New Companies Act
- Target number of beneficiaries
- Demographics pertaining to location of beneficiaries
- Impact on livelihoods, especially women, under the sustainability initiatives of corporates
- Feedback of beneficiaries
- Any other relevant information

3.1 Analysis of Textile Companies

45 Textile companies contributed Rs. 68.52 crores towards CSR initiatives in 2014-15 out of which 49% contribution was made in Education and 18% supported Healthcare. Only 2% contribution was made in Skill Development.

Figure 6: Areas of CSR Spend by Textile Companies (N=45)



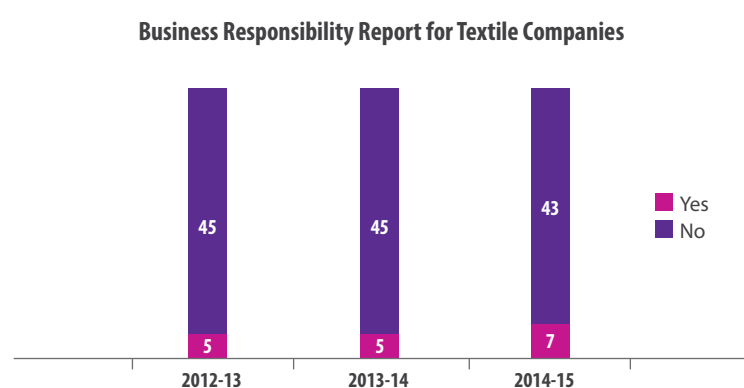
(The sum will not be 45 as some companies support more than one cause.)

KEYTAKEAWAY: As per the above analysis, Education sector has been the most popular choice for support towards the causes followed



by healthcare and environment awareness. Ministry of Corporate Affairs, Government of India, in July 2011, came out with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business'. These guidelines contain comprehensive principles to be adopted by companies as part of their business practices and a structured Business Responsibility Reporting format requiring certain specified disclosures, demonstrating the steps taken by companies to implement the said principles. It is mandatory to include Business Responsibility Reports ("BR Reports") as part of the Annual Reports for the top 100 listed entities.

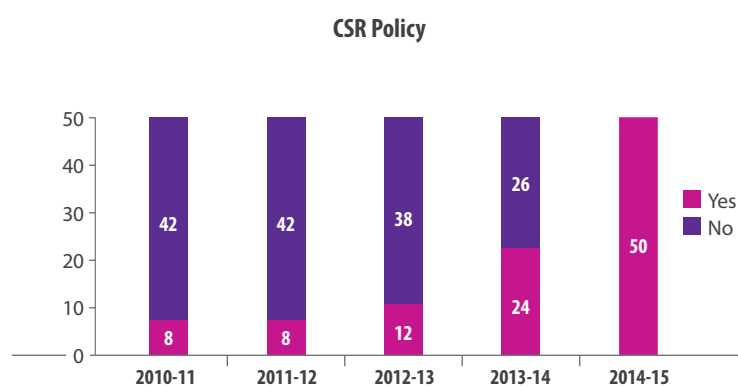
Figure 7: Publishing of Business Responsibility Report by Textile Companies – Trend Analysis (N=50)



KEY TAKEAWAY: As per the above figure, the number of textile companies preparing Business Responsibility Report has gradually risen from 5 to 7 in the last three years.

Existence of CSR Policy for Textile Companies – Trend Analysis

Figure 8 Existence of CSR Policies for Textile Companies (N=50)



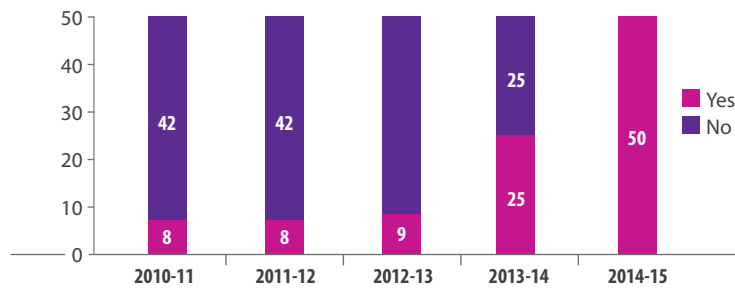
KEY TAKEAWAY: As per the above figure, all the companies had a CSR policy in 2014-15 whereas only 16% had a CSR policy in 2010-2011.

CSR policy is the core of a company's daily operations and a guide to future progress



Existence of CSR Committee for Textile Companies – Trend Analysis

Figure 9: Existence of CSR Committee for Textile Companies (N=50)



KEY TAKEAWAY: As per the above figure, there has been a drastic change in the formation of a CSR Committee within an organization when it comes to textile companies. Only 8 companies had a CSR Committee five years ago whereas all the companies have a CSR Committee at present.

An analysis of the actual spending versus the required CSR spending was done for the textile companies. It was observed that a shortfall of about 22% exists in the CSR spend.

5 out of 50 textile companies have been excluded from the analysis as they are not applicable to conduct CSR activities owing to their negative PAT or PAT less than 5 crore in the last 3 years. These companies include:

1. Century Textiles & Industries Limited
2. JCT Limited
3. Gokaldas Exports Limited
4. Spentex Industries Limited
5. The Lakshmi Mills Company Limited

Actual spending vs. Required CSR Spending on CSR from 2010-15 (Textile Cos.)

Column Name	Particulars	2012-13	2013-14	2014-15
A	Number of companies who contributed	6	7	45
B	Combined PAT (companies with PAT > INR 5 crores p.a.)	2310	2087	5,030
C	Actual total spending on CSR (INR Cr.)	39	22	68.2
D	Percentage spending on CSR	1.72%	1.07%	1.36%
E	Required CSR spending as per Statutory Guidelines to meet the 2% benchmark (INR Cr.)	46	42	88
F	Shortfall in CSR spending {F=(E-C/E) x 100}	13.9%	46.5%	22.2%

Index for Textile Companies

During the analysis of Companies Act, 2013 and annual reports of the shortlisted companies, it was observed that there were four critical steps in analyzing the impact created by the legislation i) PAT % Spend on CSR ii) Existence of CSR Policy iii) Constitution of CSR Committee iv) Presence of Independent director in CSR committee. Based on this information, we endeavored to create four sub-indices, which after giving deserving weights were cumulated to a comprehensive CSR Index.

Particulars	N	Max	Min	Range	Mean	Median	Standard Deviation
CSR PAT% Spend Index	45	1.00	0	1.00	0.44	0.4	0.24
CSR Policy Index	45	1	1	0	1	1	0
CSR Committee Index	45	1	0	0	1	1	0
CSR Leadership Index	45	1	0	1	0.58	1	0.50
CSR Weights Index	45	0.88	0.31	0.57	0.72	0.76	0.13

Group with weights – Textile Companies

Mean value of CG Index	0.72	
Standard Deviation of CG Index	0.13	
Groups: Classification Value of CSR Index	Range	No. of Companies
Group 1: > Mean + 1.0*SD	>= 0.855	10
Group 2: Mean + 0.5*SD to Mean + 1.0*SD	0.788 - 0.855	5
Group 3: Mean - 0.5*SD to Mean + 0.5*SD	0.654 - 0.788	16
Group 4: Mean - 1.5*SD to Mean - 0.5*SD	0.519 - 0.654	10
Group 5: <= Mean - 1.5*SD	<= 0.519	4

List of Textile Companies

S. No.	Name of the Company	Group	Classification
1	Aditya Birla Nuvo	1	Pro-Active
2	Donear Industries	1	
3	Raymond Ltd.	1	
4	Arvind Ltd.	1	
5	Century Enka Ltd	1	
6	Trident Limited	1	
7	Welspun India	1	
8	Ambika Cotton Mills Ltd	1	
9	Nandan Denim Ltd.	1	
10	Rupa and Company Ltd.	1	
11	Grasim Industries Ltd.	2	Active
12	Bombay Dyeing & Manufacturing Company Ltd.	2	
13	Indo Rama Synthetics (India) Limited	2	
14	Vardhman Textiles Ltd	2	
15	Nitin Spinners Ltd.	2	

S. No.	Name of the Company	Group	Classification
16	SRF Ltd	3	Passive
17	JBF Industries Ltd.	3	
18	Sangam (India) Ltd.	3	
19	Alok Industries Ltd	3	
20	Himatsingka Seide Limited	3	
21	Sutlej Textiles and Industries Limited	3	
22	Sintex Industries Ltd.	3	
23	Lovable Lingerie	3	
24	Rajapalayam Mills Ltd.	3	
25	BSL Limited	3	
26	Nahar Spinning Mills Limited	3	
27	Loyal Textile Mills Limited	3	
28	APM Industries Ltd	3	
29	Kallam Spinning Mills Ltd	3	
30	Kitex Garments Ltd	3	
31	Suryalata Spinning Mills Ltd	3	
32	Pearl Global Industries Ltd.	4	
33	KPR Mill Ltd	4	
34	Lakshmi Machine Works Ltd	4	
35	Lux Industries Ltd	4	
36	Morarjee Textiles Ltd	4	
37	Stovec Industries Ltd.	4	
38	Zodiac Clothing Co. Ltd.	4	
39	RSWM Ltd.	4	
40	AYM Syntex Ltd	4	
41	Garware-Wall Ropes Ltd	4	
42	Damodar Industries Ltd	5	
43	Page Industries Ltd	5	
44	Suryalakshmi cotton Mills Ltd	5	
45	Siyaram Silk Mills Limited	5	

Textile Companies in CSR Index

Figure 10: Distribution of companies in groups using CSR Index

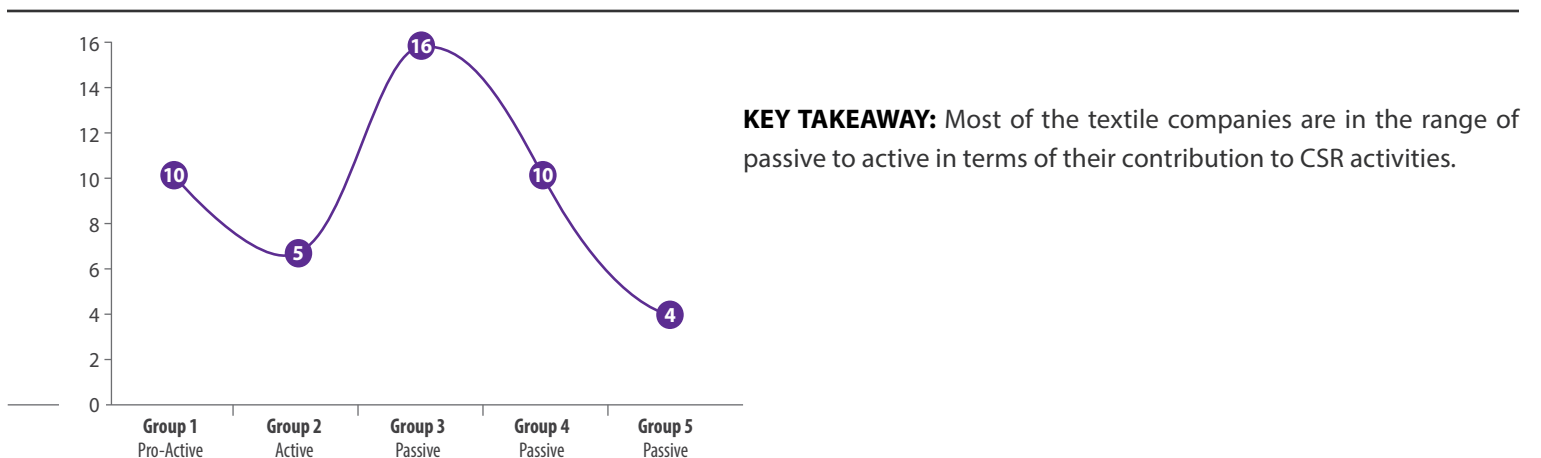
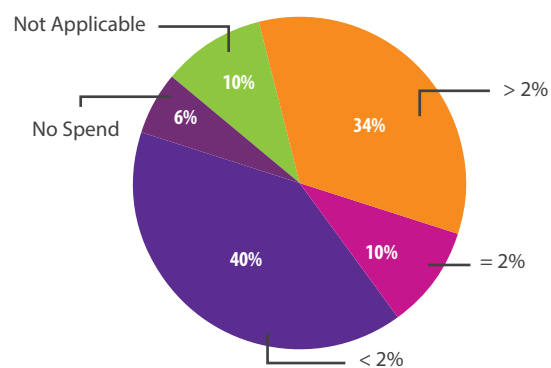


Figure 11: CSR Spend by Textile Companies as % of PAT (N=50)



KEY TAKEAWAY: As per the above analysis, around 40% of the total textile companies spend equal to or more than the prescribed CSR Budget.



Exhibit 11: CSR activities representation through Grid /Tables for Textile Companies

S. No.	Name of the Company	Healthcare	Education	Skill Development	Women	Environment	Swachh Bharat
1	Aditya Birla Nuvo	✓	✓	✓	✗	✓	✗
2	SRF Ltd	✗	✓	✓	✓	✗	✗
3	JBF Industries Ltd.	✗	✗	✗	✗	✓	✓
4	Sangam (India) Ltd.	✗	✗	✓	✗	✗	✗
	Pearl Global Industries Ltd.	✗	✗	✓	✗	✗	✗
6	RSWM Ltd.	✗	✗	✓	✓	✓	✗
7	BSL Ltd.	✗	✓	✓	✓	✓	✓
8	Donear Industries	✗	✓	✗	✗	✗	✗
9	Grasim Industries Ltd.	✗	✓	✓	✓	✗	✗
	Bombay Dyeing & Manufacturing Company Ltd.	✗	✗	✗	✗	✗	✗
11	Indo Rama Synthetics (India) Limited	✗	✓	✗	✗	✗	✗
12	Siyaram Silk Mills Limited	✗	✓	✗	✗	✗	✓
13	JCT Limited	✗	✓	✗	✗	✗	✗
14	Spentex Industries Limited	✗	✗	✗	✗	✗	✗
	Raymond Ltd.	✓	✓	✓	✗	✗	✗
16	The Lakshmi Mills Company Limited	✗	✗	✗	✗	✗	✗
17	Gokaldas Exports Limited	✗	✗	✗	✗	✗	✗
18	Welspun India Limited	✓	✓	✓	✓	✓	✓
19	Arvind Ltd.	✓	✓	✓	✗	✓	✗
	Century Enka Ltd	✗	✓	✓	✓	✗	✗
21	Trident Limited	✓	✓	✓	✓	✓	✓
22	Alok Industries Ltd	✗	✓	✓	✓	✗	✗
23	Vardhman Textiles Ltd	✗	✓	✗	✗	✗	✗
24	Nahar Spinning Mills Limited	✗	✗	✗	✗	✗	✗
	Himatsingka Seide Limited	✗	✗	✗	✗	✗	✗
26	Loyal Textile Mills Limited	✗	✗	✗	✗	✗	✗
27	Sutlej Textiles and Industries Limited	✗	✗	✓	✗	✗	✗
28	Sintex Industries Ltd.	✗	✗	✗	✗	✗	✓
29	Century Textiles & Industries Ltd	✗	✗	✗	✗	✗	✗
	Ambika Cotton Mills Ltd	✗	✓	✗	✗	✗	✗
31	APM Industries Ltd	✗	✓	✗	✗	✗	✗
32	AYM Syntex Ltd	✗	✓	✗	✓	✗	✗
33	Damodar Industries Ltd	✗	✗	✗	✓	✗	✗
34	Garware-Wall Ropes Ltd	✗	✓	✗	✗	✗	✗
	Kallam Spinning Mills Ltd	✗	✗	✗	✓	✗	✗
36	Kitex Garments Ltd	✗	✓	✗	✓	✓	✗
37	KPR Mill Ltd	✗	✓	✗	✓	✗	✗
38	Lakshmi Machine Works Ltd	✗	✓	✗	✓	✓	✗
39	Lux Industries Ltd	✗	✓	✗	✗	✗	✗
	Morarjee Textiles Ltd	✗	✓	✓	✗	✗	✗

S. No.	Name of the Company	Healthcare	Education	Skill Development	Women	Environment	Swachh Bharat
41	Suryalata Spinning Mills Ltd	x	✓	x	x	x	x
42	Suryalakshmi cotton Mills Ltd	x	✓	x	x	x	x
43	Zodiac Clothing Co. Ltd.	x	x	x	x	x	x
44	Stovec Industries Ltd.	x	x	x	x	x	x
45	Nitin Spinners Ltd.	x	✓	x	✓	x	x
46	Nandan Denim Ltd.	x	✓	x	x	x	x
47	Page Industries Ltd	x	✓	x	x	x	x
48	Lovable Lingerie	x	✓	✓	x	x	x
49	Rajapalayam Mills Ltd.	x	✓	✓	x	x	x
50	Rupa and Company Ltd.	x	✓	x	✓	x	x

KEY TAKEAWAY: Education, Healthcare and Skill Development have been the most common sectors targeted by textile companies for support towards social causes.

Exhibit 12: Best Practices for Textile Companies in Textile CSR

S. No.	Company Name	Project/Activity	CSR Spend (INR Lakhs)
1	Century Enka Ltd	Contribution towards setting up of new Vocational Training Institute - Currently operating in 2 trades.	32.50
2	Alok Industries Ltd	Alok has started a public school with CBSE Board in Silvassa. It employs tribal women in weaving looms and garment/made up stitching machines after intensive training and orientation.	27.00
3	SRF Ltd	The Foundation has established livelihood and skill development centres that imparts demand driven employability and provide competence based training, such as Basic Electrician Training Programme (BETP), Excavator (JCB) and Forklift Operator Training, Spoken English Classes for youth, and Tailoring, Driving and Advance Beautician courses for women.	5.90
4	Morarjee Textiles Ltd	Livelihood: At location Bagar, the Company has partnered and registered under Rajasthan State Skill and Livelihoods Development Corporation (RSLDC). The initiative now is on partnership approach with government and private institutions to initiate local area specific skill trainings. Skill development at Mumbai, Nagpur and Bagar has benefitted 500 youth. Tailoring, beautician, computer training has been initiated.	3.02
5	Lovable Lingerie	<ul style="list-style-type: none"> Shakti Project: Skill development for under privileged and differently-abled children Vocational skill training to people in NE states for future employability in the organization: skill development training programs for women in tailoring, fashion designing, etc. 	1.41
6	Rajapalayam Mills Ltd	Enhancing Vocational Skills - Promoting education, including special education and employment	0.14
Total CSR Spend by Textile Companies in Textile Sector			69.98

Exhibit 13: Detailed list of NGOs /Implementation partners for Textile Cos.

S.No.	Company Name	Name of NGO	Sector of Work	Rating	Contact
1	SRF Ltd	Teach for India	Education	Data unpublished	011 4054 3751
2	JBF Industries Ltd.	Food & Nutrition Department, Silvassa	Healthcare	Data unpublished	1800112100
		World vision programme, Chennai (Tamil Nadu)	Healthcare	Data unpublished	4424807070
		Ash Gurukul, Etah (Uttar Pradesh)	Education	Data unpublished	91-5742 233 661
		Ramakrishna Mission	Religious Movement	Data unpublished	28757608
3	Sangam (India) Ltd.	Smt. Kesar Bai Soni Educational Foundation Trust	Eduaction, Healthcare	Data unpublished	1482253022
		Badrilal Soni Maheshwari Shiksha Sahyog Kendra	Education	Data unpublished	1482 305000
4	Alok Industries Ltd	Indian Red Cross Society	Healthcare	Data unpublished	011 2371 6441
5	Himatsingka Seide Limited	Aim for Seva	Healthcare	Data unpublished	95000 60153
6	Sutlej Textiles and Industries Limited	Direct Implementation	-	-	0091-22-42198800
7	Gokaldas Exports Limited	Direct Implementation	-	-	080-41272255
8	Nahar Spinning Mills Limited	Nimbua Greenfield Punjab Limited (www.ngpl.co.in)	Treatment Storage disposal facility	Data unpublished	01762 653 074
9	Loyal Textile Mills Limited	Manickavasagam Charitable Foundation	Education	Data unpublished	9953357176
10	Pearl Global Industries Ltd.	Arpan Education Society	Education, Awareness	Data unpublished	46012471
		India Vision Foundation	Skill Development/ Prisoner reform	Data unpublished	47100700
11	RSWM Ltd.	Shiv Dham Seva Trust	Social Development	Data unpublished	9358141580
12	Siyaram Silk Mills Limited	Rotary Club of Boisar, Tarapar	Social Development	Data unpublished	9823147247
		Shraddha Foundation	Healthcare	Data unpublished	91-22-40003355
13	Aditya Birla Nuvo	Care International	Healthcare	Data unpublished	011 2618 6524
		Sure Start-Path India (Bill & Melinda Gates Foundation)	Education	Data unpublished	011 47138800
		BAIF Foundation Education	Education	Five Star	91-20-25231661
		IGNOU Learning center	Education/Skill Development	Data unpublished	011 2678 2850
		WHO	Health	Data unpublished	6656 4800
		The Leprosy Mission India	Healthcare	Data unpublished	0120-4077200
		GOONJ	Disaster Relief, Community Development		011 4140 1216
14	Donear Industries	Direct Implementation	-	-	022 3076 8100
15	Raymond Ltd.	Smt. Sulochanadevi Singhania School Trust	Education	Data unpublished	022 4036 8410

S.No.	Company Name	Name of NGO	Sector of Work	Rating	Contact
16	Arvind Ltd.	Lalbhai Dalpatbhai Bhartiya Sanskriti Vidyamandir (LDBSV)	Healthcare	Data unpublished	079-26302463
		Trust and Narottam Lalbhai Rural Development Fund (NLRDF)	Social Development	Data unpublished	079-22202999
		SHARDA Trust	Social Development	Data unpublished	079-22200457
17	Century Enka Ltd	Baruch Plant - Direct Implementatation	-	Data unpublished	022 2202 7375
18	Trident Limited	Sparrow Activist - Mr. Jagat Kinkhabwala, Runs Sacred Heart School	Education, Environment	-	161 - 5039999
19	Grasim Industries Ltd.	Smile Train	Healthcare	Data unpublished	011 2601 3648
		Sathi	Education	Data unpublished	044 2817-3948
		Centre for Advanced Research & Development (CARD)	Education	Data unpublished	094250 13029
20	BSL Limited	Direct Implementation	Healthcare, Education	-	91-1482-246801
21	Bombay Dyeing & Manufacturing Company Limited	Britannia Nutrition Foundation.	Healthcare	Data unpublished	033 - 2287 2439
22	Century Textiles & Industries Limited	No CSR Activity	-		011 23963864
23	Indo Rama Synthetics (India) Limited	Vyasan Mukti Kendra	Healthcare	Data unpublished	078782 19898
24	JCT Limited	Direct Implementation - Runs a Co-ed school in Phagwara	Education	-	0091-1824-305008
25	The Lakshmi Mills Company Limited	No CSR Activity	-	-	422-2245461
26	Vardhman Textiles Limited	Smt. Banarso Devi Oswal Public Charitable Trust	Healthcare	Data unpublished	01795 - 247440
27	Welspun India Limited	Naandi Foundation	Healthcare, Education	Data unpublished	040 2355 6491
		Light of Life Trust	Education	Data unpublished	022 26557792
28	Sintex Industries Limited	Through Shraddha Social Welfare and Charitable Trust	Social Development	Data unpublished	022 2351 3735
29	Spentex Industries Limited	Shri Chiranji Lal Charitable Trust	Education	Data unpublished	011 2638 7738
30	Ambika Cotton Mills Ltd	Direct Implementation	Education		0422 249 6195
		Rotary Club & VGM Healthcare	Healthcare	Data unpublished	0422 257 2573
31	APM Industries Ltd	Manav Kalyan Foundation (Regd.) Trust	Healthcare	Data unpublished	011 2647 2557
		Direct Implementation	Education		(011)-26441015-17
32	AYM Syntex Ltd	Direct Implementation	Healthcare, Education, Environment		+91 22 66136000
33	Damodar Industries Ltd	Direct Implementation	Healthcare, Environment		022 6661 0301
34	Garware-Wall Ropes Ltd	Rotary Club of Pune Westside Charitable Trust, Pune	Education, Healthcare	Data unpublished	9850277590

S.No.	Company Name	Name of NGO	Sector of Work	Rating	Contact
35	Kallam Spinning Mills Ltd	Direct Implementation	Healthcare, Environment		0863-2344015
36	Kitex Garments Ltd	Direct Implementation	Healthcare, Education, Environment, Women Empowerment		0484-4142000
37	KPR Mill Ltd	1. District Collector, Erode, Tamil Nadu 2. District Collector, Coimbatore, Tamil Nadu 3. K.P.R. Charities, Coimbatore, Tamil Nadu.	Education	Data unpublished	0422-2207777
		Direct Implementation	Environment, Education		0422-2207777
38	Lakshmi Machine Works Ltd	GKD Trust	Education	Data unpublished	+91 – 98422 30309
		Direct Implementation	Healthcare, Women Empowerment		+91 422 3028100
		Ramakrishna Mission	Environment	Data unpublished	011 2358 7110
39	Lux Industries Ltd	Direct Implementation	Education, Healthcare		+91-33-4040 2121
40	Morarjee Textiles Ltd	Direct Implementation	Education, Skill Development, Healthcare		+91 22 66154651
41	Suryalata Spinning Mills Ltd	Direct Implementation	Education, Healthcare		040-27774200
42	Suryalakshmi cotton Mills Ltd	Shri Laxmi Narayan Devasthan Trust, Yogiraj Swami Sitaramdasji Maharaj Hospital Research Centre	Healthcare	Data unpublished	07114 202 025
		Vivekananda Kendra Vidyalaya, Arunachal Pradesh Trust	Education	Data unpublished	0373 232 4320
		Direct Implementation	Education		+91 40 27819856
43	Zodiac Clothing Co. Ltd.	Direct Implementation	Healthcare		022-66677000
44	Stovec Industries Ltd.	Direct Implementation	Social Development		91 7930412300
45	Nitin Spinners Ltd.	Akhil Bhartiya Maheshwari Education & Charitable Trust & Bhilwara Chapter of ICSI	Education	Data unpublished	020-26961100, 01482-236394
		Direct Implementation	Environment		91-1482-286110
46	Nandan Denim Ltd.	Direct Implementation	Education		+91 - 79 - 2673 4660
47	Page Industries Ltd	Christel House India	Education	Data unpublished	080 6597 9122
		Have a Heart Foundation	Healthcare	Data unpublished	+91 22 6199 4277
48	Lovable Lingerie	Society for Service to Voluntary Agencies (SOSVA)	Education	Data Unpublished	022 2368 6635
		Students' Experience in Inter-state Living (SEIL)	Skill Development	Data Unpublished	022-24306321
49	Rajapalayam Mills Ltd.	Direct Implementation	Education, Skill Development, Healthcare		+91 4563 235666
50	Rupa and Company Ltd.	Help us Help Them	Education	Data unpublished	-

Exhibit 14: Ranking of Textile Companies with respect to PAT

S.No.	Company Name	PAT 2011-12 (INR Cr.)	Rank (2011-12)	PAT 2012-13 (INR Cr.)	Rank (2012-13)	PAT 2013-14 (INR Cr.)	Rank (2013-14)	PAT 2014-15 (INR Cr.)	Rank (2014-15)
1	Grasim Industries Ltd.	1177.0	1	1226.0	1	896.0	1	529.9	1
2	Aditya Birla Nuvo	345.4	5	423.1	3	674.0	2	527.7	2
3	Welspun India Limited	117.1	8	171.4	8	29.8	26	510.1	3
4	Sintex Industries Limited	229.7	6	269.2	5	335.1	6	457.5	4
	Arvind Ltd.	434.2	2	261.2	6	361.4	5	377.4	
6	Vardhman Textiles Ltd	109.7	9	323.7	4	651.9	3	359.1	6
7	SRF Ltd	387.4	3	258.5	7	216.5	7	307.7	7
8	Alok Industries Ltd	380.5	4	613.4	2	423.0	4	232.5	8
9	Lakshmi Machine Works Ltd	137.0	7	117.5	9	183.7	9	207.5	9
	Page Industries Ltd	90.0	10	112.5	10	153.8	10	196.0	
11	KPR Mill Ltd	31.2	18	100.8	11	130.6	13	146.0	11
12	JBF Industries Ltd.	48.8	14	51.5	18	15.0	35	139.4	12
13	Trident Limited	-43.7	46	49.3	20	197.0	8	117.8	13
14	Sutlej Textiles and Industries Ltd	32.0	16	77.0	13	131.0	12	115.5	14
	Raymond Ltd.	56.4	13	-47.8	48	88.1	15	100.0	
16	Kitex Garments Ltd	27.1	20	29.4	26	57.4	20	98.5	16
17	RSWM Ltd.	-21.8	45	67.9	15	98.8	14	84.9	17
18	Siyaram Silk Mills Limited	56.7	12	55.0	17	63.6	16	78.8	18
19	Rupa and Company Ltd.	41.5	15	61.8	16	62.1	18	65.7	19
	Spentex Industries Limited	-169.4	50	20.6	32	11.9	40	63.6	
21	Sangam (India) Ltd.	17.1	27	51.3	19	40.5	22	51.6	21
22	Nandan Denim Ltd.	18.8	26	31.1	23	39.3	23	51.4	22
23	Ambika Cotton Mills Ltd	23.9	22	31.0	24	48.1	21	51.2	23
24	Lux Industries Ltd	14.1	28	20.3	33	31.4	25	45.2	24
	Garware-Wall Ropes Ltd	24.0	21	24.7	27	26.7	28	43.1	
26	AYM Syntex Ltd	11.6	30	16.0	35	19.7	34	42.8	26
27	Nitin Spinners Ltd.	0.3	40	14.1	36	34.8	24	41.0	27
28	Century Enka Ltd	8.8	32	21.9	31	62.9	17	36.6	28
29	Gokaldas Exports Limited	-132.4	49	-109.4	50	-6.7	49	34.4	29
	Bombay Dyeing & Manufacturing Company Ltd.	59.4	11	75.7	14	24.3	30	24.6	
31	Morarjee Textiles Ltd	-10.3	43	23.9	28	28.2	27	20.7	31

S.No.	Company Name	PAT 2011-12 (INR Cr.)	Rank (2011-12)	PAT 2012-13 (INR Cr.)	Rank (2012-13)	PAT 2013-14 (INR Cr.)	Rank (2013-14)	PAT 2014-15 (INR Cr.)	Rank (2014-15)
32	Stovec Industries Ltd.	7.4	33	10.6	40	11.1	42	20.5	32
33	Nahar Spinning Mills Limited	-117.2	48	78.4	12	145.8	11	20.4	33
34	Lovable Lingerie	21.7	24	18.9	34	21.2	32	19.7	34
35	APM Industries Ltd	12.6	29	22.1	30	21.4	31	18.9	35
36	Century Textiles & Industries Limited	22.1	23	-34.5	47	2.7	48	15.5	36
37	Loyal Textile Mills Limited	-1.9	42	5.0	43	19.7	33	15.0	37
38	Suryalata Spinning Mills Ltd	4.4	35	8.1	41	8.9	44	12.7	38
39	Suryalakshmi cotton Mills Ltd	28.3	19	30.4	25	11.7	41	12.2	39
40	Rajapalayam Mills Ltd.	1.3	38	23.8	29	26.6	29	12.0	40
41	Damodar Industries Ltd	6.0	34	12.2	37	14.8	37	11.9	41
42	Himatsingka Seide Limited	20.0	25	42.3	21	58.8	19	10.9	42
43	Pearl Global Industries Ltd.	3.7	36	3.9	44	14.7	38	10.2	43
44	JCT Limited	-68.1	47	-81.0	49	3.9	45	9.8	44
45	Zodiac Clothing Co. Ltd.	11.0	31	11.1	38	14.9	36	9.5	45
46	Kallam Spinning Mills Ltd	0.6	39	6.2	42	14.7	39	8.0	46
47	Donear Industries	3.5	37	0.6	45	3.7	46	7.7	47
48	BSL Limited	0.1	41	0.4	46	3.4	47	7.2	48
49	The Lakshmi Mills Company Limited	-13.2	44	11.0	39	9.4	43	4.3	49
50	Indo Rama Synthetics (India) Limited	32.0	17	41.6	22	-8.2	50	-21.5	50

Profitability Analysis of Textiles Companies

- Of the 50 textiles companies studied, 16 companies had a consistent increase in PAT from 2011-12 to 2014-15.
 - 38 companies of the 50 companies (i.e. 76% of companies) had a consistently positive PAT from 2011-12 to 2014-15
 - There was no textile company where the PAT was consistently decreasing or was consistently negative from 2011-12 to 2014-15

Exhibit 15: Snapshot of CSR activities by Textile companies

S. No.	Company Name	PAT Ranking (2011-12)"	PAT Ranking (2012-13)"	PAT Ranking (2013-14)"	PAT Ranking (2014-15)"	Group (CSR Index)	Educa tion	Skill Develop ment	Health care	Environ ment	Women	Swachh Bharat	Name of NGO	Sector of Work of NGO
1	Aditya Birla Nuvo	5	3	2	2	1	✓	✓	✓	✗	✓	✗	Care International	Healthcare
													Sure Start-Path India (Bill & Melinda Gates Foundation)	Education
													BAIF Foundation Education	Education
													WHO	Healthcare
													The Leprosy Mission India	Healthcare
													GOONJ	Disaster Relief and Community Development
														Education/Skill Development
2	Donear Industries	37	45	46	47	1	✓	✗	✓	✗	✗	✗	Direct Implementation	-
3	Raymond Ltd.	13	48	15	15	1	✓	✓	✗	✗	✗	✗	Smt. Sulochanadevi Singhania School Trust	Education
4	Arvind Ltd.	2	6	5	5	1	✓	✓	✓	✗	✓	✗	Lalbahai Dalpatbhai Bhartiya Sanskriti Vidyamandir (LDPSV)	Healthcare
													Trust and Narottam Lalbhai Rural Development Fund (NLRDF)	Social Development
													SHARDA Trust	Education
5	Century Enka Ltd	32	31	17	28	1	✓	✓	✓	✓	✗	✗	Direct Implementation at Baruch Plant	-
6	Trident Limited	46	20	8	13	1	✓	✓	✓	✓	✓	✓	Sparrow Activist - Mr. Jagat Kinkhabwala, runs Sacred Heart School	Education and Environment
7	Welspun India Limited	8	6	26	3	1	✓	✓	✓	✓	✓	✓	Naandi Foundation	Healthcare, Education
													Light of Life Trust	Education
8	Ambika Cotton Mills Ltd	22	24	21	23	1	✓	✗	✓	✗	✗	✗	Direct Implementation	Education
													Rotary Club & VGM Healthcare	Healthcare
9	Nandan Denim Ltd.	26	23	23	22	1	✓	✗	✗	✗	✗	✗	Direct Implementation	Education
10	Rupa and Company Ltd.	15	16	18	19	1	✓	✗	✓	✓	✗	✗	Direct Implementation	Education
													Rupa Foundation	Healthcare
													Rupa Foundation	Healthcare
11	Grasim Industries Ltd.	1	1	1	1	2	✓	✓	✓	✓	✗	✗	Smile Train	Healthcare
													Sathi	Education
													Centre for Advanced Research & Development (CARD)	Education
12	Bombay Dyeing & Manufacturing Company Ltd.	11	14	30	30	2	✗	✗	✗	✗	✗	✗	Britannia Nutrition Foundation	Healthcare
13	Indo Rama Synthetics (India) Limited	17	22	50	50	2	✓	✗	✓	✗	✗	✗	Vyasan Mukti Kendra	Healthcare
14	Vardhman Textiles Ltd	9	4	3	6	2	✓	✗	✗	✗	✗	✗	Smt. Banarso Devi Oswal Public Charitable Trust	Healthcare

Exhibit 15: Snapshot of CSR activities by Textile companies (Cont..)

S. No.	Company Name	PAT Ranking (2011-12)"	PAT Ranking (2012-13)"	PAT Ranking (2013-14)"	PAT Ranking (2014-15)"	Group (CSR Index)	Education	Skill Development	Health care	Environment	Women	Swachh Bharat	Name of NGO	Sector of Work of NGO
15	Nitin Spinners Ltd.	40	36	24	27	2	✓	x	x	✓	x	x	Akhil Bhartiya Maheshwari Education & Charitable Trust & Bhilwara Chapter of ICSI	Education
16	SRF Ltd	3	7	7	7	3	✓	✓	✓	✓	x	x	Direct Implementation	Environment
17	JBF Industries Ltd.	14	18	35	12	3	x	x	✓	x	✓	✓	Teach India	Education
							x	x	x	x	x	x	World Vision Programme, Chennai (Tamil Nadu)	Healthcare
							x	x	x	x	x	x	Ash Gurukul, Etah (Uttar Pradesh)	Education
							x	x	x	x	x	x	Rama Krishna Mission	Religious Movement
							x	x	x	x	x	x	Food & Nutrition Department, Silvassa	Education, Healthcare, Facilitation of group marriages, Plantation Campaigns
18	Sangam (India) Ltd.	27	19	22	21	3	x	✓	x	x	x	x	Smt. Kesar Bai Soni Education Foundation Trust	Education
19	Alok Industries Ltd	4	2	4	8	3	✓	✓	x	✓	x	x	Badrial Soni Maheshwari Shiksha Sahyog Kendra	Education
20	Himatsingka Seide Limited	25	21	19	42	3	x	x	x	x	x	x	Indian Red Cross Society	Healthcare
21	Sutlej Textiles and Industries Limited	16	13	12	14	3	x	✓	x	x	x	x	Aim for Seva	Healthcare
22	Sintex Industries Ltd.	6	5	6	4	3	x	✓	x	x	x	x	Direct Implementation	-
23	Lovable Lingerie	24	34	32	34	3	✓	x	✓	x	x	✓	Shraddha Social Welfare and Charitable Trust	Social Development
							x	x	x	x	x	x	Light of Life Trust	Education
24	Rajapalayam Mills Ltd.	38	29	29	40	3	✓	✓	x	x	x	x	Society for Service to Voluntary Agencies (SOSVA)	Education
25	BSL Limited	41	46	47	48	3	✓	✓	x	x	x	x	Students' Experience in Inter-state Living (SEIL)	Skill Development
26	Nahar Spinning Mills Limited	48	12	11	33	3	x	x	x	x	x	x	Direct Implementation	Education, Skill Development, Healthcare
27	Loyal Textile Mills Limited	42	43	33	37	3	x	x	x	x	x	x	Direct Implementation	-
28	APM Industries Ltd	29	30	31	35	3	✓	x	✓	x	x	x	Nimbua Greenfield Punjab Limited (www.ngpl.co.in)	Treatment Storage disposal facility
29	Kallam Spinning Mills Ltd	39	42	39	36	3	x	x	✓	✓	x	x	Manickavasagam Charitable Foundation	Education
30	Kitex Garments Ltd	20	26	20	16	3	✓	x	✓	✓	x	x	Manav Kalyan Foundation (Regd.) Trust	Healthcare
31	Suryalata Spinning Mills Ltd	35	41	44	38	3	✓	x	✓	x	x	x	Direct Implementation	-
32	Pearl Global Industries Ltd.	36	44	38	43	4	x	✓	x	x	x	x	Direct Implementation	Healthcare, Environment
							x	x	x	x	x	x	Direct Implementation	Healthcare, Education, Environment, Women Empowerment
							x	x	x	x	x	x	Direct Implementation	Education, Healthcare
							x	✓	x	x	x	x	Arpan Education Society	Education
							x	✓	x	x	x	x	India Vision Foundation	Skill Development/ Prisoner reform

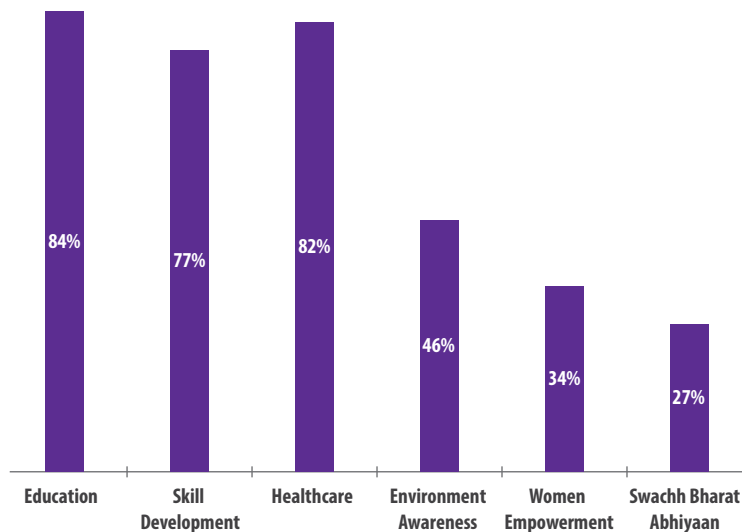
Exhibit 15: Snapshot of CSR activities by Textile companies (Cont..)

S. No.	Company Name	PAT Ranking (2011-12)"	PAT Ranking (2012-13)"	PAT Ranking (2013-14)"	PAT Ranking (2014-15)"	Group (CSR Index)	Educa tion	Skill Develop ment	Health care	Environ ment	Women	Swachh Bharat	Name of NGO	Sector of Work of NGO
33	KPR Mill Ltd	18	11	13	11	4	✓	x	x	✓	x	x	1. District Collector, Erode, Tamil Nadu 2. District Collector, Coimbatore, Tamil Nadu 3. K.P.R. Charities, Coimbatore, Tamil Nadu.	Education
34	Lakshmi Machine Works Ltd	7	9	9	9	4	✓	x	✓	✓	✓	x	GKD Trust	Education
35	Lux Industries Ltd	28	33	25	24	4	✓	x	✓	x	x	x	Direct Implementation	Education, Healthcare
36	Morajee Textiles Ltd	43	28	27	31	4	✓	✓	✓	x	x	x	Direct Implementation	Education, Skill Development, Healthcare
37	Stovec Industries Ltd.	33	40	42	32	4	x	x	x	x	x	x	Contribution to Prime Minister's Relief Fund	Others
38	Zodiac Clothing Co. Ltd.	31	38	36	45	4	x	x	✓	x	x	x	Direct Implementation	Healthcare
39	RSWM Ltd.	45	15	14	17	4	x	✓	x	✓	✓	x	Shiv Dham Seva Trust	Social Development
40	AYM Syntex Ltd	30	35	34	26	4	✓	x	✓	✓	x	x	Direct Implementation	Healthcare, Education, Environment
41	Garware-Wall Ropes Ltd	21	27	28	25	4	✓	x	✓	x	x	x	Rotary Club of Pune Westside Charitable Trust, Pune	Education, Healthcare
42	Damodar Industries Ltd	34	37	37	41	5	x	x	✓	✓	x	x	Direct Implementation	Healthcare, Environment
43	Page Industries Ltd	10	10	10	10	5	✓	x	✓	x	x	x	Christel House India	Education
44	Suryalakhmi cotton Mills Ltd	19	25	41	39	5	✓	x	✓	x	x	x	Shri Laxmi Narayan Devasthan Trust, Yogiraj Swami Sitaramdasji Maharaj Hospital Research Centre	Healthcare
45	Spentex Industries Limited	49	50	49	29	3	x	x	x	x	x	x	Vivekananda Kendra Vidyalaya, Arunanchal Pradesh Trust	Education
46	Siyaram Silk Mills Limited	12	17	16	18	5	✓	x	x	x	x	✓	Shri Chiranjivi Lal Charitable Trust	Education
46	Century Textiles & Industries Ltd	23	47	48	36	-	x	x	x	x	x	x	Rotary Club of Boisar - Tarapur	Social Development
47	Gokaldas Exports Limited	29	50	49	29	-	x	x	x	x	x	x	Shraddha Foundation	Healthcare
48	JCT Limited	47	49	45	44	-	x	x	x	x	x	x	-	-
49	Spentex Industries Limited	50	32	40	20	-	x	x	x	x	x	x	-	-
50	The Lakshmi Mills Company Limited	44	39	43	49	-	x	x	x	x	x	x	-	-

3.2 Analysis of Non-Textile Companies

Figure 12: Areas of CSR Spend by Non-Textile Companies

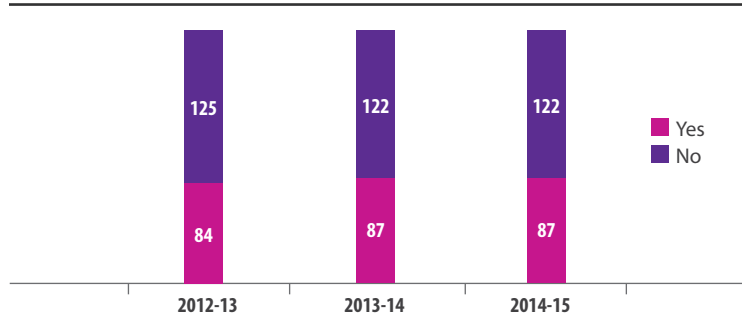
Company-wise support of the causes



(The sum will not be 100% as some companies support more than one cause.)

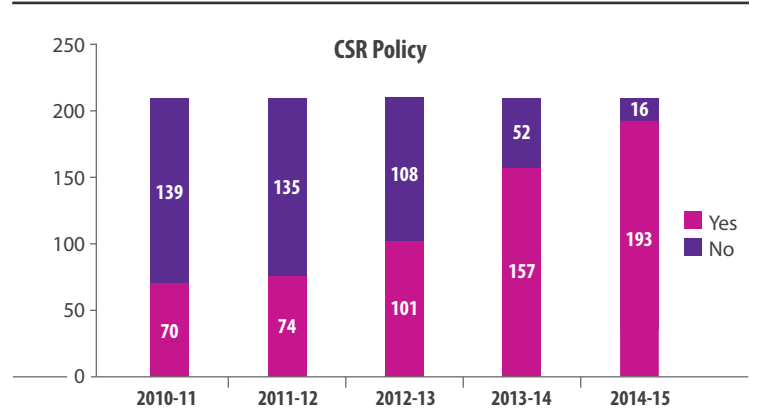
KEY TAKEAWAY: As per the above analysis, Education sector has been the most popular choice for support towards the causes followed by healthcare and skill development.

Figure 13: Publishing of Business Responsibility Report by Non-Textile Companies – Trend Analysis (N=209)



KEY TAKEAWAY: As per the above figure, the number of non-textile companies preparing Business Responsibility Report has slowly increased from 84 to 87 in the last three years.

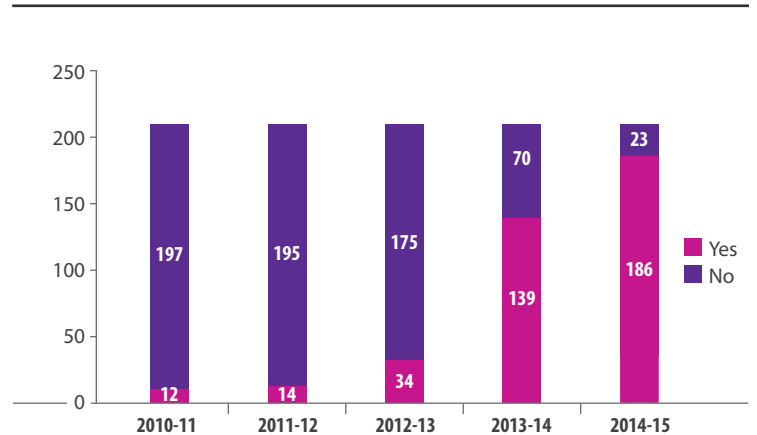
Figure 14: Existence of CSR Policy for Non-Textile Companies – Trend Analysis (N=209)



KEY TAKEAWAY: As per the above figure, only one third of the non-textile companies had a CSR policy in 2010-11 whereas almost all companies had it in 2014-15.

Existence of CSR Committee – Trend Analysis: Non-Textile Companies

Figure 15: Existence of CSR Committee for Non-Textile Companies (N=209)



KEY TAKEAWAY: As per the above figure, only 10% (approx.) of the non-textile companies had a CSR Committee in 2010-11 whereas almost all companies had it in 2014-15.

Actual Spending vs. Required CSR Spending on CSR from 2010-15 (Non-Textile Companies)

Column Name	Particulars	2010-11	2011-12	2012-13	2013-14	2014-15
A	Number of companies which contributed	10	15	71	82	176
B	Combined PAT (companies with PAT > INR 5 crores p.a.)	25,364	50,670	2,17,121	2,48,940	2,93,950
C	Actual total spending on CSR (crores p.a.)	277	530	2,378	3,641	4,942
D	Percentage spending on CSR	1.1%	1.05	1.09	1.46	1.68%
E	Required CSR spending as per Statutory Guidelines to meet the 2% benchmark (crores p.a.)	507	1,013	4,342	4,979	5,878
F	Shortfall in CSR spending {F=(E-C/E) x 100}	45.4 %	47.7%	45.2%	26.9%	15.9%

KEY TAKEAWAY: It can be observed that the spend on CSR is increasing for non-textile companies. Though it is still less than the required amount as per statutory guidelines but the gap is declining.

Index for Non-Textile Cos.

Particulars	N	Max	Min	Range	Mean	Median	Standard Deviation
PAT Spent Index	176	0.8	0	0.8	0.42	0.4	0.19
Policy Index	176	1	0	1	0.96	1	0.20
Committee Index	176	1	0	1	0.93	1	0.26
Independent Director Index	176	1	0	1	0.93	1	0.26
CSR Weights Index	176	0.94	0.31	0.63	0.78	0.82	0.13

Group with Weights – Non-Textile

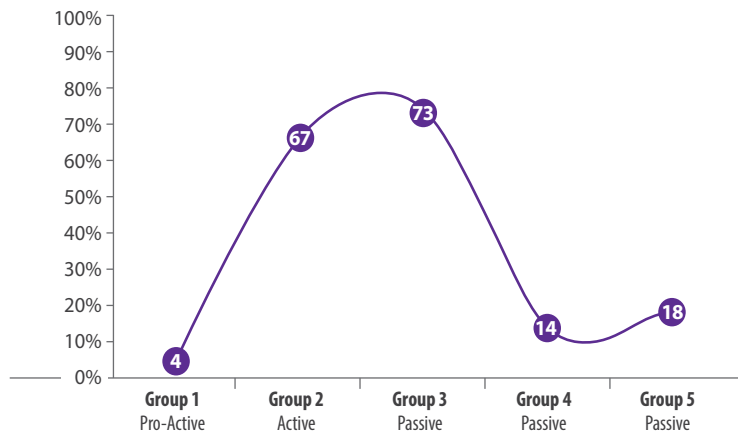
Mean value of CG Index	0.78
Standard Deviation of CG Index	0.13
Groups: Classification Value of CSR Index	No. of Companies
Group 1: > Mean + 1.0*SD (>= 0.914)	4
Group 2: Mean + 0.5*SD to Mean + 1.0*SD (0.849 - 0.914)	67
Group 3: Mean - 0.5*SD to Mean + 0.5*SD (0.719 - 0.849)	73
Group 4: Mean - 1.5*SD to Mean - 0.5*SD (0.588 - 0.719)	14
Group 5: = Mean - 1.5*SD (= 0.588)	18

List of Non-Textile Companies

S. No.	Name of the Company	Group
1.	Tech Mahindra Limited	1
2.	Reliance Industries Limited	1
3.	UPL Limited	1
4.	Jubilant Life Sciences Limited	1
5.	Larsen & Toubro Limited	2
6.	Bharat Heavy Electricals Limited	2
7.	Tata Steel Limited	2
8.	Wipro Limited	2
9.	Hindustan Petroleum Corporation Limited	2
10.	Adani Enterprises Limited	2

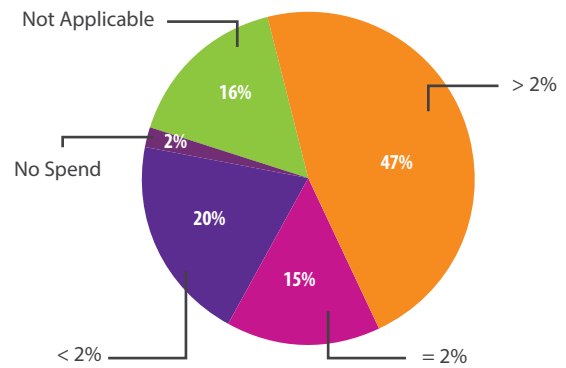
Chart – Non Textile

Figure 16: Distribution of companies in groups using CSR Index



KEY TAKEAWAY: Most of the non-textile companies are in the range of passive to active in terms of their contribution to CSR activities. Only a few of them are pro-active.

Figure 17: Actual to Prescribed CSR spend by Non-Textile Companies



KEY TAKEAWAY: As per the above analysis, more than 60% of the total non-textile companies spend equal to or more than the prescribed CSR Budget.

Exhibit 16: Best Practices for Non-Textile Companies in Textile Sector

S. No.	Company Name	Sector	CSR Spend (INR Crores)
1	HDFC Bank	The livelihood and skill development initiatives are focused on training and capacity building of youth and women from economically weaker sections of the society. They have partnered with various NGOs to support learning opportunities for youth in high growth sectors including Auto, Banking, Construction, Hospitality, Organised Retail, IT and ITES.	2.08
2	Titan Company Ltd.	Titan supports 3 rural vocational centres skilling the differently abled and underprivileged children and women in skills of stitching, embroidery, painting, carpentry, organic farming etc. in Mysore, Mulbagal and Ramanagaram.	1.94
3	Larsen & Toubro Limited	Women empowerment through vocational training.	0.95
4	Tata Chemicals Ltd.	20 days training on jute work was provided to 46 women at Babrala. TCSRSD offers a range of vocational training courses catering to the needs of different segment of the society.	0.71
5	Union Bank of India	Sponsored training programmes in vocations like tailoring, plumbing & beauty care in Siliguri and Tirupati.	0.59
6	Adani Ports & Special Economic Zone Ltd.	Adani Skill Development Centre (ASDC) offers many courses to train young men & women with limited educational background and skill-sets. These youths are trained in various fields like IT, crane operations, automobile assistance, electrician, beautician, tailoring etc. so as to enable them to earn a livelihood for themselves.	0.59

S. No.	Company Name	Sector	CSR Spend (INR Crores)
7	Container Corporation of India Ltd.	In order to provide skill development training to 2,220 youths of backward classes, the company has entered into a MOU with National Backward Classes Finance Development Corporation who provide training to these youths in the field of Apparel Production Supervision and Quality Control (APSQC), Garment Construction Techniques (GCT), Industrial Sewing Machine Operation (Basic and Advance) (ISMOB&A).	0.43
8	Adani Enterprises Limited	Adani Group started Adani Skill Development Centre (ASDC) in 2011. ASDC offers many courses to train young men & women with limited educational background and skill-sets. These youths are trained in various fields like IT, crane operations, automobile assistance, electrician, beautician, tailoring etc. so as to enable them to earn a livelihood for themselves & become financially independent. ASDC has been able to help more than 1800 families up till now.	0.28
9	Engineers India Ltd.	EIL extended support towards employment oriented skill development training of youth at Bhopal and Faridabad in trades like Welding Technology, Graphic Designing etc and special placement-linked, skill development training in various trades like IT/ITES, Hospitality & Retail Supervisory, Garments sector, etc for youth in Manali and Siruseri area of Chennai in Tamil Nadu.	0.27
10	JSW Steel Ltd.	Satellite Tailoring Centre (250 women trained).	0.25
11	Bharat Petroleum Corporation Ltd.	Vocationally skilling rural women in zardozi work.	0.24
12	Hero MotoCorp Ltd.	Conducted workshops on 'tie and dye' for rural women.	0.13
13	Hindustan Construction Company Ltd.	Skill development for weaving is imparted by training the focus group of women. A total of 34 Self Help Groups (SHGs) of the weaving community have brought under one umbrella, in which 391 women are the members of the SHGs.	0.05
14	Birla Corporation Ltd.	Tailoring training to women, training to women self-help groups on income generating activities such as Agarbatti manufacturing, stitching etc.	0.02
15	UPL Limited	UPL Udyamita Programme to promote entrepreneurship development in women leading to women empowerment. UPL Skill Development Programme on different trades like Beauty therapist, Ladies garment making, Dairy farming, Agriculture Inputs etc. Objective was to provide employable skills to women, youths & farmers and enable them to get gainful employment.	0.01
16	Pidilite Industries Ltd.	The Company, along with the Government of Gujarat through Kaushalya Vardhan Kendra Program (KVK). started courses on basic computers, basic tailoring, beautician, repairing of home appliances, mobile repairing and house wiring.	0.01

S. No.	Company Name	Sector	CSR Spend (INR Crores)
17	Bank of India	0.80 lakh was funded to M/s Akshayshakti Welfare Association, Thane for capital expenditure on setting up training centre on courses on Computer education, Tailoring, Beautician courses for women. 0.30 lakh funded to M/s Aarambh Charitable Trust, Vashi, Navi Mumbai for training and then engaging people from slums in manufacturing of garments.	0.002
18	Welspun Corp Ltd.	Vocational training provided to class IX and X students in a secondary school in Ratnal village. The curriculum include tailoring, electrical servicing, welding, carpentry, plumbing, basic engineering and others.	0.003
Total CSR Spend by Non-textile Companies in Textile Sector			8.53

Exhibit 17: List of NGOs for Non Textile Companies

Year	FY 2010-11	Name of NGO	Sector of work
1	Bajaj Finserv	Smile Train	Healthcare
2	Tata Motors Limited	Parivar Health	Healthcare
		Entrepreneurship Development Institute (EDI), Kaushalya Foundation	Skill Development
		Vasundhara	Environment
3	Punjab National Bank	Red Cross Society	Healthcare
		ASHA	Education
		Earth Saviours Foundation, WWF for Nature	Environment
4	HDFC Limited	Premaanjali Educational Trust	Healthcare
		Masoom	Healthcare
		HelpAge India	Skill Development
5	Tata Consultancy Services	Justice and Care	Skill Development
6	Bharat Heavy Electricals Limited	Help Age	Healthcare
		NGO 'DISHA	Education
		DISHA, Sane & Enthusiast Volunteers Association	Skill Development
7	HDFC Bank	Fuel	Healthcare
8	Hindustan Petroleum Corporation Limited	Smile Foundation	Skill Development

Year	FY 2010-11	Name of NGO	Sector of work
9	Bharti Airtel	Paaniram Society	Environment
10	ICICI Bank Limited	NGO 'Doorstep School'	Education
		Kherwadi Social Welfare Association	Skill Development
11	GlaxoSmithKline Consumer Healthcare Limited	CARE India, Delhi	Healthcare
		Save the Children	Education
12	NTPC Limited	Samunnathi	Healthcare
13	SAIL Limited	Chetna	Healthcare
14	Canara Bank	Sneha Deep Trust	Skill Development
15	Bank of India	Akshayshakti Welfare	Skill Development
16	Cairn India Limited	Help Age India	Healthcare
17	Bharat Petroleum Corporation Limited	'Agastya International Foundation'	Education
		SEWA	Skill Development
18	IDBI Bank	Modern School Educational and Development Trust	Healthcare
		Blind Person's Association, Bindu Society	Education
19	Indian Overseas Bank	M/s Friends of Tribals Society	Education
20	Oil and Natural Gas Corporation Limited	Praani	Environment
21	Union Bank of India	Harijan Sewak Sangh	Skill Development
22	Oriental Bank of Commerce	'Help us to Help them' NGO	Education
23	Indian Bank	SEERS- an organisation	Education
24	Central Bank of India	Aditya Jyoti Foundation Indian Red Cross Society	Healthcare
25	Kotak Mahindra Bank Limited	CanSupport	Healthcare
26	Idea Cellular Limited	Give India Foundation, Goonj	Healthcare
27	UPL Limited	SEWA, ROFEL	Skill Development
28	Titan Company Limited	Myrada, Swami Vivekananda Youth Movement	Skill Development
29	Crompton Greaves Limited	BAIF	Skill Development

Year	FY 2010-11	Name of NGO	Sector of work
30	Jammu and Kashmir Bank Limited	Red Cross Society, Cancer Society of Kashmir, Aditya-Jyoti and CENQUIN (two reputed NGOs) Maya Foundation 'Child Rights and You (CRY)	Healthcare
		HELP Foundation	Education
31	Thermax Limited	Shoshit Seva Sangh, Zensar Foundation, SGBS Unnati Foundation	Skill Development
32	Marico Limited	Yuva Parivartan	Skill Development

KEY TAKEAWAY: Skill Development, Healthcare and Education have been the most common sectors targeted by textile companies for support towards social causes.

Exhibit 18: Year-wise list of Non-Textile Companies Carrying Out CSR Activities in Textile

Year	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
1	Hindalco Industries Limited	Tata Motors Limited	Hindalco Industries Limited	NTPC Limited	Larsen & Toubro Limited
2	Adani Enterprises Limited	Punjab National Bank	Adani Enterprises Limited	Allahabad Bank	HDFC Bank
3	NTPC Limited	Hindalco Industries Limited	NTPC Limited	Rural Electrification Corporation Limited	Adani Enterprises Limited
4	Mangalore Refinery And Petrochemicals Ltd.	Adani Enterprises Limited	Maruti Suzuki India Limited	Ceat Ltd.	Bank of India
5	UltraTech Cement	NTPC Limited	Mangalore Refinery And Petrochemicals Ltd.	Deepak Fertilisers & Petrochemicals Corporation Ltd	Bharat Petroleum Corporation Limited
6	Ceat Ltd.	Mangalore Refinery And Petrochemicals Ltd.	BASF India Limited	National Aluminium Company Ltd.	Union Bank of India
7	Deepak Fertilisers & Petrochemicals Corporation Ltd	UltraTech Cement	Punj-lloyd Limited	Welspun Corp Ltd.	Hero MotoCorp Ltd.
8	Monnet Ispat & Energy Limited	Monnet Ispat & Energy Limited	Welspun Corp Ltd.	Reliance Communications Limited	UPL Limited
9	Welspun Corp Ltd.	Bajaj Auto Ltd.	Reliance Communications Limited	Bajaj Auto Ltd.	Titan Company Ltd.
10	KEC International Ltd.	JSW Steel Ltd.	Bajaj Auto Ltd.	Jindal Steel & Power Ltd.	Tata Chemicals Ltd.

Year	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
11	Bajaj Auto Ltd.		Jindal Steel & Power Ltd.	JSW Steel Ltd.	Adani Ports & Special Economic Zone Ltd.
12	Jindal Steel & Power Ltd.		JSW Steel Ltd.		Pidilite Industries Ltd.
13	JSW Steel Ltd.				Welspun Corp Ltd.
14					Birla Corporation Ltd.
15					Engineers India Ltd.
16					Hindustan Construction Company Ltd.
17					JSW Steel Ltd.
18					Container Corporation of India Ltd.

Profitability Analysis of Non-Textiles Companies

- Of the 209 textiles companies studied, only 61 companies had a consistent increase in PAT from 2011-12 to 2014-15
- 182 companies of the 209 companies (i.e. 87% of companies) had a consistently positive PAT from 2011-12 to 2014-15
- There were 16 non-textile companies where the PAT was consistently decreasing from 2011-2012 to 2014-15. These are:
 1. Punjab National Bank
 2. Bharat Heavy Electricals Limited
 3. Hindalco Industries Limited
 4. IDBI Bank
 5. Allahabad Bank
 6. Indian Bank
 7. Bhushan Steel Ltd.
 8. Reliance Infrastructure
 9. Punj-lloyd Limited
 10. Bajaj Electricals Ltd.
 11. Uttam Galva Steels Ltd.
 12. Jyoti Structures Ltd.
 13. BGR Energy Systems Ltd.
 14. Engineers India Ltd.
 15. Patel Engineering Ltd.
 16. Jindal Steel & Power Ltd.

Most of these companies belong to either BFSI or Diversified sector

- There was no non-textile company where the PAT was consistently negative from 2011-12 to 2014-15
- PAT as a percentage of turnover was consistently increasing for only 21 companies from 2011-12 to 2014-15
- A total of 34 companies were such that their PAT as a percentage of turnovers was consistently decreasing from 2011-12 to 2014-15. 13 of these companies belong to the BFSI sector.

Exhibit 19: Snapshot of CSR activities by Non-Textile companies

S. No.	Company Name	"PAT Rank ing (2011-12)"	"PAT Rank ing (2012-13)"	"PAT Rank ing (2013-14)"	"PAT Rank ing (2014-15)"	Group (CSR Index)	Health care	Education	Skill Development	Women	Environment	Swachh Bharat	Name of NGO	Sector of Work of NGO	Rating of NGO
1	Reliance Industries Limited	2	1	2	1	1	✓	✓	✗	✗	✓	✗	NGO data not available	NA	NA
2	Tech Mahindra Limited	93	74	32	36	1	✗	✓	✓	✗	✗	✗	NGO data not available	NA	NA
3	UPL Limited	124	129	137	105	1	✗	✓	✓	✗	✓	✗	SEWA , ROFEL	Skill Development	Data Unpublished
4	Jubilant Life Sciences Limited	175	175	173	135	1	✓	✓	✓	✗	✗	✗	NGO data not available	NA	NA
5	Larsen & Toubro Limited	17	18	17	21	2	✓	✓	✓	✗	✓	✗	NGO data not available	NA	NA
6	Bharat Heavy Electricals Limited	7	11	27	24	2	✓	✓	✗	✗	✓	✓	Help Age	Healthcare	Four Star
													DISHA	Education	Five Star
													Sane & Enthusiast Volunteers Association	Skill Development	Data Unpublished
7	Tata Steel Limited	8	16	15	14	2	✓	✓	✓	✗	✓	✗	NGO data not available	NA	NA
8	Wipro Limited	16	13	10	11	2	✓	✓	✗	✗	✗	✗	NGO data not available	NA	NA
9	Hindustan Petroleum Corporation Limited	62	65	40	32	2	✓	✓	✓	✓	✗	✗	Smile Foundation	Skill Development	Data Unpublished
10	Adani Enterprises Limited	98	85	176	110	2	✓	✓	✓	✓	✓	✓	NGO data not available	NA	NA
11	GlaxoSmithKline Consumer Healthcare Limited	100	100	75	90	2	✓	✓	✗	✓	✓	✗	NGO data not available	NA	NA
12	TATA Power Company Limited	50	61	64	64	2	✗	✓	✓	✗	✓	✗	NGO data not available	NA	NA
13	Oil and Natural Gas Corporation Limited	1	2	1	3	2	✓	✓	✓	✗	✓	✗	Praani	Environment	Data Unpublished
14	Hindustan Unilever Limited	30	26	25	25	2	✗	✗	✓	✓	✗	✗	NGO data not available	NA	NA
15	Ashok Leyland Limited	85	101	168	118	2	✓	✓	✓	✗	✓	✗	NGO data not available	NA	NA

Exhibit 19: Snapshot of CSR activities by Non-Textile companies (Continued)

S. No.	Company Name	"PAT Rank ing (2011-12)"	"PAT Rank ing (2012-13)"	"PAT Rank ing (2013-14)"	"PAT Rank ing (2014-15)"	Group (CSR Index)	Health care	Education	Skill Develop ment	Women	Environ ment	Swachh Bharat	Name of NGO	Sector of Work of NGO	Rating of NGO
16	Gujarat State Fertiliser & Chemicals Limited	72	86	112	112	2	x	✓	x	x	✓	x	NGO data not available	NA	NA
17	Marico Limited	101	102	83	93	2	✓	✓	x	x	x	x	Yuva Parivartan	Skill Development	Data Unpublished
18	Great Eastern Shipping Company Limited	144	142	127	121	2	x	✓	x	x	x	x	NGO data not available	NA	NA
19	NCC Limited	170	158	163	148	2	x	✓	x	x	x	x	NGO data not available	NA	NA
20	Tata Global Beverages Limited	108	124	99	126	2	✓	✓	✓	✓	x	x	NGO data not available	NA	NA
21	DLF Limited	55	90	89	67	2	✓	✓	✓	✓	x	✓	NGO data not available	NA	NA
22	Godrej Consumer Products Limited	80	87	84	84	2	x	x	✓	✓	✓	x	NGO data not available	NA	NA
23	Torrent Power Limited	48	108	146	79	2	✓	✓	x	x	x	x	NGO data not available	NA	NA
24	Jain Irrigation System limited	114	170	172	160	2	✓	✓	✓	✓	✓	x	NGO data not available	NA	NA
25	Pidlite Industries Limited	102	96	98	99	2	✓	✓	✓	✓	x	x	NGO data not available	NA	NA
26	Prakash Industries Limited	115	136	129	165	2	x	x	x	x	x	x	NGO data not available	NA	NA
27	Simplex Infrastructure Limited	152	160	159	155	2	x	✓	x	x	✓	x	NGO data not available	NA	NA
28	JK Tyre & Industries Limited	171	150	138	132	2	✓	✓	x	✓	x	x	NGO data not available	NA	NA
29	Amara Raja Batteries Limited	128	118	108	109	2	x	x	✓	x	x	x	NGO data not available	NA	NA
30	Bharat Electronics Limited	67	66	65	61	2	✓	✓	✓	x	✓	✓	NGO data not available	NA	NA
31	Calcutta Electric Supply Corporation (CESC) Limited	86	78	77	82	2	✓	✓	✓	x	✓	x	NGO data not available	NA	NA
32	TVS Motor Company Limited	119	147	120	116	2	x	✓	x	x	x	x	NGO data not available	NA	NA
33	Zee Entertainment Enterprises Limited	90	76	70	71	2	✓	✓	✓	✓	x	x	NGO data not available	NA	NA

Exhibit 19: Snapshot of CSR activities by Non-Textile companies (Continued)

S. No.	Company Name	"PAT Ranking (2011-12)"	"PAT Ranking (2012-13)"	"PAT Ranking (2013-14)"	"PAT Ranking (2014-15)"	Group (CSR Index)	Health care	Education	Skill Development	Women	Environment	Swachh Bharat	Name of NGO	Sector of Work of NGO	Rating of NGO
34	Cummins India Limited	82	70	82	75	2	✓	✓	✗	✗	✓	✗	NGO data not available	NA	NA
35	Jindal Saw Limited	125	130	135	130	2	✗	✗	✗	✗	✗	✗	NGO data not available	NA	NA
36	Colgate Palmolive India Limited	94	92	87	91	2	✗	✓	✗	✗	✓	✗	NGO data not available	NA	NA
37	Britannia Industries Limited	131	127	107	88	2	✓	✗	✗	✗	✗	✗	NGO data not available	NA	NA
38	Torrent Pharmaceuticals Limited	105	83	71	87	2	✓	✓	✗	✗	✗	✗	NGO data not available	NA	NA
39	Godfrey Philips India Limited	133	134	130	136	2	✗	✗	✗	✗	✗	✗	NGO data not available	NA	NA
40	Bajaj Electricals Limited	151	164	174	167	2	✗	✗	✗	✗	✓	✗	NGO data not available	NA	NA
41	GMR Infrastructure Limited	150	161	131	171	2	✓	✓	✓	✗	✗	✗	NGO data not available	NA	NA
42	Monnet Ispat & Energy Limited	109	125	157	74	2	✓	✓	✗	✗	✓	✗	NGO data not available	NA	NA
43	Uttam Galva Steels Limited	154	159	164	161	2	✓	✓	✗	✓	✓	✗	NGO data not available	NA	NA
44	Gujarat Narmada Valley Fertilizers & Chemicals Limited	110	121	115	172	2	✓	✓	✓	✗	✓	✓	NGO data not available	NA	NA
45	Ballarpur Industries Limited	173	169	165	166	2	✓	✓	✓	✓	✗	✗	NGO data not available	NA	NA
46	Container Corporation of India Limited	65	63	63	63	2	✓	✓	✓	✓	✓	✓	NGO data not available	NA	NA
47	Dabur India Limited	91	80	76	77	2	✓	✗	✗	✓	✓	✗	NGO data not available	NA	NA
48	Mahindra & Mahindra Financial Services Limited	79	68	67	72	2	✓	✓	✓	✗	✓	✓	NGO data not available	NA	NA
49	Firstsource Solutions Limited	167	145	139	139	2	✓	✓	✗	✓	✓	✗	NGO data not available	NA	NA
50	Infosys Limited	5	6	6	5	2	✗	✓	✓	✗	✗	✓	NGO data not available	NA	NA
51	Coromandel International Limited	75	99	111	111	2	✓	✓	✗	✗	✗	✗	NGO data not available	NA	NA

Exhibit 19: Snapshot of CSR activities by Non-Textile companies (Continued)

S. No.	Company Name	"PAT Rank ing (2011-12)"	"PAT Rank ing (2012-13)"	"PAT Rank ing (2013-14)"	"PAT Rank ing (2014-15)"	Group (CSR Index)	Health care	Education	Skill Development	Women	Environment	Swachh Bharat	Name of NGO	Sector of Work of NGO	Rating of NGO
52	Jyoti Structures Limited	153	157	167	169	2	✓	✗	✗	✗	✓	✗	NGO data not available	NA	NA
53	Welspun Corp Limited	160	162	175	168	2	✓	✓	✓	✓	✓	✓	NGO data not available	NA	NA
54	Balrisha Industries Limited	113	110	93	100	2	✓	✓	✗	✗	✗	✗	NGO data not available	NA	NA
55	Sundaram Clayton Limited	157	168	162	154	2	✓	✓	✓	✗	✓	✗	NGO data not available	NA	NA
56	IDFC Limited	43	42	42	47	2	✓	✓	✗	✗	✗	✗	NGO data not available	NA	NA
57	Birla Corporation Limited	122	123	140	138	2	✓	✓	✓	✓	✓	✗	NGO data not available	NA	NA
58	NMDC Limited	6	12	14	15	2	✓	✓	✗	✗	✗	✗	NGO data not available	NA	NA
59	Edelweiss Financial Services Limited	159	167	155	149	2	✗	✓	✓	✗	✗	✗	NGO data not available	NA	NA
60	Balmer Lawrie & Company Limited	146	138	132	140	2	✓	✓	✗	✗	✗	✓	NGO data not available	NA	NA
61	Cadila Healthcare Limited	77	91	66	58	2	✓	✓	✗	✗	✗	✗	NGO data not available	NA	NA
62	Electrosteel Castings Limited	169	153	144	153	2	✓	✓	✓	✓	✓	✗	NGO data not available	NA	NA
63	Engineers India Limited	78	77	95	123	2	✓	✓	✓	✓	✗	✓	NGO data not available	NA	NA
64	Polaris Consulting & Services Limited	130	135	148	143	2	✗	✓	✗	✗	✗	✗	NGO data not available	NA	NA
65	Reliance Capital Limited	87	73	105	78	2	✓	✗	✗	✗	✗	✗	NGO data not available	NA	NA
66	Biocon Limited	117	120	103	95	2	✓	✓	✗	✓	✗	✗	NGO data not available	NA	NA
67	Alicargo Logistics Limited	132	148	161	151	2	✓	✓	✗	✓	✓	✗	NGO data not available	NA	NA
68	Apollo Hospitals Enterprise Limited	123	104	113	117	2	✓	✓	✗	✗	✗	✓	NGO data not available	NA	NA
69	ITC Limited	10	8	8	9	2	✓	✓	✓	✓	✓	✓	NGO data not available	NA	NA
70	Jindal Steel & Power Limited	34	45	53	170	2	✓	✓	✗	✗	✓	✗	NGO data not available	NA	NA
71	JSW Steel Limited	42	41	51	38	2	✓	✓	✓	✗	✓	✗	NGO data not available	NA	NA

Active

Exhibit 19: Snapshot of CSR activities by Non-Textile companies (Continued)

S. No.	Company Name	"PAT Rank ing (2011-12)"	"PAT Rank ing (2012-13)"	"PAT Rank ing (2013-14)"	"PAT Rank ing (2014-15)"	Group (CSR Index)	Health care	Education	Skill Development	Women	Environment	Swachh Bharat	Name of NGO	Sector of Work of NGO	Rating of NGO
72	Bajaj Finserv	155	165	149	144	3	✓	✓	✓	✗	✗	✗	Smile Train	Healthcare	Data Unpublished
73	HDFC Bank	13	10	9	8	3	✗	✓	✓	✓			Premaanjali Educational Trust	Healthcare	Data Unpublished
74	Hindalco Industries Limited	33	44	48	68	3	✓	✓	✓	✓	✗	✗	Masoom	Education	Five Star
75	Indian Oil Corporation Limited	20	17	11	18	3	✓	✓	✓	✗	✓		HelpAge India	Skill Development	Four Star
76	ICICI Bank Limited	9	7	7	6	3	✓	✓	✓	✗			NGO data not available	NA	NA
77	NTPC Limited	4	4	5	7	3	✗	✓	✓	✓	✗	✗	NGO 'Doorstep School'	Education	Data Unpublished
78	Cairn India Limited	169	5	4	23	3	✓	✓	✓	✗	✓		Kherwadi Social Welfare Association	Skill Development	Five Star
79	Maruti Suzuki India Limited	41	33	30	25	3	✗	✓	✓	✓	✗	✗	Samunnathi	Healthcare	Data Unpublished
80	IDBI Bank	35	40	61	70	3	✓	✓	✓	✗	✓		Help Age India	Healthcare	Four Star
81	Titan Company Limited	81	71	72	73	3	✓	✓	✓	✓	✗	✗	NGO data not available	NA	NA
82	Crompton Greaves Limited	88	98	90	81	3	✓	✗	✓	✓	✗	✗	Modern School Educational and Development Trust	Healthcare	Data Unpublished
83	Tata Chemicals Limited	83	75	101	86	3	✓	✓	✓	✓	✓		Blind Person's Association, Bindu Society	Education	Data Unpublished
84	IndusInd Bank	70	58	49	44	3	✗	✓	✗	✓	✓	✗	Myrada, Swami Vivekananda Youth Movement	Skill Development	Data Unpublished
							✗	✓	✓	✓	✓	✗	BAIF	Skill Development	Five Star
							✓	✓	✓	✓	✓	✓	NGO data not available	NA	NA
							✗	✗	✗	✓	✓	✓	NGO data not available	NA	NA

Exhibit 19: Snapshot of CSR activities by Non-Textile companies (Continued)

S. No.	Company Name	"PAT Rank ing (2011-12)"	"PAT Rank ing (2012-13)"	"PAT Rank ing (2013-14)"	"PAT Rank ing (2014-15)"	Group (CSR Index)	Health care	Education	Skill Development	Women	Environment	Swachh Bharat	Name of NGO	Sector of Work of NGO	Rating of NGO
85	Dr Reddy's Laboratories	61	52	39	48	3	✓	✓	✓	✗	✓	✗	NGO data not available	NA	NA
86	UltraTech Cement	31	31	36	40	3	✓	✓	✓	✗	✓	✗	NGO data not available	NA	NA
87	Asian Paints	58	60	58	56	3	✓	✓	✓	✗	✓	✗	NGO data not available	NA	NA
88	Uflex Limited	143	143	141	142	3	✓	✗	✗	✗	✗	✗	NGO data not available	NA	NA
89	Voltas Limited	142	133	128	119	3	✓	✓	✗	✗	✗	✗	NGO data not available	NA	NA
90	Havells Indian Limited	107	109	96	103	3	✓	✓	✗	✗	✗	✗	NGO data not available	NA	NA
91	SREI Infrastructure Finance Limited	164	155	160	10	3	✓	✓	✓	✗	✗	✓	NGO data not available	NA	NA
92	City Union Bank Limited	111	114	110	113	3	✓	✓	✗	✗	✓	✓	NGO data not available	NA	NA
93	Whirlpool of India Limited	148	146	142	134	3	✗	✓	✓	✗	✗	✗	NGO data not available	NA	NA
94	IIFL Holdings Limited	161	154	145	101	3	✓	✓	✓	✓	✗	✗	NGO data not available	NA	NA
95	Vedanta Limited	40	34	62	42	3	✓	✓	✓	✓	✓	✗	NGO data not available	NA	NA
96	IFCI Limited	76	97	91	96	3	✗	✗	✗	✗	✗	✓	NGO data not available	NA	NA
97	Ipca Laboratories Limited	112	113	97	131	3	✗	✗	✗	✗	✗	✗	NGO data not available	NA	NA
98	The Ramco Cements Limited	96	105	136	133	3	✓	✓	✗	✗	✗	✗	NGO data not available	NA	NA
99	Ceat Limited	172	149	121	125	3	✓	✓	✓	✓	✗	✗	NGO data not available	NA	NA
100	Tube Investments of India Limited	135	151	147	145	3	✓	✗	✓	✗	✓	✗	NGO data not available	NA	NA
101	Sundaram Finance Limited	99	103	100	106	3	✓	✓	✗	✗	✓	✗	NGO data not available	NA	NA
102	Oracle Financial Services Software Limited	63	57	60	62	3	✗	✓	✓	✓	✓	✗	NGO data not available	NA	NA

Exhibit 19: Snapshot of CSR activities by Non-Textile companies (Continued)

S. No.	Company Name	"PAT Rank ing (2011-12)"	"PAT Rank ing (2012-13)"	"PAT Rank ing (2013-14)"	"PAT Rank ing (2014-15)"	Group (CSR Index)	Health care	Education	Skill Development	Women	Environment	Swachh Bharat	Name of NGO	Sector of Work of NGO	Rating of NGO
103	National Aluminium Company Limited	66	79	78	57	3	✓	✓	✗	✗	✓	✓	NGO data not available	NA	NA
104	Aurobindo Pharma Limited	174	93	56	53	3	✓	✓	✗	✗	✓	✗	NGO data not available	NA	NA
105	Kalpataru Power Transmissions Limited	140	144	134	146	3	✓	✓	✗	✗	✗	✗	NGO data not available	NA	NA
106	Axis Bank Limited	18	14	16	13	3	✓	✓	✓	✗	✗	✗	NGO data not available	NA	NA
107	Apollo Tyres Limited	134	115	79	85	3	✓	✓	✓	✗	✓	✗	NGO data not available	NA	NA
108	Bajaj Auto Limited	26	28	29	31	3	✓	✓	✓	✓	✓	✗	NGO data not available	NA	NA
109	Dhunseri Petrochem Limited	166	156	153	159	3	✓	✗	✗	✓	✗	✗	NGO data not available	NA	NA
110	Mahindra and Mahindra Limited	27	27	26	28	3	✓	✓	✓	✗	✓	✓	NGO data not available	NA	NA
111	HDFC Limited	19	19	18	16	3	✓	✓	✓	✓	✓	✗	NGO data not available	NA	NA
112	Bharti Airtel	11	15	13	4	3	✓	✓	✗	✗	✗	✗	Paaniram Society	Environment	Data Unpublished
113	Bharat Petroleum Corporation Limited	46	32	24	20	3	✓	✓	✓	✓	✗	✓	'Agastya International Foundation', Education	Education	Data Unpublished
114	Union Bank of India	38	36	43	44	3	✓	✓	✓	✓	✗	✗	SEWA	Skill Development	Data Unpublished
115	Hero MotoCorp Limited	32	37	37	34	3	✓	✓	✓	✗	✓	✓	NGO data not available	NA	NA
116	Power Grid Corporation of India Limited	24	23	22	22	3	✓	✓	✓	✗	✓	✗	NGO data not available	NA	NA
117	Power Finance Corporation Limited	25	22	19	17	3	✓	✗	✓	✗	✓	✓	NGO data not available	NA	NA
118	Rural Electrification Corporation Limited	28	25	20	19	3	✓	✓	✓	✓	✓	✓	NGO data not available	NA	NA

Passive

Exhibit 19: Snapshot of CSR activities by Non-Textile companies (Continued)

S. No.	Company Name	"PAT Rank ing (2011-12)"	"PAT Rank ing (2012-13)"	"PAT Rank ing (2013-14)"	"PAT Rank ing (2014-15)"	Group (CSR Index)	Health care	Education	Skill Develop ment	Women	Environ ment	Swachh Bharat	Name of NGO	Sector of Work of NGO	Rating of NGO
119	Kotak Mahindra Bank Limited	52	49	46	42	3	✓	✓	✗	✗	✗	✗	CanSupport	Healthcare	Data Unpublished
120	Petronet LNG Limited	53	56	74	69	3	✓	✓	✗	✓	✓	✓	NGO data not available	NA	NA
121	Jammu and Kashmir Bank Limited	69	59	55	98	3	✓	✓	✗	✓	✗	✗	"Red Cross Society, Cancer Society of Kashmir, Aditya-Jyoti and CENQUIN"	Healthcare	Data Unpublished
													Child Rights and You (CRY)	Healthcare	Two Star
													"Maaya Foundation"	Healthcare	Five Star
122	Jindal Poly Films Limited	147	173	150	163	3	✓	✗	✗	✗	✗	✗	NGO data not available	NA	NA
123	Yes Bank	57	51	44	41	3	✓	✓	✓	✗	✗	✗	NGO data not available	NA	NA
124	Reliance Infrastructure	36	39	45	51	3	✓	✓	✗	✗	✓	✓	NGO data not available	NA	NA
125	Lupin Limited	68	53	35	34	3	✓	✓	✗	✗	✗	✗	NGO data not available	NA	NA
126	South Indian Bank Limited	95	88	92	124	3	✓	✓	✓	✗	✓	✓	NGO data not available	NA	NA
127	Cipla Limited	51	47	50	60	3	✓	✓	✗	✗	✓	✗	NGO data not available	NA	NA
128	LIC Housing Finance Limited	60	62	52	54	3	✗	✗	✗	✗	✗	✓	NGO data not available	NA	NA
129	Berger Paints India Limited	136	128	124	129	3	✓	✓	✗	✓	✓	✗	NGO data not available	NA	NA
130	Polyplex Corporation Limited	156	174	166	162	3	✓	✓	✗	✗	✗	✗	NGO data not available	NA	NA
131	Punj-Lloyd Limited	165	172	171	174	3	✗	✗	✗	✗	✗	✗	NGO data not available	NA	NA
132	Glenmark Pharmaceuticals Limited	116	107	102	150	3	✓	✓	✗	✗	✓	✗	NGO data not available	NA	NA
133	Sun TV Network Limited	74	72	73	80	3	✗	✓	✗	✗	✗	✗	NGO data not available	NA	NA
134	Ruchi Soya Industries limited	149	126	170	156	3	✓	✓	✓	✓	✗	✗	NGO data not available	NA	NA

Exhibit 19: Snapshot of CSR activities by Non-Textile companies (Continued)

S. No.	Company Name	"PAT Rank ing (2011-12)"	"PAT Rank ing (2012-13)"	"PAT Rank ing (2013-14)"	"PAT Rank ing (2014-15)"	Group (CSR Index)	Health care	Education	Skill Development	Women	Environment	Swachh Bharat	Name of NGO	Sector of Work of NGO	Rating of NGO
135	Indraprastha Gas Limited	106	111	109	108	3	✓	✓	✓	✗	✗	✓	NGO data not available	NA	NA
136	Karnataka Bank Limited	120	112	114	107	3	✓	✓	✓	✓	✗	✓	NGO data not available	NA	NA
137	Karur Vysya Bank Limited	89	82	104	104	3	✗	✗	✗	✗	✗	✓	NGO data not available	NA	NA
138	Apar Industries Limited	163	152	156	157	3	✓	✓	✗	✗	✗	✗	NGO data not available	NA	NA
139	Supreme Industries Limited	121	122	118	122	3	✓	✗	✗	✗	✗	✗	NGO data not available	NA	NA
140	Alstom India Limited	138	132	125	137	3	✗	✓	✓	✗	✗	✗	NGO data not available	NA	NA
141	Deepak Fertilisers & Petrochemicals Corporation Limited	129	141	123	152	3	✓	✓	✓	✗	✓	✗	NGO data not available	NA	NA
142	Blue Star Limited	176	163	152	141	3	✓	✓	✓	✗	✗	✗	NGO data not available	NA	NA
143	Unitech Limited	103	139	151	49	3	✗	✓	✗	✓	✗	✗	NGO data not available	NA	NA
144	Shriram Transport Finance Company Limited	47	50	54	59	3	✓	✓	✗	✗	✗	✗	NGO data not available	NA	NA
145	Bhushan Steel Limited	56	64	158	175	4	✗	✗	✗	✗	✗	✗	NGO data not available	NA	NA
146	IRB Infrastructure Developers Limited	139	131	117	94	4	✗	✓	✗	✗	✗	✗	NGO data not available	NA	NA
147	BGR Energy Systems Limited	126	137	143	158	4	✓	✗	✓	✗	✓	✗	NGO data not available	NA	NA
148	KBRL Limited	158	140	119	127	4	✓	✓	✓	✗	✗	✗	NGO data not available	NA	NA
149	Patel Engineering Limited	162	166	169	164	4	✗	✗	✗	✗	✗	✗	NGO data not available	NA	NA
150	Rashtriya Chemicals & Fertilizers Limited	118	119	122	120	4	✓	✓	✗	✗	✓	✓	NGO data not available	NA	NA
151	Bharat Forge	97	116	106	76	4	✗	✓	✓	✓	✓	✓	NGO data not available	NA	NA

Exhibit 19: Snapshot of CSR activities by Non-Textile companies (Continued)

S. No.	Company Name	"PAT Rank ing (2011-12)"	"PAT Rank ing (2012-13)"	"PAT Rank ing (2013-14)"	"PAT Rank ing (2014-15)"	Group (CSR Index)	Health care	Education	Skill Development	Women	Environ ment	Swachh Bharat	Name of NGO	Sector of Work of NGO	Rating of NGO
152	Neyveli Lignite Corporation Limited	44	48	47	50	4	✓	✓	✓	✓	✗	✗	NGO data not available	NA	NA
153	Adani Ports & Special Economic Zone Limited	49	43	38	37	4	✓	✓	✓	✓	✗	✓	NGO data not available	NA	NA
154	HT Media Limited	141	171	133	147	4	✗	✓	✗	✗	✗	✓	NGO data not available	NA	NA
155	Canara Bank	23	29	34	33	4	✓	✓	✓	✓	✗	✗	Sneha Deep Trust	Skill Development	Data Unpublished
156	Allahabad Bank	37	54	57	89	4	✗	✗	✓	✗	✗	✗	NGO data not available	NA	NA
157	Kansai Nerolac Paints Limited	127	117	126	128	4	✓	✓	✓	✗	✓	✗	NGO data not available	NA	NA
158	Tata Communications Limited	137	94	85	83	4	✓	✓	✓	✓	✗	✗	NGO data not available	NA	NA
159	Tata Consultancy Services	3	3	3	2	5	✓	✓	✓	✓	✓	✗	Justice and Care	Skill Development	Data Unpublished
160	SAIL Limited	22	35	33	39	5	✓	✓	✓	✓	✓	✗	Chetna	Healthcare	Data Unpublished
161	Mangalore Refinery and Petrochemicals Limited	64	176	81	176	5	✓	✓	✗	✗	✗	✓	NGO data not available	NA	NA
162	Bank of Baroda	14	21	21	27	5	✓	✓	✓	✗	✓	✗	NGO data not available	NA	NA
163	Bank of India	29	30	31	46	5	✓	✓	✓	✓	✓	✓	"Akshayshakti Welfare Association, Setu Charitable Trust"	Skill Development	Data Unpublished
164	Indian Bank	39	46	59	66	5	✗	✗	✓	✗	✗	✗	"SEERS"- an organisation	Education	Data Unpublished
165	Punjab National Bank	15	20	28	28	5							Red Cross Society	Healthcare	Data Unpublished
							✓	✓	✗	✓	✓	✗	ASHA	Education	Data Unpublished
													Earth Saviours Foundation	Environment	Data Unpublished
													WWF for Nature	Environment	Data Unpublished
166	GAIL (India) Limited	21	24	23	29	5	✓	✓	✓	✓	✗	✗	NGO data not available	NA	NA

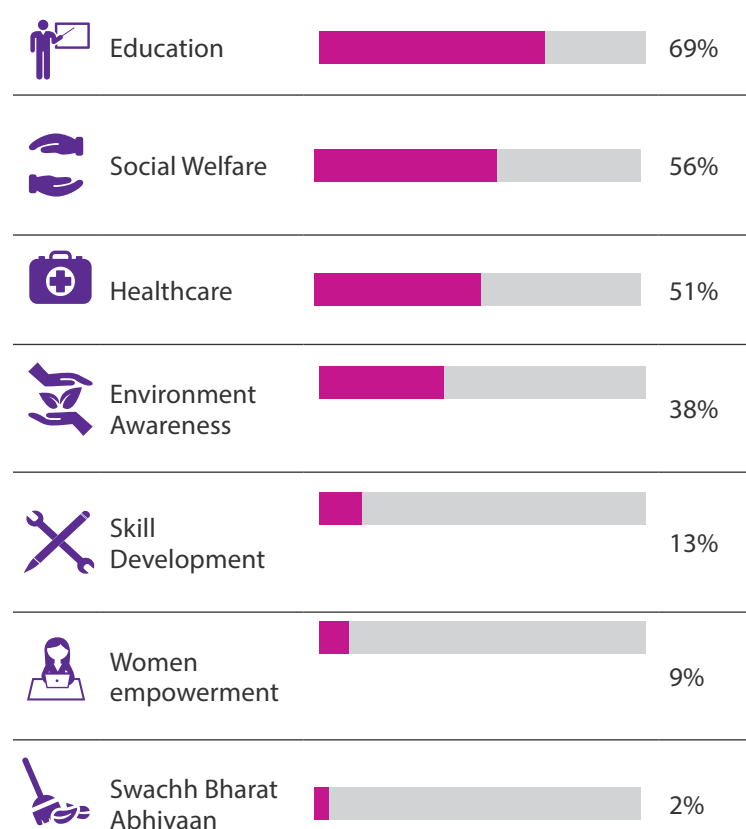
Exhibit 19: Snapshot of CSR activities by Non-Textile companies (Continued)

S. No.	Company Name	"PAT Rank ing (2011-12)"	"PAT Rank ing (2012-13)"	"PAT Rank ing (2013-14)"	"PAT Rank ing (2014-15)"	Group (CSR Index)	Health care	Education	Skill Development	Women	Environment	Swachh Bharat	Name of NGO	Sector of Work of NGO	Rating of NGO
167	Motherson Sumi Systems Limited	104	95	88	97	5	x	✓	x	x	x	x	NGO data not available	NA	NA
168	Federal Bank Limited	71	69	69	65	5	✓	✓	x	x	✓	✓	NGO data not available	NA	NA
169	Hindustan Zinc Limited	12	9	12	12	5	✓	✓	✓	✓	x	✓	NGO data not available	NA	NA
170	Bosch Limited	59	67	68	55	5	✓	x	✓	x	x	x	NGO data not available	NA	NA
171	Indian Overseas Bank	54	81	80	173	5	x	x	✓	✓	x	✓	M/s Friends of Tribals Society	Education	Data Unpublished
172	GlaxoSmithKline Pharmaceuticals Limited	84	89	86	102	5	✓	x	✓	✓	x	x	CARE India, Delhi	Healthcare	Three Star
173	Syndicate Bank	45	38	41	52	5	x	x	x	x	x	x	Save the children	Education	Data Unpublished
174	Exide Industries Limited	92	84	94	92	5	✓	✓	x	x	✓	✓	NGO data not available	NA	NA
175	Gujarat Fluorochemicals Limited	73	106	154	115	5	x	x	x	x	x	x	NGO data not available	NA	NA
176	Bayer CropScience Limited	145	55	116	114	5	✓	✓	✓	x	x	x	NGO data not available	NA	NA

3.3 Analysis of Textile and Non Textile Companies (Combined)

Exhibit 20: Areas of CSR Spend

Sector wise support of causes



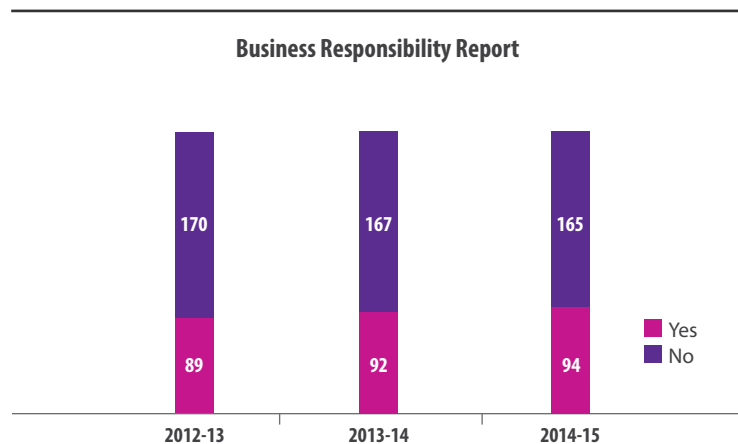
(The sum will not be 100% as some companies support more than one cause.)

CONCLUSION: It can be observed that Education has been the most popular choice for support towards the causes followed by Social Welfare and Healthcare.

Also, non-textile companies have been more active in contributing towards all the sectors as compared to textile companies.

(Refer Figure 6 & 12)

Figure 18: Publishing of Business Responsibility Report – Trend Analysis



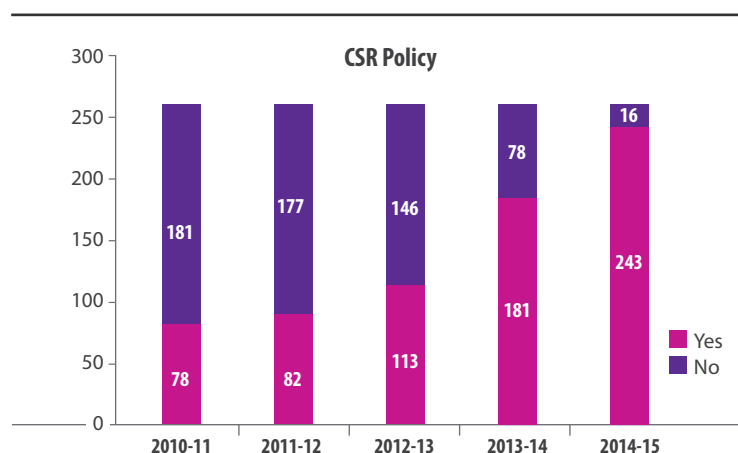
CONCLUSION: There has been an upward trend in the publishing of BR report over the last three years. Amongst the top 259 companies studied, 89 companies published the BR report in 2012-13. This number increased marginally to 94 in the FY 2014-15. In a nutshell, the number of non-textile companies preparing Business Responsibility Report has risen by 4% whereas the same figure for textile companies is 40% in the last three years.

(Refer Figure 7 & 13)

Existence of CSR Policy

CSR policy is the core of a company’s daily operations and a guide to future progress. It indicates the CSR activities to be undertaken by the company.

Figure 19: Existence of CSR Policy – Trend Analysis



CONCLUSION: Amongst the 259 companies studied, only 78 companies had a CSR Policy in 2010-11. This number has been increasing every year. In 2014-15, 243 companies had their CSR policy.

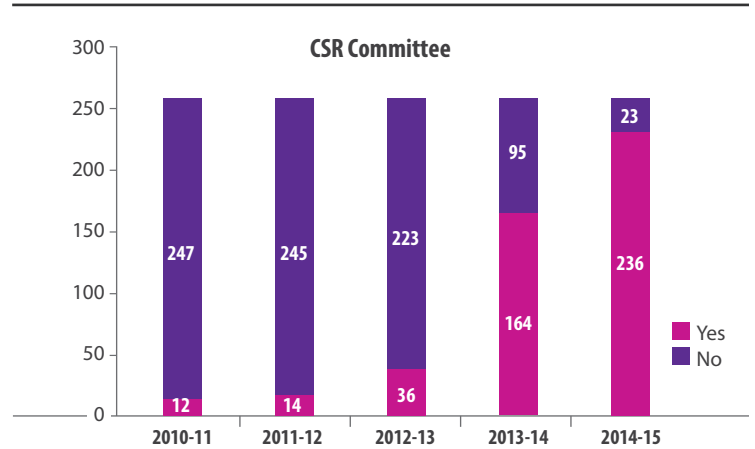
It can be concluded that in the past 5 years, textile companies have been more active than non-textile companies in formulating a CSR Policy.

(Refer Figure 8 & 14)

Existence of CSR Committee

The CSR Committee is responsible for formulating and recommending to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company, the amount of expenditure to be incurred on the activities, and monitor the Corporate Social Responsibility Policy of the company from time to time.

Figure 20: Existence of CSR Committee – Trend Analysis



CONCLUSION: While 78 companies had a CSR Policy in 2010-11, only 12 of them had constituted a CSR Committee. The rise in the number of CSR Committees till 2012-13 had been at a snail's pace. However, there was a giant leap in 2013-14 with the number increasing by more than 350%. This trend continued with another 44% jump in 2014-15.

It can be concluded that in the past 5 years, textile companies have been more active than non-textile companies in formulating a CSR Committee.

(Refer Figure 9 & 15)

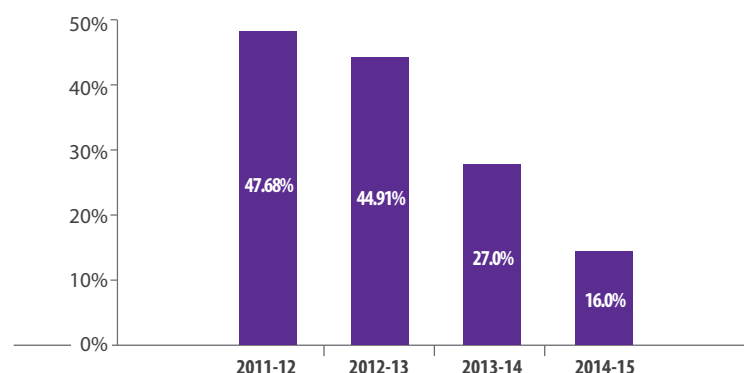
Actual spending vs. Required CSR Spending

Exhibit 21: Actual spending vs. Required CSR Spending on CSR from 2010-15

Column Name	Particulars	2011-12	2012-13	2013-14	2014-15
A	Number of companies who contributed	15	77	89	221
B	Combined PAT (companies with PAT > INR 5 crores p.a.)	50670	219431	251027	2,98,980
C	Actual total spending on CSR (INR Cr.)	530	2417	3663	5010
D	Percentage spending on CSR	1.05%	1.10%	1.46%	1.68%
E	Required CSR spending as per Statutory Guidelines to meet the 2% benchmark (INR Cr.)	1013	4388	5020	5,966
F	Shortfall in CSR spending {F=(E-C/E) x 100}	47.68%	44.91%	27.04%	16.02%

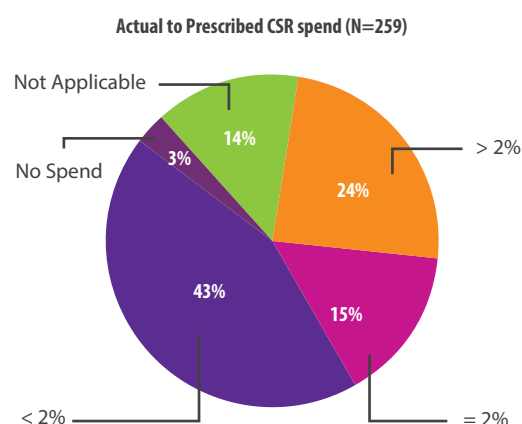
The above exhibit clearly points towards a decreasing trend in the shortfall in CSR spending. It is expected that with the growing awareness of CSR, more companies would come forward and will be more proactive in their CSR approach.

Figure 21: Shortfall in CSR Spend



CONCLUSION: The shortfall in CSR spend has been consistently decreasing in the last 4 years.

Figure 22: Actual to Prescribed CSR Spend Among All Companies

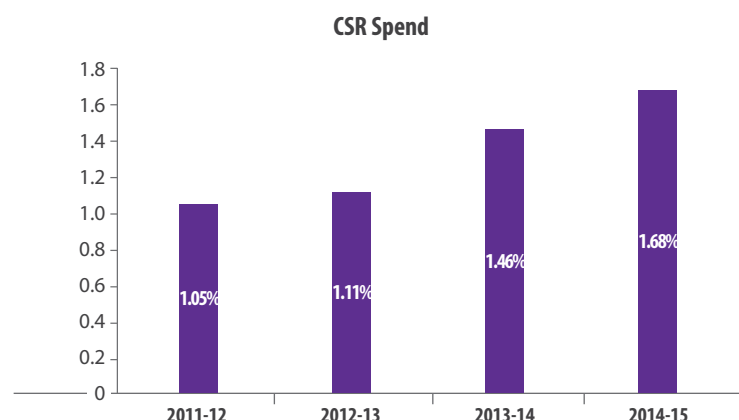


CONCLUSION: As per the above analysis, 58% of the total companies spend equal to or more than the prescribed CSR Budget.

We see an upward trend in the CSR spending from 2010 to 2015 among the 259 companies analysed. The trend can be explained by the following:

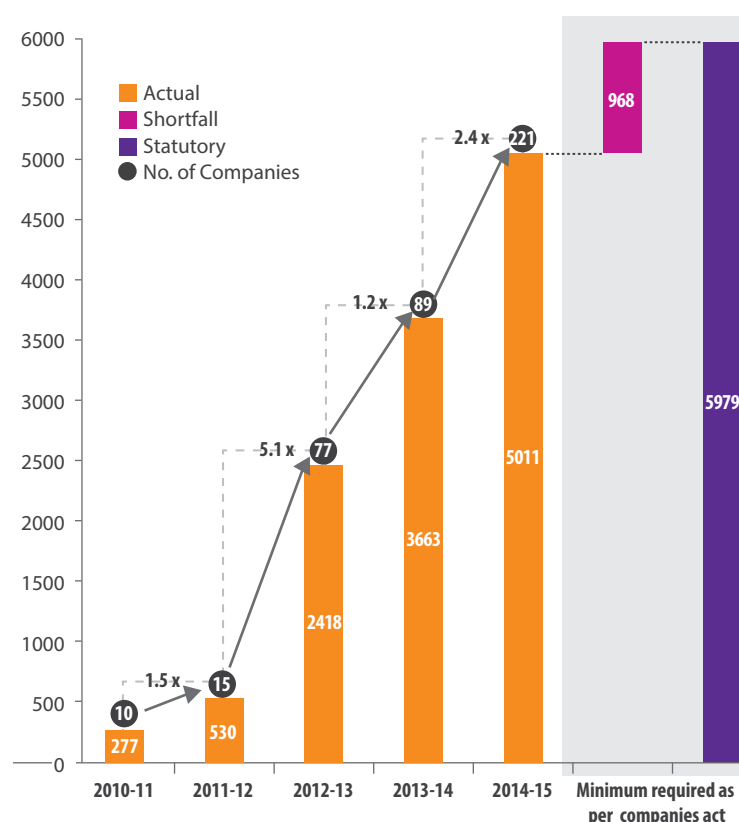
- o As per section 135 under the Companies Act 2013, it was made mandatory for the companies to adopt a 'comply' or 'explain' model, which led to a larger number of companies contributing towards CSR
- o We saw an increased CSR spending and awareness, especially among the companies spending less than 2% PAT (Group 4 and 5) on CSR.

Figure 23: Proportionate Spending on CSR activities – Trend Analysis



KEY TAKEAWAY: From 2011-12 to 2014-15, the companies have failed to meet the statutory requirement of 2% spend. However, the spend on CSR activities is following a linear growth trend. The increment has been moving forward at an accelerating pace at least in percentage point terms.

Figure 24: CSR Spend Scenario



KEY TAKEAWAY: Above figure gives a clear picture of the exponential growth of the CSR spends. Initially during 2010-11, only 10 companies from the total 59 were spending INR 277 crores. But, with the gradual progression of growing awareness

along with legislative push from the government, the picture of CSR spend has drastically transformed.

Figure 25: Highest Spending Companies in CSR activities in 2013-14

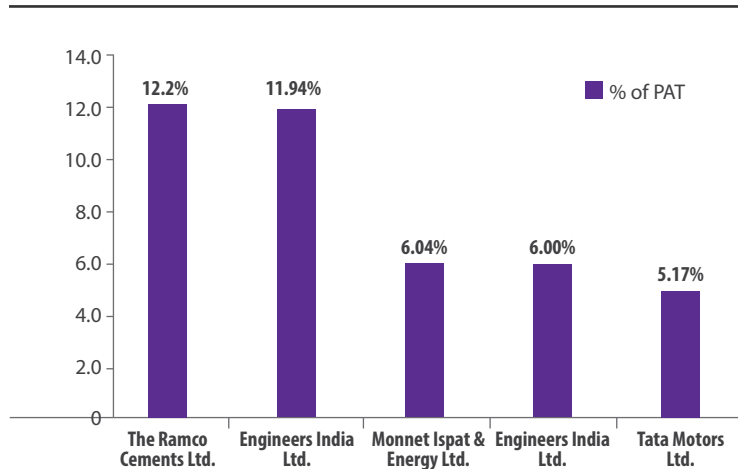
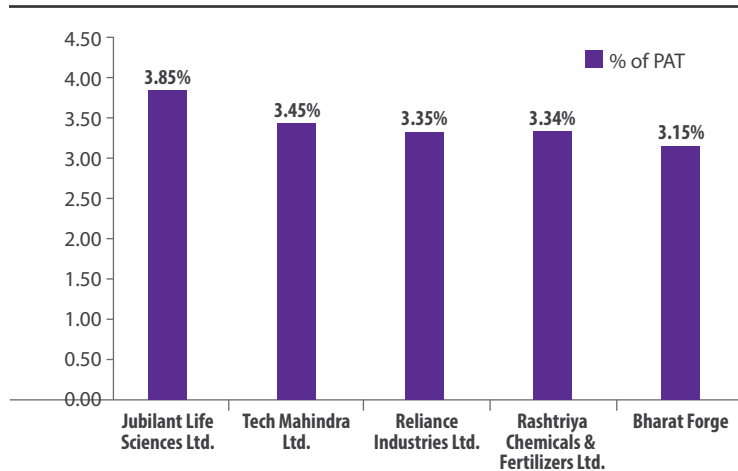


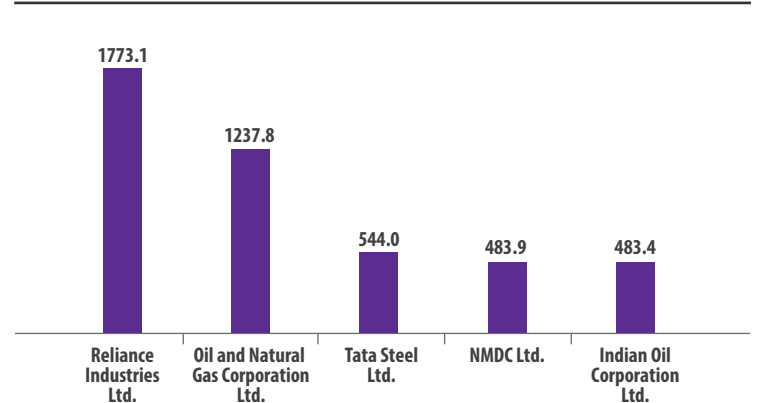
Figure 26: Highest Spending Companies in CSR activities in 2014-15



KEY TAKEAWAY: It is noticeable that none of the highest contributors of 2013-14 was amongst the highest contributor for 2014-15.

(TATA Motors did spend 2.09% of the average of PAT of preceding three years despite having a negative PAT for 2014-15)

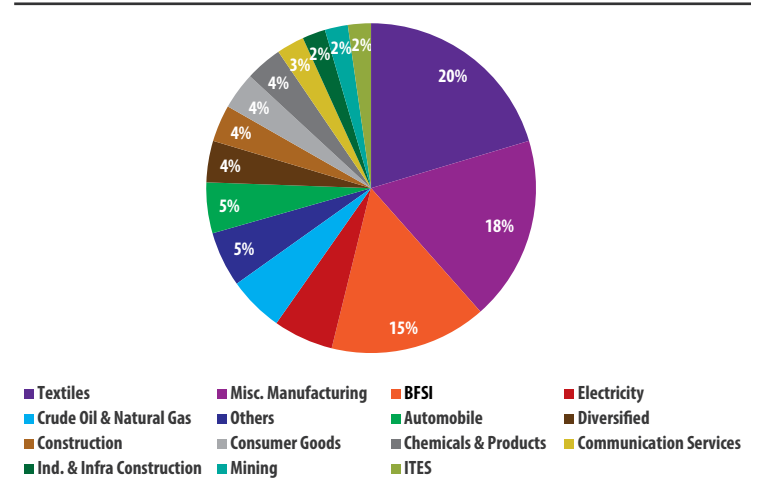
Figure 27: Absolute Highest Contributor (in crores) to CSR activities during 2011-2015



KEY TAKEAWAY: Among the 259 companies studied, the absolute highest contributor has been Reliance Industries Limited with a spend of INR 1773.1 crores from 2010-11 to 2014-15. It is followed by Oil and Natural Gas Corporation Limited with a spend of INR 1237.8 crores. However, the spend fell by 55% to INR 544 crores, by TATA Steel Limited.

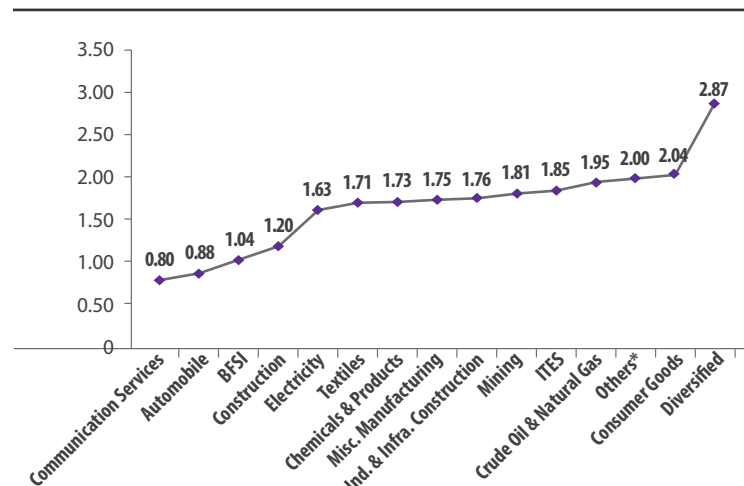
Industry Analysis:

Figure 28: Composition of the 221 companies



KEY TAKEAWAY: Among the 259 companies studied, the explicit figures for PAT % spent on CSR for 2014-15 is available only for 221 companies. The highest contribution towards CSR is done by Textile companies (20%) followed by companies in Miscellaneous Manufacturing (18%) and BFSI (15%) sectors.

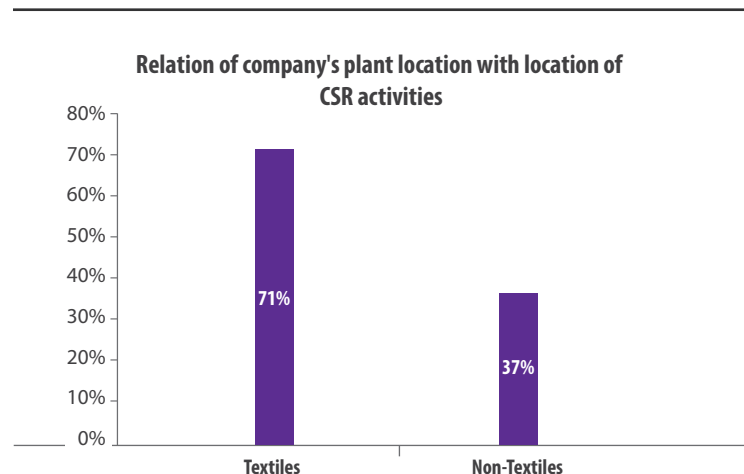
Figure 29: Percentage Spend on CSR in 2014-15



*Where Others include sectors like Consulting Services, Food and Agri Based Products, Healthcare, Irrigation, Minerals, Transport etc.

KEY TAKEAWAY: Of the 221 companies studied, Diversified group has been the highest contributor to the CSR activities in 2014-15 with a CSR spending of 2.87%. Companies from three industry groups, i.e. Diversified, Consumer Goods and Others have been able to meet the statutory requirement of 2%.

Figure 30: Plant Location and Location of CSR activities (available for 191 companies)



KEY TAKEAWAY: Among the 191 companies studied, 150 companies were non-textile and 41 were textile.

Among the non-textile companies, for 37% companies the CSR activities were done around the plant locations only. However, this value was 71% for textile companies.

It can be deduced that companies prefer to conduct their CSR activities in the vicinity of their plant areas. The key focus is in



and around the plant locations. While this is a common trend for both textile as well as non-textile companies, textile companies are more likely to undertake and execute the CSR activities only around plant locations.

Exhibit 22: Regression Analysis using PAT of Preceding Three Years (2011-12, 2012-13, 2013-14)

Analysis of Profitability and CSR Spends:

1. The regression was run for 221 companies for whom PAT% spend in 2014-15 was available.
2. The spending on CSR activities was recorded by multiplying the PAT% spend in 2014-15 with the average of PAT for preceding 3 years (2011-12, 2012-13, 2013-14).
3. A regression was run: Using average of PAT in preceding 3 years as the independent variable and spend on CSR in 2014-15 as the dependent variable.

Relationship between PAT and CSR spend

We have used regression analysis to explore the relationship between the profitability of companies and their CSR spend. Our analysis has revealed that with every INR 1crore increase in average PAT of preceding three years (2011-12, 2012-13 & 2013-14) the CSR spend increases by INR 2.47 lakhs.

$$\text{CSR Spend} = -8.7010 + 0.0232 * \text{Average PAT}$$

Regression Statistics	
Multiple R	0.922332
R Square	0.850696
Adjusted R Square	0.850011
Standard Error	27.78927
Observations	221

ANOVA

	df	SS	MS	F	Significance F
Regression	1	959208	959208	1242.106	5.51E-92
Residual	219	168349.1	772.2435		
Total	220	1127557			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	-8.70103	2.075423	-4.19241	4.01E-05	-12.7915	-4.61057	-12.7915	-4.61057
Average PAT	0.023225	0.000659	35.24352	5.51E-92	0.021926	0.024524	0.021926	0.024524

The Coefficient of Determination (R Square) is 0.85. This means that 85% of the variation in CSR Spend can be explained by the Average of PAT in preceding three years. Also the small value of Significance F refutes the possibility that the Regression Output was merely a chance occurrence.

Out of the sample of 221 companies the pattern is strongly supporting the spend on CSR vis-à-vis PAT of last preceding three years.

A high R-squared (between 85 and 100), in our case it is 85.07 indicates the high degree co-relation exist between CSR Spend and the PAT of the company.

Methodology of Technopak CSR Index Construction

We have designed the CSR Index in two steps.

First Step: Creation of Sub-Indices for each of the four CSR Governance components namely,

- CSR PAT spend Index
- CSR Policy Index
- CSR Committee Index
- CSR Independent Director Index

Second Step: We gave weights to each value of the four Sub-indices to arrive at the overall CSR Index.

To construct the sub-indices we took the attributes within a specified monitoring and governance mechanism and scored each attribute as per the following approach:

I. PAT % on CSR: CSR spend Index if Cos. follow below matrix:

% PAT Spend on CSR	Score
No Spend	0
<1	1
Equal to 1 and % PAT Spend on CSR <2	2
Equal to 2 and % PAT Spend on CSR <3	3
Equal to 3 and % PAT Spend on CSR < 4	4
>4	5

II. CSR Policy Index: If the company has a CSR Policy, then we have allocated 1 mark otherwise 0.

CSR Policy (Attribute 2)	Marking
Present (Yes)	1
Absent (No)	0

III. CSR Committee Index: If the company has a CSR Committee, then we have given 1 mark otherwise 0.

CSR Committee (Attribute 3)	Marking
Present (Yes)	1
Absent (No)	0

IV. CSR Leadership Index: If the company has an Independent Director on the CSR Committee, then we have allocated 1 mark, otherwise 0.

Independent Director (Attribute 4)	Marking
Present (Yes)	1
Absent (No)	0

Further to construct Technopak CSR Index, we assigned weights to each sub-index. The rationale for the weights has been acquired through reference of Section 135 of the Companies Act, 2013 relating to CSR, as well as the insights from various academic studies.

Sub-Indices	Weights (in percentage %)
CSR PAT% Spend Index	30
CSR Policy Index	25
CSR Committee Index	20
CSR Leadership Index	25

Results:

Exhibit 23: CSR INDEX

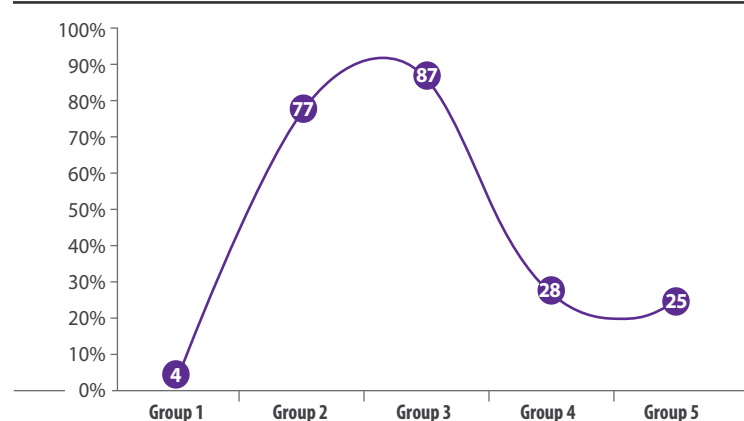
	N	Max	Min	Range	Mean	Median	Standard Deviation
CSR PAT% Spend Index	221	1.00	0	1.00	0.43	0.4	0.20
CSR Policy Index	221	1	0	1	0.97	1	0.18
CSR Committee Index	221	1	0	1	0.94	1	0.24
CSR Leadership Index	221	1	0	1	0.86	1	0.35
CSR Weights Index	221	0.94	0.31	0.63	0.77	0.82	0.13

Mean value of CSR Index	0.7724
Standard Deviation of CSR Index	0.1328

Distribution of Companies in groups: CSR Index

Groups: Classification Value of CSR Index	Companies	No. of Companies
Group 1: $> \text{Mean} + 1.0 * \text{SD}$	≥ 0.905	4
Group 2: $\text{Mean} + 0.5 * \text{SD}$ to $\text{Mean} + 1.0 * \text{SD}$	0.839 - 0.905	77
Group 3: $\text{Mean} - 0.5 * \text{SD}$ to $\text{Mean} + 0.5 * \text{SD}$	0.706 - 0.839	87
Group 4: $\text{Mean} - 1.5 * \text{SD}$ to $\text{Mean} - 0.5 * \text{SD}$	0.573 - 0.706	28
Group 5: $\leq \text{Mean} - 1.5 * \text{SD}$	≤ 0.573	25

Figure 31: Distribution of companies in groups using CSR Index



Explanation:

Group 1: $> \text{Mean} + 1.0 * \text{SD}$

Group 1 consists of those companies where the score obtained by the company is more than the mean of the CSR Index by 1.0 standard deviation.

Group 2: $\text{Mean} + 0.5 * \text{SD}$ to $\text{Mean} + 1.0 * \text{SD}$

Group 2 consists of those companies where the score obtained by the company lies between "0.5 standard deviations more than the mean of the CSR Index" and "1.0 standard deviations more than the mean of the CSR Index".

Group 3: Mean - 0.5*SD to Mean + 0.5*SD

Group 3 consists of those companies where the score obtained by the company lies between “0.5 standard deviations less than the mean of the CSR Index” and “0.5 standard deviations more than the mean of the CSR Index”.

Group 4: Mean - 1.5*SD to Mean - 0.5*SD

Group 4 consists of those companies where the score obtained by the company lies between “1.5 standard deviations less than the mean of the CSR Index” and “0.5 standard deviations less than the mean of the CSR Index”.

Group 5: < Mean - 1.5*SD

Group 5 consists of those companies where the score obtained by the company is less than the mean of the CSR Index by 1.5 standard deviations.

Exhibit 24: CSR INDEX: Top Ranked Companies (in Decreasing Order of scores)

S.No.	Company Name	Group	Classification
1	Reliance Industries Limited	1	Pro-Active
2	Tech Mahindra Limited	1	
3	UPL Limited	1	
4	Jubilant Life Sciences Ltd.	1	
5	Aditya Birla Nuvo	2	Active
6	Donear Industries	2	
7	Larsen & Toubro Limited	2	
8	Bharat Heavy Electricals Limited	2	
9	Raymond Ltd.	2	
10	Welspun India Limited	2	
11	Tata Steel Limited	2	
12	Wipro Limited	2	
13	Hindustan Petroleum Corporation Limited	2	
14	Arvind Ltd.	2	
15	Century Enka Ltd	2	
16	Trident Limited	2	
17	Adani Enterprises Limited	2	
18	GlaxoSmithKline Consumer Healthcare LTD	2	
19	TATA Power Company Limited	2	
20	Oil and Natural Gas Corporation Limited	2	
21	Hindustan Unilever Limited	2	
22	Ashok Leyland Ltd.	2	

S.No.	Company Name	Group	Classification
23	Gujarat State Fertilizer & Chemicals Limited	2	Active
24	Marico Ltd.	2	
25	Great Eastern Shipping Company Ltd.	2	
26	NCC Ltd.	2	
27	Tata Global Beverages Ltd	2	
28	DLF Ltd.	2	
29	Godrej Consumer Products Ltd.	2	
30	Torrent Power Limited	2	
31	Jain Irrigation System limited	2	
32	Pidilite Industries Ltd.	2	
33	Prakash Industries Ltd.	2	
34	Simplex Infrastructure Ltd.	2	
35	J K Tyre & Industries Ltd.	2	
36	Amara Raja Batteries Ltd.	2	
37	Bharat Electronics Ltd.	2	
38	Calcutta Electric Supply Corporation (CESC) Ltd	2	
39	TVS Motor Company Ltd.	2	
40	Zee Entertainment Enterprises Ltd.	2	
41	Cummins India Ltd.	2	
42	Jindal Saw Ltd.	2	
43	Colgate Palmolive India Ltd.	2	
44	Britannia Industries Ltd.	2	
45	Torrent Pharmaceuticals Ltd.	2	
46	Godfrey Philips India Ltd.	2	
47	Bajaj Electricals Ltd.	2	
48	GMR Infrastructure Ltd.	2	
49	Monnet Ispat & Energy Limited	2	
50	Uttam Galva Steels Ltd.	2	
51	Gujarat Narmada Valley Fertilizers & Chemicals Ltd.	2	
52	Ballarpur Industries Ltd.	2	
53	Container Corporation of India Ltd.	2	
54	Dabur India Ltd.	2	
55	Mahindra & Mahindra Financial Services Ltd	2	
56	Firstsource Solutions Ltd.	2	
57	Infosys Ltd.	2	
58	Coromandel International Ltd.	2	
59	Jyoti Structures Ltd.	2	

S.No.	Company Name	Group	Classification	S.No.	Company Name	Group	Classification
60	Welspun Corp Ltd.	2	Active	100	NTPC Limited	3	Passive
61	Balkrishna Industries Ltd.	2		101	Cairn India Limited	3	
62	Sundaram Clayton Ltd.	2		102	Maruti Suzuki India Limited	3	
63	IDFC Ltd.	2		103	Bharat Petroleum Corporation Limited	3	
64	Birla Corporation Ltd.	2		104	IDBI Bank	3	
65	NMDC Ltd	2		105	Union Bank of India	3	
66	Edelweiss Financial Services Ltd.	2		106	Hero MotoCorp Ltd.	3	
67	Balmer Lawrie & Company Ltd.	2		107	Power Grid Corporation of India Limited	3	
68	Cadila Healthcare Limited	2		108	Power Finance Corporation Limited	3	
69	Electrosteel Castings Ltd.	2		109	Rural Electrification Corporation Limited	3	
70	Engineers India Ltd.	2		110	Kotak Mahindra Bank Limited	3	
71	Polaris Consulting & Services Ltd.	2		111	Petronet LNG Ltd.	3	
72	Reliance Capital Ltd.	2		112	Titan Company Ltd.	3	
73	BIOCON LIMITED	2		113	Crompton Greaves Ltd	3	
74	Allcargo Logistics Ltd.	2		114	Jammu and Kashmir Bank Ltd.	3	
75	Apollo Hospitals Enterprise Ltd.	2		115	Tata Chemicals Ltd.	3	
76	ITC Ltd.	2		116	Jindal Poly Films Ltd.	3	
77	Jindal Steel & Power Ltd.	2		117	IndusInd Bank	3	
78	JSW Steel Ltd.	2		118	Dr Reddy's Laboratories	3	
79	Ambika Cotton Mills Ltd	2		119	UltraTech Cement	3	
80	Nandan Denim Ltd.	2		120	Asian Paints	3	
81	Rupa and Company Ltd.	2		121	Yes Bank	3	
82	Bajaj Finserv	3		122	Reliance Infrastructure	3	
83	SRF Ltd	3		123	Lupin Ltd	3	
84	JBF Industries Ltd.	3		124	Sintex Industries Ltd.	3	
85	Sangam (India) Ltd.	3		125	Uflex Ltd.	3	
86	Mahindra and Mahindra Ltd.	3		126	South Indian Bank Ltd.	3	
87	Grasim Industries Ltd.	3		127	Voltas Ltd.	3	
88	HDFC Ltd.	3		128	Cipla Ltd.	3	
89	Bombay Dyeing & Manufacturing Company Ltd.	3		129	LIC Housing Finance Ltd.	3	
90	Indo Rama Synthetics (India) Limited	3		130	Havells Indian Ltd.	3	
91	HDFC Bank	3	131	SREI Infrastructure Finance Ltd.	3		
92	Hindalco Industries Limited	3	132	City Union Bank Limited	3		
93	Bharti Airtel	3	133	Whirlpool of India Ltd.	3		
94	Alok Industries Ltd	3	134	Berger Paints India Limited	3		
95	Vardhman Textiles Ltd	3	135	IIFL Holdings Ltd.	3		
96	Himatsingka Seide Limited	3	136	Polyplex Corporation Ltd	3		
97	Indian Oil Corporation Ltd	3	137	Vedanta Ltd.	3		
98	ICICI Bank Ltd	3	138	Punj-lloyd Limited	3		
99	Sutlej Textiles and Industries Limited	3	139	Glenmark Pharmaceuticals Ltd.	3		

S.No.	Company Name	Group	Classification
140	Sun TV Network Ltd.	3	Passive
141	Ruchi Soya Industries limited	3	
142	IFCI Ltd	3	
143	Indraprashtha Gas Limited	3	
144	Karnataka Bank Ltd.	3	
145	Karur Vysya Bank Ltd.	3	
146	Apar Industries Limited	3	
147	Supreme Industries Ltd.	3	
148	Ipca Laboratories Ltd.	3	
149	The Ramco Cements Ltd.	3	
150	Ceat Ltd.	3	
151	Alstom India Ltd	3	
152	Tube Investments of India Ltd.	3	
153	Sundaram Finance Ltd.	3	
154	Deepak Fertilizers & Petrochemicals Corporation Ltd	3	
155	Blue Star Ltd.	3	
156	Oracle Financial Services Software Ltd.	3	
157	Unitech Ltd.	3	
158	National Aluminium Company Ltd.	3	
159	Aurobindo Pharma Ltd.	3	
160	Kalpataru Power Transmissions Ltd.	3	
161	Axis Bank Ltd.	3	
162	Apollo Tyres Ltd.	3	
163	Bajaj Auto Ltd.	3	
164	Dhunseri Petrochem Ltd.	3	
165	Shriram Transport Finance Company Ltd.	3	
166	Nitin Spinners Ltd.	3	
167	Lovable Lingerie	3	
168	Rajapalayam Mills Ltd.	3	
169	Pearl Global Industries Ltd.	4	
170	Gokaldas Exports Limited	4	
171	Nahar Spinning Mills Limited	4	
172	Loyal Textile Mills Limited	4	
173	Canara Bank	4	
174	Allahabad Bank	4	
175	Bhushan Steel Ltd.	4	
176	Neyveli Lignite Corporation Ltd.	4	
177	Adani Ports & Special Economic Zone Ltd.	4	
178	Kansai Nerolac Paints Ltd.	4	

S.No.	Company Name	Group	Classification
179	IRB Infrastructure Developers Ltd.	4	Passive
180	HT Media Ltd.	4	
181	Rashtriya Chemicals & Fertilizers Ltd.	4	
182	Tata Communications Limited	4	
183	Bharat Forge	4	
184	BGR Energy Systems Ltd.	4	
185	KBRL Ltd	4	
186	Patel Engineering Ltd.	4	
187	APM Industries Ltd	4	
188	Kallam Spinning Mills Ltd	4	
189	Kitex Garments Ltd	4	
190	KPR Mill Ltd	4	
191	Lakshmi Machine Works Ltd	4	
192	Lux Industries Ltd	4	
193	Morarjee Textiles Ltd	4	
194	Stovec Industries Ltd.	4	
195	Suryalata Spinning Mills Ltd	4	
196	Zodiac Clothing Co. Ltd.	4	
197	RSWM Ltd.	5	
198	Punjab National Bank	5	
199	Siyaram Silk Mills Limited	5	
200	Tata Consultancy Services	5	
201	Bank of Baroda	5	
202	SAIL Limited	5	
203	Bank of India	5	
204	GAIL (India) Limited	5	
205	Mangalore Refinery And Petrochemicals Ltd.	5	
206	Indian Overseas Bank	5	
207	Indian Bank	5	
208	Syndicate Bank	5	
209	Motherson Sumi Systems Ltd.	5	
210	Federal Bank Ltd.	5	
211	Exide Industries Ltd.	5	
212	GlaxoSmithKline Pharmaceuticals Ltd.	5	
213	Gujarat Fluorochemicals Ltd.	5	
214	Bayer CropScience Ltd.	5	
215	Hindustan Zinc Ltd.	5	
216	Bosch Limited	5	
217	AYM Syntex Ltd	5	
218	Damodar Industries Ltd	5	

S.No.	Company Name	Group	Classification
219	Garware-Wall Ropes Ltd	5	Passive
220	Page Industries Ltd	5	
221	Suryalakshmi cotton Mills Ltd	5	

Following observations were found from the above mentioned analysis:

Out of top 10 companies four companies are either directly linked to Textile/Garments sector or have group companies operating in the Textile Sector.

List of Textiles Companies among the top 10 companies:

- i. Aditya Birla Nuvo
- ii. Donear Industries
- iii. Raymond Ltd.
- iv. Welspun India Limited

List of companies shortlisted for Technopak Advisors for Primary Research among the top 25 companies:

- i. Aditya Birla Nuvo
- ii. Raymond Ltd.
- iii. Welspun India Limited
- iv. Arvind Ltd.
- v. Trident Ltd.
- vi. Reliance Industries Limited

vii. Oil and Natural Gas Corporation Limited

viii. TATA Steel Limited

Non-Eligible Companies (CSR Study)

Companies which could have ideally fallen in to Group 1 or Group 2 but due to negative PAT for FY 2014-15 or average PAT for preceding three years have been excluded from the analysis.

However, despite having no obligation as per the Act, these companies have volunteered to spend considerable amounts on CSR.

S.No.	Companies	Absolute CSR spend for FY'14-'15 (INR Cr.)
1	Piramal Enterprises	23.77
2	TATA Motors	18.62
3	Aban Offshore Ltd.	3.05
4	Wockhardt Ltd	1.21
5	(Bharat Earth Movers Limited) BEML Ltd	3.89
6	KEC International Ltd.	0.4
7	Hindustan Construction Company Ltd.	0.07
8	EID Parry (India) Ltd.	1.18

INNOVATIVE MODELS & BEST PRACTICES IN CSR

CSR-driven innovation is a process where companies use CSR as a driver for designing a profitable product or service. Innovative product and service ultimately benefits the surrounding environment and society. Innovation is becoming an increasingly important driver of the company's competitiveness and value. The view that equates innovation exclusively with high technology and new products is being abandoned and innovation is being fast understood as a broad and continuous, systematic activity that takes place throughout the enterprise.

4.1. Innovative Models in CSR

Our research has indicated the following innovative models being implemented in CSR globally:

4.1.1. Social Impact Bonds (SIBs)

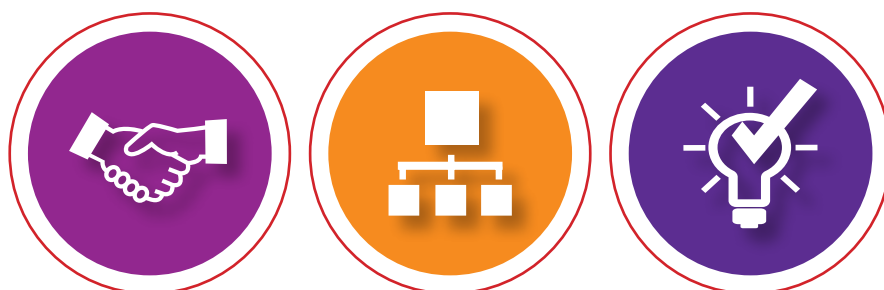
It is a tool that can be characterized as Results-Based Financing option, as it focuses on the allocation of money to social programs that work. In an Impact Bond model, an investor (or a group of investors) provides up-front financing for the operations of a service provider, receiving a return from the outcome payer (usually a government or donor) once results have been achieved. SIBs or variants could play a significant role by bringing discipline in corporate social spending by ensuring that money goes towards desirable projects and using the pay for benefits concept to ensure that money is fruitfully spent. It improves the flow of money into the system and enables the public sector to leverage upfront funding from the private sector.

As stated above, Social Impact Bonds are meant to bring to scale government-supported social programs by utilizing private sector investment. Often, these programs have some proven success on a small scale, and the goal of the SIB is to expand the program to a larger scale. SIB is not a bond in the traditional sense, rather, it is a type of performance-based contract in which:

- A service provider provides a social service or "intervention";
- Private investors pay the costs of the service provider;
- The public sector commits to making payments for the services at a later date, but only if the social outcomes are achieved;
- The payments are structured to include the cost of the intervention as well as some interest (or "return") for the investors;
- A third-party evaluation confirms whether the outcomes have been achieved, at which point the public sector will repay the investors.

Specifically, the benefits of SIBs include:

- Governments are able to preserve public resources for successful interventions while still encouraging innovation, particularly in a time of fiscal constraints.
- Non-profit service providers receive a committed funding stream not subject to budget cuts.



- Private investors, (which can include philanthropic foundations) can receive financial returns for assuming the financial risk, in addition to achieving a public good.
- Individuals receiving the service provided may experience better life outcomes areas such as of education, employment, and independence.

Achieving the social outcome is usually expected to reduce government costs, often in other program areas, when the outcome is achieved. Therefore, in the long run, the costs of repaying the investors may not be additive to the government's budget.

Social Bond in Action: A multinational bank gives girls' education, non-profit in India, enough funds to scale their program to 3 new villages. Large education philanthropy pays back the initial investment plus interest after 3 years based on the number of girls who have been enrolled in school and their learning gains. Piloted in Sirohi, it has the potential to change service delivery and implementation standards across the social sector in India. With huge amounts of capital flowing into the social sector, opportunities to explore social bonds further maybe a good option for private and public players.

4.1.2. Corporate Social Innovation

The latest evolution on this continuum was the advent of Corporate Social Innovation (CSI). The World Economic Forum launched the Global Agenda Council on Social Innovation in 2014, bringing together an unlikely cross-section of corporate leaders, impact investors, and development executives, and offered a definition for CSI that builds on shared value concepts: when companies proactively design and implement business models that increase incomes and better the quality of life of underserved or vulnerable communities and bottom of the pyramid markets. The mutual attraction for the unlikely bedfellows is that CSI initiatives are often fuelled by corporate venture capital - the investment of cash reserves from a company to fund new endeavours.

Some intriguing CSI examples are emerging. To name one: Shell Foundation, the philanthropic arm of the oil giant, formed a strategic partnership with Husk Power Systems, a biomass electricity generator. In five years, Husk has installed 84 mini-power plants, providing electricity to more than 200,000 people in 300 rural villages in India. By electrifying villages, Husk is promoting economic development, as businesses are able to stay open after dark and children can study at night. Impact investors Acumen and Oasis Fund have contributed funding to the venture.

4.1.3. Employee Volunteerism

Providing Paid Time off for volunteer efforts: Volunteer Time Off (VTO) policies are a growing trend among businesses truly committed to conducting CSR programs the right way. Companies that allow VTO recruit and retain ambitious employees. Studies show that giving your employees volunteer opportunities as part of their jobs builds loyalty to your company, making them honored to work for a place with a strong community mindset.

TCC, for example, gives employees two paid days or 16 hours off per year to volunteer in a community effort of their own choosing. In addition, each store is given \$125 per quarter (\$500 a year) to dedicate to a local organization of their choice. Stores and departments have done holiday outreaches, food donations, given winter clothing, created care baskets for new moms, sent military care packs and more.

Global Reporting Initiative's (GRI) Sustainability Reporting for Sustainable Development conference, held this June in India, issued joint declaration stating that while the government bill was welcome the 2% ruling could lead to forced philanthropy, 'tick box' behaviour, tokenism or even corruption, and masking of data to avoid having to comply. Time will show if this legislation will have a real impact on poor people's lives and prevent actual environmental degradation.

Business leaders have expressed concerns from the corporate perspective. Ratan Tata, the former chairman of Tata Sons, the holding company of the \$100bn Tata group, has said:

"We have a phenomenon which is meant to be good but is going to be somewhat chaotic. We don't as yet know what kind of monitoring there'll be in terms of how well this money is used."

Concerns about the motives and implementation of this new mandate have also been voiced by Azim Premji, the philanthropist and head of the £3.4bn IT services firm Wipro, part of the global Dow Jones Sustainability Index. Last year he said: "My worry is the stipulation should not become a tax at a later stage ... Spending 2% on CSR is a lot, especially for companies that are trying to scale up in these difficult times. It must not be imposed."

Can government-mandated CSR be a social development path for a nation in which over 900 million have a mobile connection but only 600 million (36% of the population) have access to a

Shell foundation with Husk Power Systems is promoting economic development, as businesses are able to stay open after dark and children can study at night.

clean toilet? While the current CSR spending by the top 100 Indian companies is estimated at £0.6bn per annum, the Indian Institute of Corporate Affairs anticipates that about 6,000 Indian companies will be required to undertake CSR projects in order to comply with the new guidelines, with many companies undertaking these initiatives for the first time. Some estimates indicate that the CSR spends in India could triple to £1.8bn a year.

4.1.4. Enactus

A community of students, academic and business leaders committed to using the power of entrepreneurial action to transform lives and shape a better more sustainable world. They have more than 550 corporate, organizational and individual partners contributing through partner memberships, sponsorships, strategic partnerships, special grants and in-kind gifts. Enactus worldwide is running a number of projects impacting the textile industry.

CTTC (The Center for Traditional Textiles of Cusco) Consulting Project: By researching complex styles and techniques of Incan ancestors, the Center helps to ensure that 2,000-year-old textile traditions will not be lost for future generations.

Some notable partners include Wal-Mart, KPMG and Unilever. Some textile companies have also supported Enactus ventures worldwide for instance: Grace.

4.1.5 GoCoop

An online Social Marketplace that enables Handloom and Handicraft Co-operatives and artisans in connecting directly with buyers. GoCoop also supports national and international buyers including wholesalers, retailers, brands, designers and consumers in efficiently sourcing hand-made fabrics and craft directly from the producers resulting in better price for both buyers and sellers. GoCoop is linking 60,000 weavers and artisans through 4,357 Co-operatives and sells more than 15,000 products.

4.1.6 Project Sankalp

Indian Cotton Association Limited (ICAL) and Bollgard Team jointly collaborated for an awareness initiative towards right agronomic practices in cotton cultivation among farmers through village adoption program. ICAL through this project aims to provide a

Enactus, a community of student, academic and business leaders uses the power of entrepreneurial action to transform lives.



platform to organisations attached with cotton value chain to fulfill their CSR obligation by helping farmers.

Project Insights

- ICAL and Bollgard to help cotton grower from sowing till harvesting
- Guidance to farmers on best agronomic practices to enhance their productivity
- Project Location Profile
 - o States: Punjab & Haryana
 - o Districts: Bathinda & Sirsa
 - o Villages: 6 (3 each in each district)
- Impact: 300 farmers with minimum 300 acres

4.1.7 “Help the Cotton farmer”

Recently, livelihood of cotton farmers across the northern states of Punjab, Haryana, and Rajasthan has been severely affected by the whitefly invasion which ravaged entire cotton crop during the season. The Indian Cotton Association Limited, Bathinda, came forward to help the marginalized farmers with landholdings upto 3 acre through this initiative.

4.1.8 IKEA: Promoting Sustainable cotton farming- A Case Study

Most of the cotton used in IKEA products comes from China, India and Pakistan. Production in these countries is both a major contributor to the local economy and employment and a source of

environmental, social and economic problems. India is the second largest producer of cotton in the world after China, accounting for about 18% of the world cotton production. It has the distinction of having the largest area under cotton cultivation in the world ranging between 12.2 million hectares and constituting about 25% of the world area under cotton cultivation.

Over the years, several issues have affected the Cotton production in India. Some of the major ones are enlisted below:

- **Pesticide Use:** In India, cotton occupies 5% of the country's arable land but accounts for 54% of the agricultural pesticides used. The use of chemicals on such a large scale begets hazardous conditions such as environmental pollution, soil degradation and poor profitability.
- **Water Use:** Cotton requires plenty of water: producing 1 kg of cotton lint requires 7,000-29,000 litres of water. Further, changes in weather cycle have made growing cotton riskier.
- **Farmer Suicides:** Despite the increase in the cotton production there has been a decreasing trend of profitability for the farmers, resulting in increasing number of suicide cases.
- **Bt Cotton:** Irrespective of the resistance from environment action groups there has been considerable popularity of Bt Cotton because of its yields.

IKEA focuses on three levels of engagement to solve above issues:

- **Local Level:** IKEA partnered with WWF to include social as well as agricultural practices.
- **Global Level:** IKEA became the founder member of a global platform, the Better Cotton Initiative (BCI).

BCI Objectives:

- Minimize the harmful impact of crop protection practices

- Conserve and efficiently use water
- Maintain Soil health
- Conserve natural habitats
- Maintain fibre quality
- Promote decent working conditions for farmers

IKEA's approach to deal with these multiple issues has been sustainable by building capacities to produce and handle cotton grown in an environmentally friendly way by mobilizing its Trade Area offices and establishing partnerships in the field.

In one line it can be summarized as "study the supply chain, secure capacity and secure supply chain". IKEA plans to stay actively engaged so as to meet its target of sourcing 100% better cotton.

4.1.9 Startup Funding to CSR

An amendment made in the Companies Act allowing Corporate Social Responsibility (CSR) contributions to incubators, is helping startups both for-profit and non-profit ventures working with social objectives.

1. Non-banking finance company Mahindra & Mahindra Financial Services Limited (MMFSL) used a portion of their 2014-15 CSR funds to invest in two social startups through Villgro - a Department of Science and Technology (DST) certified business incubator with focus on social enterprises and the Indian Institute of Management-Ahmedabad's (IIM-A's) technology business incubator Centre for Innovation Incubation and Entrepreneurship (CIIE).
2. Sustain Earth Energy Solutions: a startup working to provide affordable bio-gas technology for rural areas - received Rs 23 lakh.



3. Sickle Innovations: a startup making handheld cotton picketing machines using a patented technology that enhances labourer productivity — got financial support of Rs 25 lakh from the NBFC. “While making contributions to the incubators, we look at projects aligned towards our mission of transforming rural India,” Vinay Deshpande, Chief People Officer of MMFSL.
4. TAKE Solutions, a Chennai-based technology solutions and service provider invested Rs 25 lakh as seed investment in ‘Bodhi Health Education’, a Gurgaon based start-up that provides medical education to community health workers. TAKE’s investment was in the form of a CSR contribution to CIIE of IIM-A. Industry players said that besides just meeting their target CSR figures, companies are looking at this as doing their bit to offer solutions for community problems through innovations.

4.2. Best Practices in CSR

Different organizations choose to fulfill their social responsibility in different ways:

4.2.1. Skill Development

A number of companies have invested in skill development activities for the marginalized and disadvantaged sections of the society. They are now in-fact moving towards offering certified courses. These activities enhance their employability and future prospects guaranteeing them a brighter future.

Usha, manufacturer of Sewing Machines, has started Usha sewing schools where people can learn various sewing skills, be it construction of garments, making home décor items, making fashion accessories or embellishing an existing garment.

They offer a large number of courses to choose from, including 3-month and 6-month courses. They have set up such centres in Faridabad and Vridavan among other places. This endeavour is in collaboration with Talwar Foundation, an NGO working with them to impart these skills.

4.2.2. Integrating Supply Chains

A lot of CSR initiatives have entailed projects where communities have been added into the company’s supply chain in a way that benefits both the company and individuals. Raymond Limited has launched its first training centre to impart tailoring skills to underprivileged youth and tailors in Patna. Raymond will assist the trained students in placements in 680 The Raymond Shops and other multi-brand outlets. Raymond will also provide them career opportunities in around 100 Raymond workshops, which will be setup during this period. The trained tailors will be encouraged to set up tailor shops and Raymond shall support them in their endeavour in becoming trained stylist tailors. Thus they have integrated these communities in their own supply chain.

Patagonia: The US based clothing company is working with Nature Conservancy and Ovis 21 to promote a sustainable grazing protocol to help build the soil and reverse the effects of overgrazing in 15 million acres of grasslands in South America. It is also producing merino wool of the finest quality, which they are using for many of their signature products.

4.2.3. Material Innovations

A lot of companies have ventured into the field of material innovations where new products are being created from newer materials. Nike in collaboration with NASA, US department of State and the US Agency for International Development has founded LAUNCH to encourage innovations in sustainable materials. Work

remains to be undertaken in this field in India, but it is a promising field to explore CSR activities.

Vision Textiles was founded in Shanghai and then expanded to the world. They started a new brand Waste2Wear in 2012 focusing on recycled textiles. Waste plastic bottles are processed to obtain recycled polyester (RPET). This is converted to yarn, which is then used to make a wide range of textile products including, but not limited to fashion apparel and accessories, corporate and school uniforms, medical wear, home ware, bags and packaging. Levis launched a Waste<Less initiative that uses waste plastic bottles to make polyester fibre which is then mixed with traditional cotton to create the denim. 20% of every pair of Waste<Less jeans are made completely from recycled plastic. This not only diverts plastic that would otherwise end up in landfills or be incinerated, but also encourages people to recycle plastic bottles.

4.2.4. Waste Management

Waste Management is a fast growing area where companies have made significant advances. Most companies have adopted efficient waste management practices giving them an edge over their competitors enhancing their brand name. Levi's launched its Water<Less initiative which uses recycled water to produce its jeans in the beginning and finishing stages saving more than 360m litres of water in a year. The company works to teach local farmers in Pakistan, India, Brazil and Mali to grow cotton with less water with the help of local NGOs. It also launched a marketing campaign to encourage its customers to wash their jeans less often in order to save the precious resource.

As part of their umbrella CSR initiative Plan A, M&S launched its Shwopping campaign in 2012. The campaign allows customers to drop off unwanted garments (even if they aren't from M&S) at an M&S store in a 'Shwop Drop Box'. The company incentivizes this by giving away £5 vouchers at the store. Within a year, 4 million garments were shwopped and 1,300 tons of clothing has been saved from the landfills.

H&M also launched a global recycling program in the US where people can bring in bags of used clothes and exchange them for 15% discounts on their subsequent purchase. These garments are then classified into 4 categories - rewear, reuse, recycle and energy. Any revenue collected from these activities is used to fund the customer coupons, donate to local charities and reinvest in H&M's sustainability initiatives.

4.2.5. Towards Employees and Suppliers

Companies also discharge their responsibilities by ensuring a safe working environment for the employees and having fair policies for

the solution of employee disputes. Zara employs more than 65,000 workers in India. They lay focus on suppliers and workers. Their Project Vidya worked towards employee health, work-place safety, and limits on length day amongst other things.

Puma has also launched Pay for Play, audit-rating system to cover their safe suppliers.

4.2.6. Better Raw Materials

A lot of apparel companies have invested in rural Indian farmers where they are encouraging better growing practices therefore having a positive impact on environment and their own income prospects. In one such project, Marks and Spencer's has made consecrated efforts to promote better agricultural practices for growing cotton in India. Seed Guardian Project adopted by Textile Exchange and Inditex promotes the cropping systems approach in cotton cultivation among marginal and smallholder farming household around Odisha.

4.2.7. Material Donations

To improve income inequalities, a lot of companies worldwide have started the practice of making material donations. They help provide some necessities to the under-resourced and in some cases help bridge the gap between the haves and have-nots.

An American brand 'Figs' donates a pair of scrubs to a healthcare provider in need, for every set of scrubs they sell. This is helping support the medical professionals in resourcing poor areas while also working to reduce hospital acquired infection by 66% with the help of clean scrubs. Figs have successfully donated more than 15,000 sets of scrubs in 21 countries around the world.

4.2.8. Monetary Donations

The easiest route to CSR has also not been left unexplored by companies and they have invested creatively to impact as many lives as possible. Lee started the Lee National Denim Day in 1996 and invited companies where employees could wear jeans to work one day and donate \$5 apiece to a breast cancer fund. The campaign has spread from the workplace to the streets and is usually held during the first week of October. The campaign managed to raise nearly \$80 million by 2010.

H&M launched their 'Fashion against AIDS' collection in 2008 and donated 25% of all profits to 4 HIV/AIDS charities. They used celebrities including Rihanna, Katy Perry, Pharell Williams, Tokio Hotel and many more to spread awareness through campaign videos, advertisements and social media. The campaign managed to raise USD 11,195,228 by 2013.

4.3. CSR Activities of Select Companies

Exhibit 25: CSR Activities of Different Industries

Education Vocational Education and Training/ Skill Development



3,000 students have been trained in Taj's Training Centres and have been provided employment



Trained more than 1400 underprivileged youth and provided computer literacy in 5 training centres



Trains women in Rajasthan in various trades including beautician, mobile phone repairing, entrepreneurship, vermicomposting, etc.



Setup an operator training school in Kharagpur to impart driving and servicing skills for excavators and blackhoe loaders to unemployed youth

Education Setting up a K-5 School



Provides access to quality education to 15,000 children through 13 schools



Shiv Nadar School: 960 students enrolled annually in a 11-acre campus. Vidya Gyan: 1,400 students enrolled annually in rural areas in a 64-acre campus



Has a K-5 school with over 550 students with a provision to add 160 more students



Swapana Sarthak Informal School: Enrolls 220 students amongst the children of construction workers

Healthcare Providing upgraded primary healthcare facilities



A total of 2,90,000 people in 3 states received primary healthcare last year through the company's mobile medical units



Runs a primary health centre with Health spring in Radhanagari, Maharashtra catering to 150,000 people every year



GSK's mobile clinics with doctor and facilitator visit 150 villages every week. Over 1.26 lakh villagers have already benefitted in Maharashtra



GAIL with Wockhardt Foundation deployed 1,000 mobile units catering to 1,35,000 patients in MP and 90,000 in UP annually

Basic Facility Water supply & distribution, sanitation facilities etc.



L&T public charitable trust is building water supply and distribution, sanitation facilities (5,000 Toilets)



Setting up homes, hostels, and day care centres for women and orphans; setting up old age homes



GVK has provided housing facilities to 1000 underprivileged people in Kothur village of Nellore in the state of Andhra Pradesh and Mukatsar, District Punjab



Western Zagros created sustainable water treatment and distribution systems in both Tula Qat and Nawza Gawra and system maintenance and water sanitation training for residents

INTERNATIONAL EXPERIENCE IN CSR ACTIVITIES AND WAY FORWARD

Introduction

Government and Corporations around the globe are striving hard to address the needs of present generation in a way that do not jeopardize the resources for posterity. Most recently, in September, 2015, the UN member states have adopted the 2030 Agenda for sustainable development, which includes a set of 17 Sustainable Development Goals (SDGs) to end poverty, fight inequality and injustice, and tackle climate change by 2030. CSR has gained popularity due to its capacity to embrace all dimensions of sustainability.

Private Sector Initiatives

Turkeyⁱ



Sunjut is a textile factory which is located in Istanbul-Turkey and mainly produces technical textiles since 1968. To strengthen their position in the domestic and international market, the management decided to produce some part of their electrical energy by wind. The wind turbine project at SUNJUT was awarded by EUROSOLAR on the category of "Owner of installation using renewables" as being the first privately owned wind power installed for use in an industrial firm. The 1.2 MW wind power installed provides for most of the power requirements of the production plant. As this is the first wind farm built in a factory area, Sunjut played a key role in solving also the manifold bureaucratic obstacles. For other companies that want to follow this path, the realization has now become less difficult.

Germanyⁱⁱ



HessNatur is one of the oldest sustainable fashion companies in Germany. In 1976 Heinz Hess established the company with the target of only producing with environmental friendly materials and certified products (HessNatur 2014, p.8). Consequently 100%

of natural fibres are certified with the GOTS and Hessnatur has banned the use of pesticide and hazardous finishing materials like brightening agents or chloric dyestuff (HessNatur 2014, p.10; HessNatur n.d.).

HessNatur tries to produce mainly in Europe and has around 50% of its production sites situated in Europe; the other 50% are situated globally. In the sustainability report HessNatur publishes their auditing strategy and compliance system for full transparency, where every production step is verified by third-party certification (HessNatur 2014, p.13).

Part of HessNatur's strategy is to support newcomers with the 'Humanity in Fashion Award'. Winners are enabled to design a collection for HessNatur. With this, HessNatur wants to create a platform for designers to encourage solving the conflict between 'fast fashion' and the longevity of 'fair fashion'. Additionally to HessNatur's commitment, social projects are established to support garment manufacturers in developing countries. Together with the Fair Wear Foundation (FWF), worker trainings are established in Turkey and Peru. Further projects are initiated in Bangladesh and for alpaca production in Peru, for organic cotton in Burkina Faso, linen and wool from Germany (HessNatur n.d.). Additionally workshops are done in cooperation with FWF to educate internal and external stakeholders sustainability and the value of CSR (HessNatur 2014, pp.6-7). In 2014 Hessnatur joined the German Textilbündnis (Partnership for sustainable textiles) to share their expertise as a best practice example and develop a suitable and realisable standard for the German garment sector (read more in chapter 5.2) (Bergmann 2015).

Government Interventions

European CSR Awardsⁱⁱⁱ

The first ever pan-European Award Scheme to inspire CSR

CSR



excellence in multi-stakeholder projects was successfully launched in 2012.

The scheme is funded by the European Commission, co-led by CSR Europe and Business in the Community and supported by Alliance Boots, the consortium of 29 National CSR organisations who joined forces to deliver the European CSR Award Scheme for Partnership, Innovation and Impact.

The Schemes aim is to:

- Give higher visibility to CSR excellence and raise global awareness on the positive impact that business can have on society
- Bring the best European CSR multi-stakeholder projects into focus
- Enhance the exchange of CSR best practice across Europe
- Encourage CSR collaboration between enterprises and stakeholders
- Create innovative solutions to tackle sustainability issues

Secretary of State's Award for Corporate Excellence: US Department of State^{iv}

There is a dedicated Corporate Social Responsibility (CSR) team in Bureau of Economic and Business Affairs which leads the Department's engagement with U.S. businesses in the promotion of responsible and ethical business practices. The mission of CSR office is to:

- Promote a holistic approach to CSR to complement the EB Bureau's mission of building economic security and fostering sustainable development at home and abroad.
- Provide guidance and support for American companies engaging in socially responsible, forward-thinking corporate

activities that complement U.S. foreign policy and the principles of the Secretary's Award for Corporate Excellence (ACE) program.

- Build on this synergy, working with multinational companies, civil society, labour groups, environmental advocates, and others to encourage the adoption of corporate policies that help companies "do well by doing good."

The Secretary of State's Award for Corporate Excellence (ACE), established by the State Department in 1999, recognizes the important role U.S. businesses play abroad as good corporate citizens. The Award sends a strong signal of the Department's commitment to further corporate social responsibility, innovation, exemplary practices, and democratic values worldwide. The ACE helps define America as a positive force in the world.

Non-Profit Initiatives

Sustainable Apparel Coalition – Higg Index^v

The Sustainable Apparel Coalition is the apparel, footwear and home textile industry's foremost alliance for sustainable production. The Coalition's main focus is on building the Higg Index, a standardized supply chain measurement tool for all industry participants to understand the environmental and social and labour impacts of making and selling their products and services. By measuring sustainability performance, the industry can address inefficiencies, resolve damaging practices, and achieve the environmental and social transparency that consumers are starting to demand. By joining forces in a Coalition, stakeholders can address the urgent, systemic challenges that are impossible to change alone.

ⁱ Turkey CSR Baseline Report by UNDP, CSR Association and European Commission

ⁱⁱ Fair Wear Foundation (FWF) is an independent, non-profit organisation that works with companies and factories to improve labour conditions for garment workers.

ⁱⁱⁱ <http://www.csreurope.org/european-csr-awards>

^{iv} <http://www.state.gov/e/eb/eppd/csr/>

^v <http://apparelcoalition.org/the-higg-index/>

RECOMMENDATIONS

While analyzing the attributes of various textile related companies, it was observed that there is no distinct demarcation of CSR activities in the textile value chain i.e. spinning, weaving, processing, apparel and garmenting. However, CSR is taken as a holistic subject from a companywide perspective and generally, all textile companies tend to identify and execute CSR projects at a group level.

1. The Ministry of Textiles could issue guidelines for monitoring the CSR spends of textile companies and CSR reporting standard thereof, bringing more transparency and disclosure norms into place.
2. A dedicated Cell to promote CSR among corporates should be incorporated within MoT. If required, a professional organization with sound credentials in capacity building should be roped in.
3. A helpdesk, online portal and panel of experts should be instituted for companies wanting to spend their CSR funds on the textile and allied sectors.
4. A portion of the statutory CSR spend by textile and non-textile companies can be used to fund various skill development schemes in the textile sector.
5. The Ministry of Textiles may consider writing to Department of Public Enterprises (DPE)/Ministry of Corporate Affairs (MCA) for institutionalising a National Award for Excellence in CSR activities done by Textile & Non-Textile Companies in the field of textiles to promote the CSR activities in textiles. As a part of the awards, the Ministry may confer a citation and a trophy to the Most Socially Responsible Company and also its CSR manager.

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ANNEXURE 1 – BENCHMARKING OF NGOs FOR CSR ACTIVITIES

The benchmarking of NGOs has been as follows (Source: HelpyourNGO.com):

First Step: Calculation of seven ratios that best represent an NGO's performance

S. No.	Ratios	Rationale	Heads Covered
1	Direct Programme Expense	The 'Beneficiary Spend' measure is a key indicator of an NGO's usage of funds. This being the most critical ratio has a weightage that is double that of other ratio	NGO's Core work, programme staff and travel
2	Fund Raising Cost	While sustained income growth is an important goal for NGOs, it is counterproductive if achieved through high fund raising cost.	Points are awarded progressively, with NGOs that have lower fundraising costs to expenses receiving higher points.
3	Revenue Growth	NGOs maintaining steady long-term growth demonstrate sustainability.	The metric calculate 3-year CAGR for income.
4	Current Ratio	This ratio measures the ability of an NGO to meet short term liabilities. Points are awarded progressively, with NGOs that have higher Current ratios receiving higher points.	It is calculated by dividing current assets by current liabilities.
5	Interest Income to Total Income	This ratio shows ability to generate adequate funds to meet expenses or accumulate funds for future use. NGOs with higher ratio received higher points	Interest income, earnings from fixed deposits, bonds and mutual funds, is divided over total income.
6	Assets to total Income	It measures financial strength of the NGO. NGOs with high scores have built up large assets including fixed assets, investments and cash. While, NGOs with low scores are either new NGOs which are yet build their income or NGOs with higher levels of loans. NGOs with higher assets to total income received higher points.	Total assets in the most recent year are divided by average income of three years.
7	Loans as % of Total Liabilities	NGOs with lower percentage of loans to total liabilities received higher scores.	

Second Step: Then weightages to each value of ratio was given to arrive at the overall score.

Third Step: The raw score from weighted ratios was converted to a percentage and represented as stars.

The NGOs were then categorised in 5 categories as per the percentages obtained.

Categories

Financial Score Representation	
Above 70.1%	Five Stars *****
60.1% to 70%	Four Stars ****
50% to 60%	Three Stars ***
40.1 to 40.9%	Two Stars **
Below 40%	One Star *

NGO Rating

The consistent Data for consecutive three years was available only for below NGOs

S. No.	NGO Name	Composite Score	Star Rating
1	Teach to Lead (Teach for India)	88.00	Five Star
2	Masoom	81.00	Five Star
3	HelpAge India	70.00	Four Star
4	Disha Social Organization	93.00	Five Star
5	Kherwadai Social Welfare Association	87.00	Five Star
6	Care India Medical Society	63.00	Three Star
7	BAIF Development Research Foundation	96.00	Five Star
8	Dream A Dream	75.00	Five Star
9	Child Rights and You (CRY)	59.00	Two Star
10	Maaya Foundation	93.00	Five Star

ANNEXURE 2 – CSR INDEX BY BSE AND IICA

BSE and Indian Institute of Corporate Affairs (IICA - Established by Ministry of Corporate Affairs), signed a Memorandum of Understanding (MoU) on September 23, 2013 to work collaboratively in the domains of business sustainability, Corporate Social Responsibility (CSR), investor education and other allied areas.

BSE - IICA are going to launch Corporate Social Responsibility Index. An Advisory Committee (AC) consisting officials from IICA and BSE is formed to guide the CSR Index construction, design and roll-out processes. This Advisory Committee will be having a consultative approach and shall interact with various stakeholders.

BUSINESS » INDUSTRY MUMBAI, September 23, 2013

Updated: September 23, 2013 22:40 IST

India's first CSR index on its way

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In an effort to facilitate greater corporate participation in corporate social responsibility (CSR) areas, BSE (formerly Bombay Stock Exchange Ltd.), on Monday, signed a memorandum of understanding (MoU) with Indian Institute of Corporate Affairs (IICA) to collaborate and develop a CSR index and increase awareness about CSR.

“The IICA and BSE partnership will go a long way in raising the level of awareness and accountability,” said Sachin Pilot, Union Minister for Corporate Affairs, at the signing ceremony here on Monday .

On the proposed CSR index, he said, “top corporate leadership must lead from the front. It is a new beginning for companies with the wherewithal to undertake such initiatives. The index will help in giving a larger platform to such companies and also a global perspective.”

IICA-BSE proposes to form an advisory committee to help in the CSR index construction and the committee will interact with various stakeholders.

IICA-BSE will work on capacity building to assist companies to meet their agenda of CSR and will conduct awareness programmes in the next six months, an IICA-BSE statement said.

The new Companies Act 2013 has mandated eligible companies to spend 2 per cent of their profits on CSR activities.

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