

**GOVERNMENT OF ODISHA
INDUSTRIES DEPARTMENT**

No. IND-HI2-POL-0007-2016 8548 /I, Bhubaneswar dated the

28/11/19

From

S.K. Nayak, OAS
Joint Secretary to Government

To

Additional Chief Secretary, Steel & Mines Deptt., Odisha
Principal Secretary, Finance Deptt., Odisha
Principal Secretary, Revenue & D.M Deptt., Odisha
Principal Secretary, Rural Development Deptt., Odisha
Principal Secretary, Women & CD & MS Deptt. Odisha
Principal Secretary, Panchayati Raj Deptt., Odisha
Commissioner-cum-Secretary, Health & F.W Deptt., Odisha
Commissioner-cum-Secretary, Skill Development & T.E Deptt., Odisha
Commissioner-cum-Secretary, School & Mass Education Deptt., Odisha
Managing Director, Odisha Mining Corporation
Chairman-cum-Managing Director, NALCO
Chairman-cum-Managing Director, Mahanadi Coalfields Limited
Odisha State Head, TATA Steel/ Bhushan Power & Steel /Jindal Steel
& Power / Vedanta / HINDALCO/ SAIL/ J K Paper Limited/
E.D., Gram Vikash/ Head (Energy), Practical Action, India

Sub: 2nd Meeting of the Corporate Social Responsibility (CSR) Council

Sir,

I am directed to forward herewith a copy of the minutes of the aforesaid meeting held on 20.11.2019 under the chairmanship of Chief Secretary, Odisha for kind information and necessary action

Yours faithfully,


Joint Secretary to Government

Memo No. 8549 /I, dated the 28/11/19

Copy alongwith copy of enclosure forwarded to the OSD to Chief Secretary, Odisha/ Private Secretary to Development Commissioner-cum-ACS, Odisha for kind information of Chief Secretary/ Development Commissioner -cum-ACS.


Joint Secretary to Government

Minutes of 2nd Meeting of the Corporate Social Responsibility (CSR) Council held under the chairmanship of Chief Secretary, Odisha on November 20, 2019 at 3.30 PM in the 2nd Floor Conference Hall, Lok Seva Bhawan, Bhubaneswar

The 2nd meeting of the CSR Council was held on November 20, 2019 at 3.30 PM in the 2nd Floor Conference Hall, Lok Seva Bhawan, Bhubaneswar. Chief Secretary was in the Chair. The list of participants is attached as Annexure -I to these minutes.

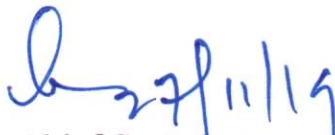
Commissioner-cum-Secretary, Industries Department made a presentation covering information on the CSR rules, CSR spending by the corporates as reported on the GO CARE portal, summary of discussions held and action taken post the 1st meeting of the CSR Council, proposed 'Adopt a Block' scheme and Aspirational Districts Programme. The presentation is attached as Annexure -II to these minutes.

The following key points were discussed and agreed during the meeting:

1. Corporates shall be encouraged to submit information regarding their CSR activities on the GO CARE portal through dissemination initiatives by IPICOL.
2. Corporates shall be encouraged to 'Adopt a Block' from amongst the 184 non-OMBADC and non-DMF blocks in 20 less reached districts with respect to CSR spending. Corporates should be encouraged to adopt a block for at least 3 years for bringing in sustainable, result-oriented outcomes. 17 out of these 20 districts have already shared a list of 127 projects in 39 blocks for consideration by the Corporates in the area of Healthcare, Education & Skill Development, Rural Development and Swachh Bharat. These projects shall be uploaded on the GO CARE portal for consideration by the Corporates. It was discussed that targeted dissemination campaign shall be taken up to ensure offtake of maximum projects/blocks under the scheme.
3. The CPSEs which have been identified by DPE, Government of India to take up CSR projects in the Aspirational Districts shall be also encouraged to take up projects identified by the District administration under the 'Adopt a Block' scheme. IPICOL will get updated information on the districts allocated to the CPSEs and upload on the GO CARE portal.
4. 2nd edition of CSR awards shall be held during MIO 2020 to recognize select corporates for their contribution in CSR in the State.
5. It was also discussed that provision of utilization certificate by the districts for the works undertaken by district administration/welfare departments but funded by corporates shall be made. No NoC shall be sought for the projects being undertaken from GO CARE portal, as these projects are proposed by the district administration/welfare departments.

6. Corporates should bring in innovative solutions through CSR to improve the overall living conditions of the people and take up projects accordingly.
7. Consortium funding and collaboration between the Corporates should be encouraged to bring in higher joint impact and outcome of the initiatives.
8. Health Department mentioned that the Corporates adopting a block could look at taking up public health support programmes to make the entire block disease-free for a disease post the intervention such as 'TB- free block' etc.
9. Skill Development and Technical Education Department mentioned that the corporates could support in introduction of new machinery & equipment in the ITIs to facilitate training of students on machinery used in the industry, to the extent possible. The Department also mentioned that the Corporates could support in organizing exposure & learnings visits for the teachers and students within and outside the State.
10. School & Mass Education Department mentioned that the CSR support from corporates would be welcome in select identified priority areas including setting up of functional girls' toilets and water supply system in schools, supply of foundation math learning material, teacher well-being and class management programmes and setting up of ICT labs in schools (with provision of at least 10 computers and internet connection).
11. Representatives from the Civil Society mentioned that the role of implementing agencies could be formalized on the GO CARE portal. It was discussed that the modalities for uploading information regarding NGOs operating in various areas in the State may be studied. It was also suggested that good practices being followed in implementation of CSR projects in the State could be disseminated amongst various implementing agencies through State/District- level workshops. It was suggested that NABARD could be included as part of the CSR Council to identify suitable interventions as well as ensure convergence with the ongoing/planned interventions in the area of agriculture where corporates may consider taking up CSR projects.

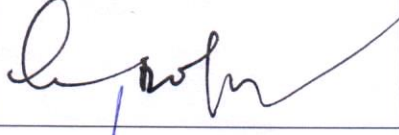




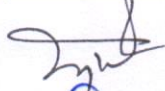

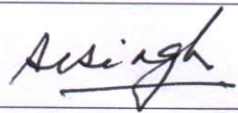

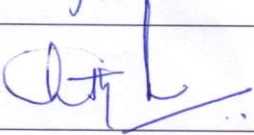
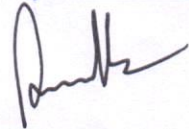
The meeting ended with vote of thanks to the Chair and participants.

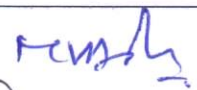
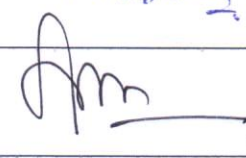



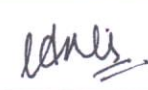

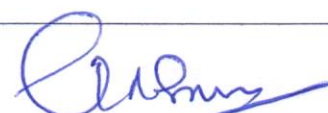
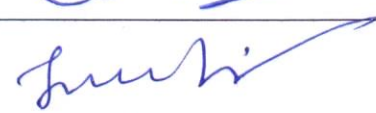
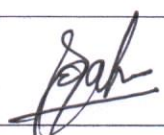

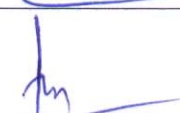




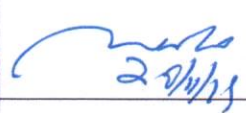


**Chief Secretary,
Government of Odisha**
Chief Secretary,
Odisha

Meeting on 20.11.2019 at 03.30 PM regarding "2nd meeting of the Corporate Social Responsibility (CSR) Council" under the Chairmanship of Chief Secretary, Odisha in the 2nd Floor Conference Hall of Lok Seva Bhawan.

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Members present:

Sl. No.	Name & Designation	Signature
01.	Shri Asit Kumar Tripathy, IAS Chief Secretary	
02.	Shri Suresh Ch. Mahapatra, IAS, DC-cum-ACS	
03.	Shri R.K. Sarma, IAS, Additional Chief Secretary, Steel & Mines Department	
4.	Shri Pradeep Kumar Jena, IAS, Principal Secretary, Rural Development Department	
5.	Smt. Anu Garg, IAS, Principal Secretary, W & CD Department	 Director, Social welfare.
6.	Shri D.K. Singh, IAS, Principal Secretary, PR & DW Department	 Director, PR
7.	Shri Nikunja B. Dhal, IAS, Principal Secretary, Revenue & D.M. Department	for R.N. PAULI SAB Secretary, RSDM 
08.	Shri Ashok K.K. Meena, IAS, Principal Secretary, Finance Department	for Spl Secy. 
09.	Shri Hemant Sharma, IAS, Commissioner-cum-Secretary, Industries Department	
10.	Shri Sanjay Kumar Singh, IAS, Commissioner-cum-Secretary, SD & TE Department	
11.	Dr. Pramod Kumar Meherda, IAS, Commissioner-cum-Secretary, Health & F.W. Department	
12.	Smt. Chithra Arumugam, IAS, Commissioner-cum-Secretary, School & Mass Education Department	
13.	Shri R. Vineel Krishna, IAS, Managing Director, OMC	

14	Mr M. V. APPARAO GM IIC CSR, RSP, SAHL	
15	LIBY, J. JOHNSON, ED GRAM VIKAS MEMBER STATE CSR Council	
16	Prashant Tata CVP & Group head, CSR	
17	Pongalle Shri GM, IIC, BSNL	
18	Arshita Prasad Mang. Tata Steel	
19	P. Anvesha Reddy, ED, OMC	
20	S. K. Reth, Director - Personnel, OMC	
21	K. R. VASUDEWAN Div (fin) (PER) & M. C. L	
22	Sundar Raj, Head CSR Vedanta - Jharkhand	
23	CS Sahoo, GM, Vedanta, Jsg	
24	Ashok Kumar Naik, Sp secretary, HRFW	
25	Rajesh M. Azhore Deputy Gen H & F	
26	Aradhana Mishra Hindale	
27	Amit Jain, Vedanta.	
28	Niharika Sahoo JSPL	
29	Aditya Narayan Mishra - GM (CSR) NALCO	 20/11/19.
30	Karan Kumar Malik, Dy Secretary Steel & Mines Dept.	 20/11/19
31	Sanjit Ku. Behera Director, PAF, India	

32	Debasish Das, GM, IPICOL	
33	B. SAIRAM, GM(CSR), MCL	
34	Sushenfa Kumar Nayak JT Secy, Induotosis	
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**CORPORATE
SOCIAL
RESPONSIBILITY**



**2nd Meeting of the
CSR Council**

November 20 , 2019



DISHA
NEW OPPORTUNITIES

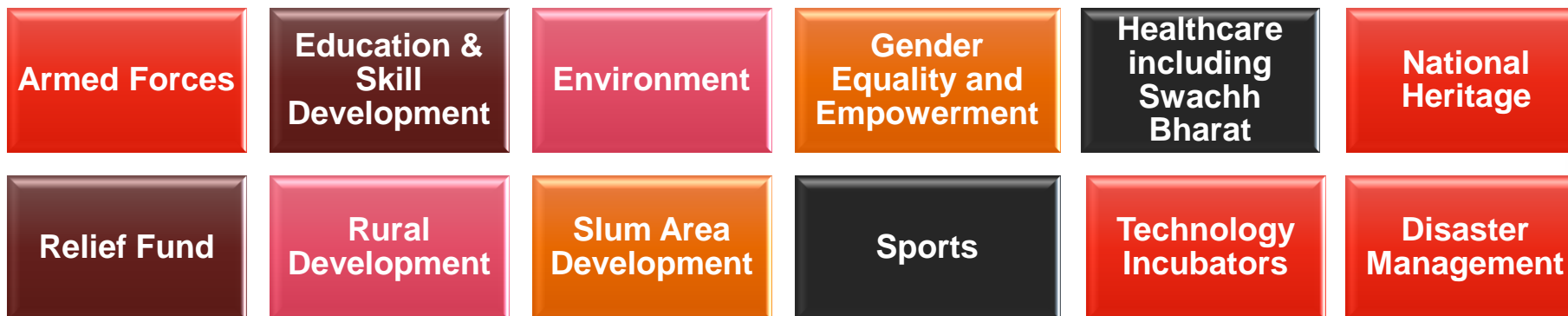


- **Summary - CSR Statutory Requirements & Governing Rules**
- **Summary - CSR spending in Odisha**
- **CSR Council – Constitution and Functions**
- **1st CSR Council Meeting – Summary of Discussions and Action Taken**
- **Proposed ‘Adopt a Block’ scheme**
- **Aspirational Districts Programme**
- **Way Forward**



- Governed by Section 135 and Schedule VII of the **Companies Act, 2013**
- Companies falling under any one of following categories are required to spend at least **2% of their last year's net profit** on CSR activities:
 - 1) **Net worth of INR 500 crore or more** or
 - 2) **Turnover of INR 1,000 crore or more** or
 - 3) **Net profit of INR 5 crore or more**

CATEGORIES OF CSR PROJECTS UNDER COMPANIES ACT 2013



CSR activities in Odisha



2016

May, 2016

Launch of CSR White Paper

Aug, 2016

CSR institutionalization commenced

Nov, 2016 & Feb, 2017

Stakeholder consultations – 3 rounds

Mar, 2017

CSR Institutionalization –
concept prepared

June, 2017

CSR Council Resolution

June-August, 2017

Portal preparation, visits to districts and
companies

September, 2017

Data updation by companies, districts and
departments

December, 2017

CSR Council Meeting and Portal Launch

November, 2018

Release of CSR Knowledge Paper,
CSR Awards 2019, CSR Session at
Make in Odisha

Feb – August , 2018

CSR Dissemination Workshops

2019

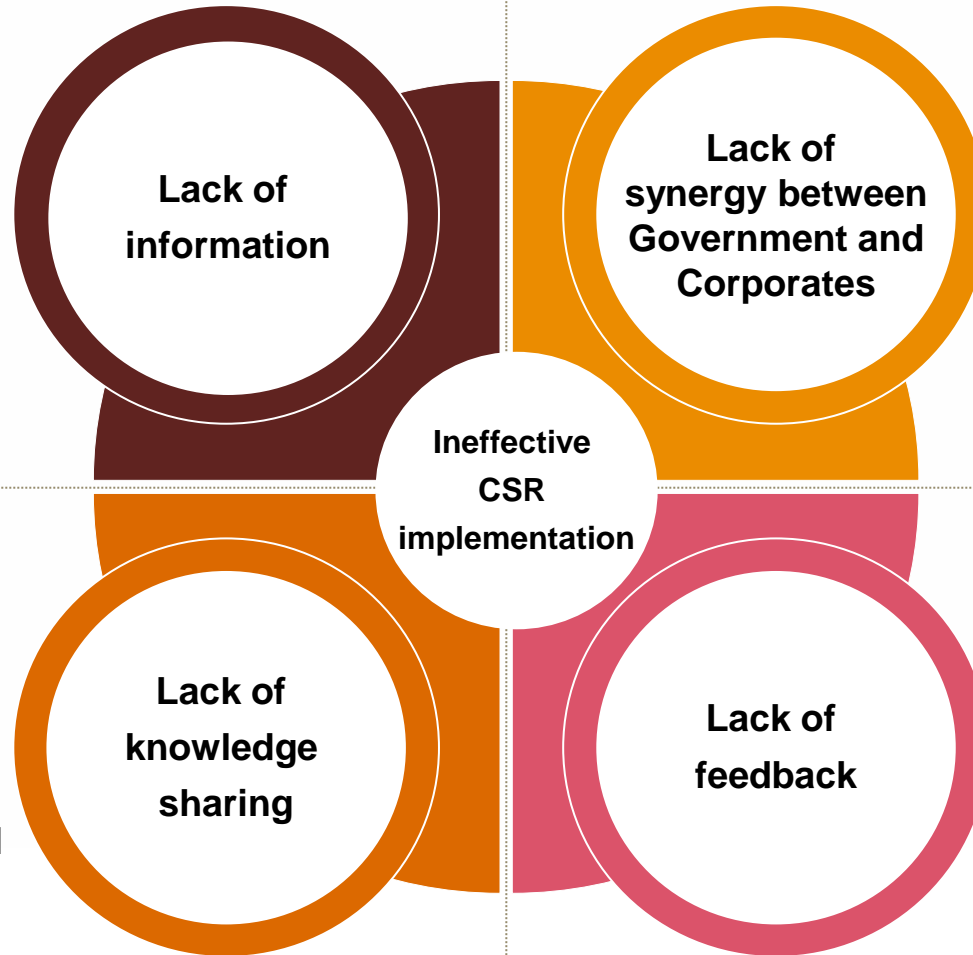
CSR White paper & Adopt a Block

2019

Key issues before GO CARE



- No information on **District-wise and sector-wise CSR spending** across years
- No information on **key projects requiring corporate intervention** under CSR



- No platform to make **available block level HDIs for Corporates** to make **informed decision** while selecting CSR initiatives
- No information on **key government welfare schemes/projects** which require **supplementary support**

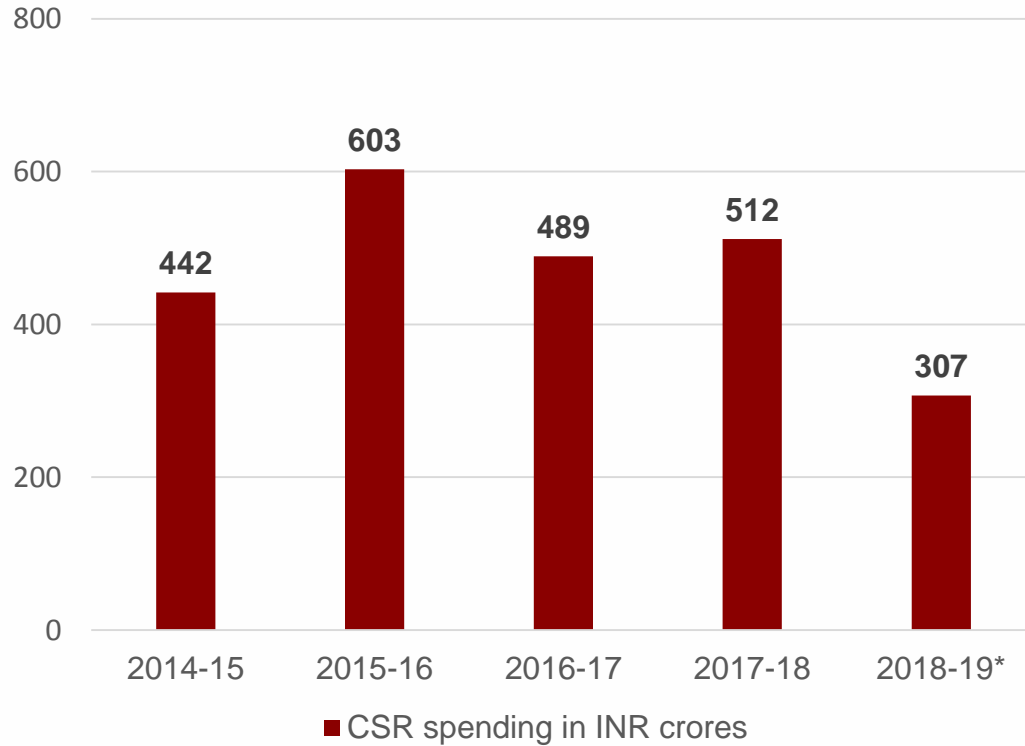
- No **platform for sharing best practices** (innovative, replicable and scalable projects)
- No **knowledge repository** on CSR guidelines, models & practices

- No **transparency** on CSR spending in State
- No mechanism to receive **feedback from local community** on the development projects undertaken as part of CSR

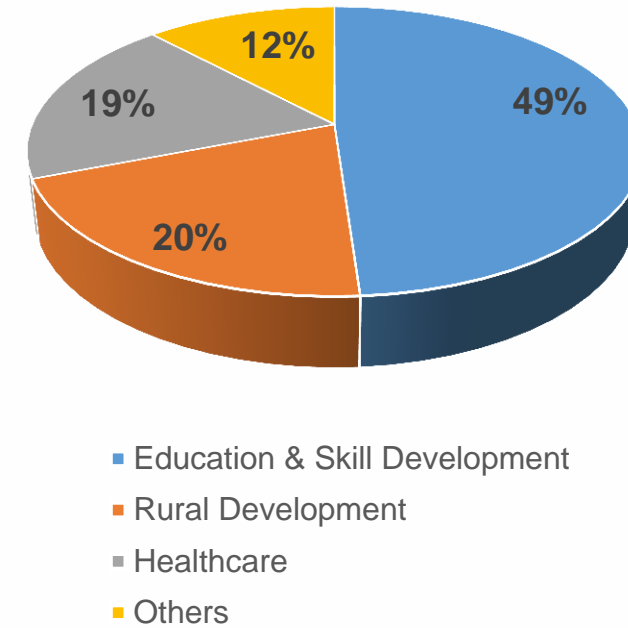
CSR spending in Odisha during 2014-19



CSR spending in INR crore*



Sector wise CSR spending



*As reported by Corporates on GO CARE portal, figures for 2018-19 are low as many corporates are yet to fill up the data on GO CARE portal



- ❑ Constituted on 27th June 2017 to **institutionalize the Corporate Social Responsibility** activities undertaken by the corporates in the State

FUNCTIONS:

- ❑ Recommend projects proposed by departments and districts to the Corporates to consider implementation
- ❑ Biannually assess the CSR activities in the State vis-à-vis the developmental agenda
- ❑ Encourage corporates to undertake baseline and impact assessment of the projects undertaken
- ❑ Review the information reported by Corporates regarding CSR activities and serve as feedback to corporates on the efficacy of CSR interventions.
- ❑ Assess the good practices of corporates which can be replicated in the State.
- ❑ Institutionalize Annual CSR Paper and CSR Awards

CSR Council - Constitution



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Chief Secretary - Chairperson
Development Commissioner
Principal Secretary, Finance Department
Principal Secretary, R&DM Department
Principal Secretary, Steel & Mines Department
Principal Secretary, R.D. Department
Commissioner-cum- Secretary, Industries Department
Commissioner-cum Secretary H&F.W. Department
Commissioner-cum Secretary SD&T.E. Department
Commissioner-cum Secretary W&CD Department
Commissioner-cum Secretary, P.R. Department
Commissioner-cum Secretary, S&ME Department
Managing Director, OMC
Chairman-cum-Managing Director, NALCO
Odisha State Head, Tata Steel
Odisha State Head, Bhushan Power & Steel
Odisha State Head, Jindal Steel & Power
Odisha State Head, Vedanta
Odisha State Head, Mahanadi Coal Fields Ltd
Odisha State Head, HINDALCO
Odisha State Head, SAIL
Odisha State Head, JK Paper Ltd. -Member
Sri Devi Prasad Mishra, E.D., Gram Vikash -Member
Sanjit Kumar Behera, Director, Practical Action Foundation, India

1st CSR Council meeting- Summary



- 1st CSR Council Review meeting held on December 20, 2017
- Approx. 1,100 projects approved by CSR Council during the meeting
- Of these, 34 projects have been undertaken by corporates till date

Company	No. of projects undertaken	District	Budget (Rs. Lakhs)
Mahanadi Coalfields Limited	32	Jharsuguda- 31, Balasore -1	230.30, 27.45
Odisha Power Generation Corporation Ltd.	1	Jharsuguda- 1	15
Paradeep Phosphates Limited	1	Jagatsinghpur -1	2.5
Total	34		275.25

Other Key Action Taken



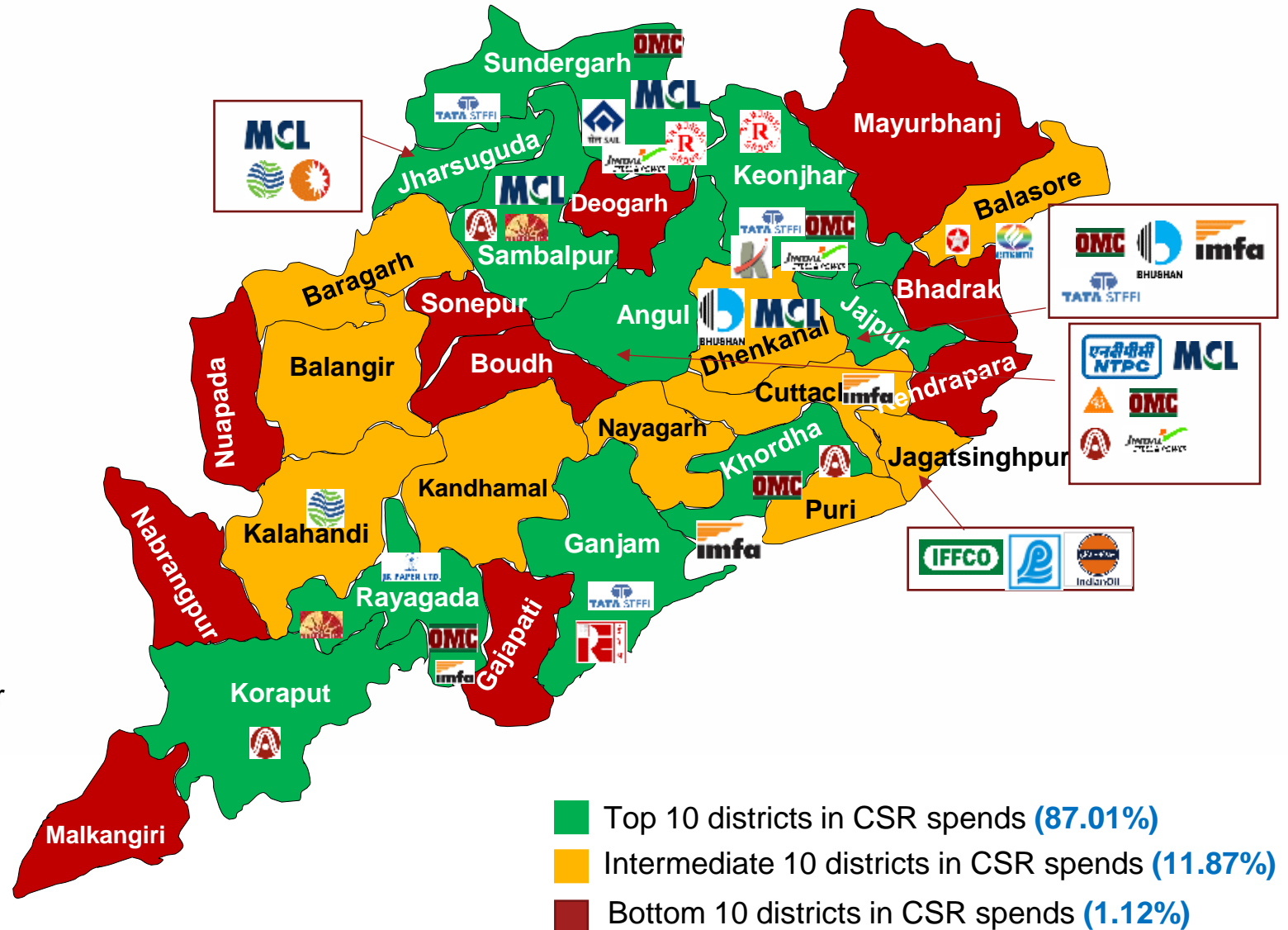
- Dissemination workshops conducted for Government officials and industrialists at RDC Sambalpur and Berhampur
- 10 dissemination workshops conducted for corporates at Industries Department to provide information on GO CARE portal
- Regular campaigns, mailers being sent to corporates to undertake CSR projects and submit their CSR details on GO CARE portal
- **CSR Awards** during MIO 2018 - 4 corporates won awards under various categories mentioned below-

Category	Winner
Diversity of CSR spending across sectors	Mahanadi Coalfields Limited
Most Impactful CSR Project	Tata Steel Limited
Most Innovative CSR Project	ACC Limited
Maximum outreach in terms of districts covered	Odisha Mining Corporation Limited

Proposed 'Adopt a Block' scheme



- **Aim:** To bring in focussed development in less reached blocks and reduce disparity in spending
- **Target Blocks:** 184 non-DMF and non-OMBADC blocks in 20 less reached districts (districts highlighted in non-green in the adjacent map)
- District Administration to identify target blocks where HDIs are relatively low
- **4 Target Sectors:**
 - Healthcare
 - Education & Skill Development
 - Rural Development
 - Swachh Bharat
- Corporates to adopt a block for at least 3 years for bringing in result-oriented interventions
- Identified nodal officer to be available at the district level to handhold corporates in the project planning and implementation phase



Summary of projects* for 'Adopt a Block' scheme



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Sl.no.	District	No. of blocks	No. of projects	Estd. Budget (in lakhs)
1	Balangir	3	9	647.9
2	Balasore	3	15	110.5
3	Bargarh	1	1	88.55
4	Bhadrak	1	27	254.8
5	Boudh	2	4	170
6	Cuttack	2	2	430
7	Dhenkanal	1	3	1298.67
8	Gajapati	3	5	1755.56
9	Jagatsinghpur	3	8	545
10	Kalahandi	1	4	120.72
11	Kandhamal	3	8	2075
12	Kendrapara	4	8	1272.46
13	Malkangiri	3	6	193
14	Mayurbhanj	2	9	2569
15	Nabarangpur	2	3	1350
16	Nuapada	3	11	468
17	Sonepur	2	4	8129.66
	Total	39	127	21478.82

17
districts

39
blocks

127
projects

215
crore

*Projects already shared by District Administration

Way Forward for 'Adopt a Block' scheme



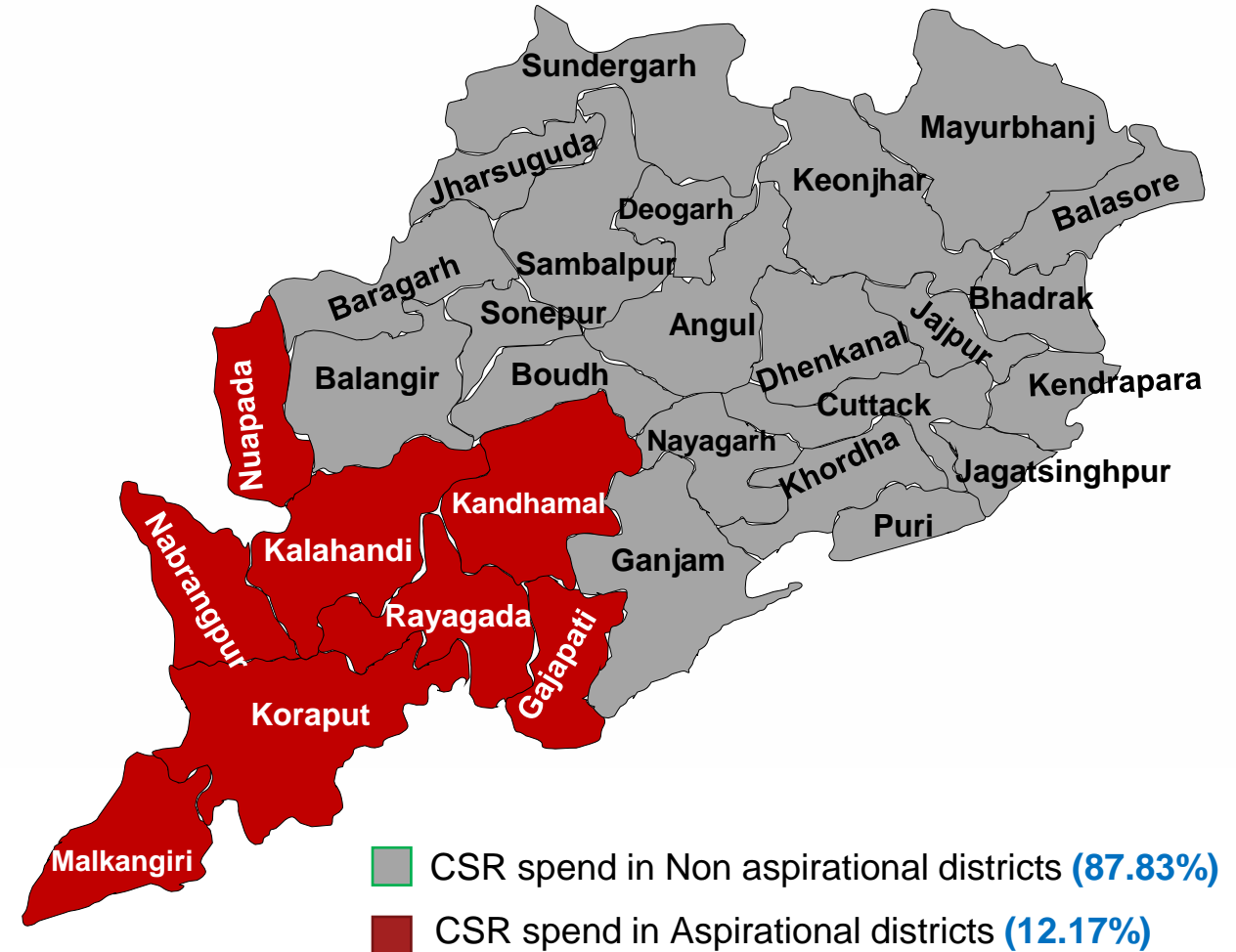
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NEW OPPORTUNITIES

- **List of target blocks and projects identified by 17 districts out of the 20 less reached districts**
- **Compendium of projects with the project details, location and nodal officer details prepared by Industries department**
- **Widespread dissemination of the scheme to be done amongst corporates**
 - *CSR Workshop with the corporates*
 - *e-mails to the companies, Advertisements*
- **Recognition at the state level**
 - *CSR Awards for first 3 companies adopting a block, top spenders*
 - *Recognise efforts by private sector/non-CPSE companies in the bottom 10 districts*
- **Targeted approach to ensure offtake of maximum projects/blocks under the scheme**
- **Quarterly review of the offtake of projects and progress of work**

Aspirational Districts in the State



- **8 Aspirational Districts in Odisha**
 - Received only 12% of the total CSR in the State
 - **Koraput and Raygada** received 65% of the total CSR expenditure among the aspirational districts
 - More interventions required in these districts with low HDIs
- **Transformation of Aspirational Districts programme by Gol**
 - Advisory by DPE to CPSEs to spend **at least 60%** of CSR in **health** and **education**
 - **DPE** has designated nodal officers in each CPSE and indicated districts where they can deploy CSR



Aspirational Districts in the State



District	CPSEs allotted by DPE for the Aspirational districts
Kandhamal	MCL, MMTC
Kalahandi	<i>Powergrid Corporation of India Ltd., HPCL, BPCL, Cotton Corporation of India, MMTC Ltd.</i>
Gajapati	<i>HPCL, Rural Electrification Corporation Ltd</i>
Nuapada	<i>ONGC, MCL</i>
Malkangiri	<i>CPSEs yet to be allotted</i>
Nabarangpur	

- List of target blocks and projects identified in 6 districts by the respective District collectors under 'Adopt a Block' scheme
- CPSEs allotted for these districts by the DPE may be encouraged to undertake these projects

Way Forward



- Adopt a Block Scheme projects to be made available on GO CARE portal
- ‘Adopt a Block scheme’ to be promoted and widely disseminated to ensure more equitable distribution of CSR spending in the State
 - CPSEs to be encouraged to undertake projects enlisted under ‘Adopt a Block’ scheme in aspirational districts
- A white paper on the CSR spending, including an in-depth analysis at sub-sectoral level with possible interventions and recommendations for the state – to be released
- Encouragement by recognizing select corporates for their contribution in CSR
- Continuous engagement with government departments, district administrations and corporates to ensure focused and targeted CSR spending in the State

Support from corporates and Government departments/districts



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- **Support from District authorities and welfare departments in appointment of nodal officers to handhold the corporates undertaking identified CSR projects**
 - *Provision of utilization certificate by the districts for works undertaken by district administration/welfare departments but funded by corporates*
 - *No NoC to be sought for projects being undertaken from GO CARE portal, as these projects are proposed by the district administration/welfare departments*
 - *Assistance in providing No-objection certificate for CSR activities being undertaken by corporates*
- **Corporates encouraged to update information on GO CARE portal regularly**

THANK YOU



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The Companies (Amendment) Act 2019 introduced in July 2019, has introduced few changes in the CSR rules-

- **Formation of separate account to deposit unspent CSR amounts-**
 - Companies are now obliged to transfer their unspent CSR funds to one of the funds prescribed under Schedule VII of the Act (such as the Prime Minister Relief Fund) **within six months of the end of the financial year** and disclose the reasons for non-spending in their annual report.
 - If the CSR funds are committed to certain **ongoing projects**, the company must transfer the amount to an **Unspent Corporate Social Responsibility Account with a scheduled bank within 30 days from the end of the financial year**. From here, the amount must be utilized for those projects **within three years**. If the company fails to spend this amount, it must transfer it to one of the funds mentioned in Schedule VII of the Act.
- **Penalty Clause-**
 - In case of any violation of the CSR provisions, the company is liable to a minimum penalty fee of INR 50,000, which may extend to INR 25 lakh.
- For companies incorporated during last 3 years, the contribution to CSR should be 2% of their average net profit from the date of incorporation (instead of last 3 years)