

भारतीय मानक
Indian Standard

IS 26001 : 2020

**कॉर्पोरेट सामाजिक जिम्मेदारी —
आवश्यकताएँ**

**Corporate Social Responsibility —
Requirements**

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FOREWORD

This Indian Standard was adopted by the Bureau of Indian Standards, after the draft finalized by the Social Responsibility Sectional Committee, had been approved by the Management and Systems Division Council.

With the formalization of Section 135, under the *Companies Act*, 2013, India emerged as one of the pioneering nations to mandatorily adopt Corporate Social Responsibility (CSR). This historic progression was instrumental in re-defining the narrative of CSR, the vital espousal of which led companies to transcend from traditional philanthropy towards institutionalizing CSR across all levels - from governance to policy and even within the operational set up of businesses.

The CSR law has advanced to the sixth year of its implementation and companies are extensively implementing their CSR activities across India. As a result, an immediate necessity has emerged to uniformly assess the CSR performance of companies especially in terms of implementation, reporting and real-time impact. The Bureau of Indian Standards (BIS) with the sole directive to formulate standard to assess and certify products and systems in the country, undertook the responsibility to devise Indian Standard on “Corporate Social Responsibility”.

BIS further realized the need to institute a system-based Standard in the realm of CSR, which will act as a strengthened framework for companies to embed an ideal CSR management system across governance, policy, and implementation and reporting.

With this initiative, India symbolically directs a strong message, as for the first time, a Standard is being formulated in the world that is voluntary and certifiable - making CSR integral to management systems of companies. Companies applying for this standard will realize the requirement to instill ‘Strategic CSR’ processes thereby ensuring that CSR plans drawn at the table are implemented with accountability and utmost transparency. The formalization of the standard and the attendant certification will bring in a spirit of aspiration for companies to achieve Star Rating by effectively building a business case for CSR that will yield long-term impact for both the company and the community.

BIS has envisaged the CSR requirement standard as one of the foremost standards being developed by India to be positioned at the global level. The innovativeness of the standards lies in the unique set of principles and parameters that will assess and measure the performance of companies. The formulation process of the standard ensures that contemporary discourses on CSR and SDGs are well reflected and aligned to confirm its global relevance.

This CSR standard also provides an opportunity to companies that are interested to seek CSR star rating based on their CSR performance, which would greatly facilitate the enhancement of their brand value. This Standard should be read in conjunction with *Companies Act*, 2013 and CSR Rules, therein. However, it is not intended to replace, alter, or in any way change the obligations of the Law.

Other Indian Standards for conducting Assurance Engagement are as follows:

- a) Requirement for assurance engagement all matters other than statutory financial information;
- b) Guidelines for assurance engagement all matters other than statutory financial information; and

This CSR requirement standard document comprises of the following components:

- 1) The star rating process as outlined in Annex A;
- 2) The criteria for basic level certification provided in Annex B;
- 3) The criteria for advanced level certification (two, three, four and five star) provided in Annex C; and
- 4) The composition of the Social Responsibility Sectional Committee MSD 10, provided in Annex D.

Indian Standard

CORPORATE SOCIAL RESPONSIBILITY — REQUIREMENTS

1 SCOPE

1.1 General

This standard facilitates a company to effectively design and implement a Corporate Social Responsibility (CSR) program, with an overall objective to ensure that it has an effective mechanism to:

- a) Develop a strong CSR governance in line with the CSR policy;
- b) Identify appropriate and need-based CSR projects;
- c) Plan, implement, and monitor CSR activities;
- d) Evaluate the outcomes of CSR activities implemented; and
- e) Report the outcomes of CSR activities implemented.

This Standard specifies the ‘**Basic Level Certification**’ (BLC) and ‘**Advance Level Certification**’ (ALC) requirements for Corporate Social Responsibility that a company can use to enhance its CSR performance.

1.2 This standard is applicable to all types of companies irrespective of their size. This standard is primarily applicable to Indian companies that have an obligation to comply with the requirements of the CSR Rules 2014, in alignment with Section 135 of the *Companies Act*, 2013. However, other companies can also apply for obtaining certification.

1.3 It is hereby clarified that these Standards are only supplemental to the CSR Legislation and Rules for which the Ministry of Corporate Affairs is the Regulating Agency. These standards will have no bearing on any part of the Legislation or Rules.

1.4 It is further clarified that these Standards are dynamic in nature and will continually evolve with changes in the Legislation and Rules, which will be duly incorporated from time to time.

1.5 Moreover, changes will also be effected, if need be, as the Standards and the rating process herein conceptualised, are rolled out and put into operation.

1.6 The rating process envisioned in these standards, are purely based on the CSR reports, records and data submitted by the corporate entities that are applying and the verification provided by the Empanelled Auditors (see 3.5).

2 REFERENCES

The references given below contains provisions, which through references in this text, constitute the provisions of this standard:

- a) *Companies Act*, 2013 and CSR Rules framed by the Ministry of Corporate Affairs.
- b) Indian Standards on Assurance Engagement Standard.

3 TERMS AND DEFINITIONS

3.1 Corporate Social Responsibility — It is the responsibility of a company for the impacts of its decisions and activities on society and the environment through transparent and ethical behaviour that:

- a) contributes to sustainable development, including health and welfare of society;
- b) takes into account the expectations of all stakeholders;
- c) is in compliance with applicable law and consistent with national and international norms of behaviour; and
- d) is integrated throughout the company and practiced in its sphere of influence.

3.2 CSR Policy — Intentions and direction of a company related to societal and environmental development and performance, as formally expressed by its top management, in alignment with the requirements of the rules, specified in *Companies Act*, 2013 and CSR Rules 2014 that are notified by the Govt. of India

3.3 Compliance Obligations — Legal and regulatory requirements that a company has to comply with and other requirements that a company chooses to comply with namely company and industry standards, contractual relationships, codes of practice and agreements with the community groups or non-governmental organisation.

3.4 Implementing Agency — A partner of a company that is engaged in directly managing the CSR project; executing its project activities, monitoring the project’s progress; sub-contracting a part of its job in agreement with the company; managing project staff and funds, and carrying out other project management functions including reporting.

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3.5 Empanelled Auditor — A person or a firm who complies with the competence criteria laid down Indian Standard on Requirements for Competence for Individual Applicant and Firm for Conducting Assurance Engagements, as per Indian Assurance engagement standard (Requirements) and empanelled by BIS.

The auditor shall provide an assurance/opinion on whether the company complies with the requirements of Basic Level Certification (BLC) and/or Advanced Level Certification (ALC).

3.6 Certification Committee — The apex body, which will hear the applicants as well as the Empanelled Auditor and decide whether or not to award star rating as well as the category of the star rating.

4 GUIDING PRINCIPLES FOR CSR

4.1 Principles and Parameters

This standard comprises a set of **5 Principles** that are distributed across the respective cycle(s) in the form of a PDCA (Plan, Do, Check, Act) Matrix. The 5 principles are supported by **9 parameters** as described in Table 1.

4.2 Criteria for Basic Level CSR and Advanced Level CSR

4.2.1 The requirements specific to Basic Level Certification and Advanced Level certification are provided in Annexe “B” and Annexe “C” respectively.

4.2.2 For a company seeking Basic Level Certification, it is mandatory for the company to be in conformance with all the items provided in Annexe “B”.

4.2.3 A company is eligible for Advance Level Certification (ALC) only after fulfilling the criteria of Basic Level Certification. The ALC outlines the principles of moving beyond compliance as it entails the provisions of the “CSR Star Rating Certification” that will be awarded on the basis of a company’s

performance in the ALC assessment. The parameters for ALC have been outlined in Annexe C.

4.2.4 A company seeking certification as per ALC shall have to establish effective processes and procedures as per the requirements of this standard.

4.2.5 For a company seeking BLC and ALC, it is imperative and mandatory to establish a proper CSR system as per the applicable set of Legal Performance Criteria within the 9 Parameters enlisted in **4.1**.

4.2.6 Appropriate documented information shall be maintained for certification of BLC and or ALC, inclusive of all legal matters. A company seeking certification to BLC and or ALC shall ensure compliance with all applicable legal requirements specific to CSR mentioned in the *Companies Act* and CSR Rules. Sufficient documented evidence to the satisfaction of the empanelled auditor shall be maintained to enable the auditor for the issuance of a positive opinion, on the basis of a BIS approved assurance standard. The same documents shall also be retained for the reference of the Certification Committee, if required.

5 REQUIREMENTS FOR BASIC LEVEL CERTIFICATION

5.1 CSR Governance

The Board of the Company shall be accountable for taking all decisions pertaining to the CSR policy and activities of the company. Compliance with this principle will ensure that companies take the first step in accomplishing one of the major avowed objectives of the CSR legislation which is to take CSR from the “backroom to the boardroom”.

The Board of the Company shall ensure the following:

- Commitment to corporate social responsibility;
- Involvement of all concerned stakeholders in the decision-making process;

Table 1 Principles of CSR

(Clause 4.1)

Cycle	Principles	Parameter(s)
PLAN	1) CSR Governance	a) Parameter 1 – Functions and responsibilities of the board b) Parameter 2 – Composition and constitution of the CSR committee c) Parameter 3 – CSR policy, functions and responsibilities of the CSR committee
	2) CSR Planning	a) Parameter 4 – CSR projects b) Parameter 5 – Identification of credible implementing agencies
	3) Funds and Resources for Implementing CSR Projects	a) Parameter 6 – Provision of funds and resources
CHECK	4) Monitoring, Evaluation and Impact	a) Parameter 7 – Process for monitoring of CSR projects and activities; b) Parameter 8 – Evaluation and impact of CSR projects
ACT	5) CSR Reporting	a) Parameter 9 – CSR reporting

- c) Provision of the resources for the establishment, implementation, maintenance and continual improvement of the system; and
- d) Creation of awareness and promotion of corporate social responsibility as an integral part of the company's culture.

The Parameters within this Principle aim to delineate the roles and functions of the Board and CSR Committee.

5.1.1 Functions and Responsibilities of the Board

The Board of the Company shall be fully accountable and responsible for the execution and implementation of the CSR policy and all of the projects that are formulated thereunder.

Legal Performance Criteria:

- a) The CSR Policy of the company shall be approved by the Board. Also, indicate the date and number of the Board Resolution. The date must be subsequent to 01.04.2015.
- b) The approved CSR policy shall be appropriately displayed on the company's website along with web-link.
- c) The company shall periodically review its activities, risks, CSR Budget and legal requirements. Accordingly, the minutes of Board meetings shall reflect the actions taken in this regard.

5.1.2 Composition and Constitution of the CSR Committee

This parameter aims to define the processes and procedures for the composition and constitution of the CSR Committee and also delineate its functions. The Board shall ensure that its Corporate Social Responsibility Committee has been formed as per Rule (5) of Section 135. The CSR Committee shall appoint a responsible CSR Management Representative (MR) who shall be a member of the management and shall also have the responsibility and authority to ensure that processes required to establish the CSR system are well implemented, maintained, and periodically reviewed, and improvements needed are reported to the CSR Committee and Board at regular intervals.

Legal Performance Criteria

- a) The CSR Committee must be constituted by means of a Board resolution. The Board resolution number and date must be provided.
- b) The composition of the CSR Committee with names and designations must be provided.
- c) One of the members of the CSR Committee shall be an Independent Director (where applicable) whose particulars must be provided.
- d) If the CSR Committee has less than three members it must provide reasons for the same.

- e) If the company is a foreign company, it must provide the details of the Directors.
- f) In case of a foreign company, the declaration shall be submitted to the Registrar of Companies indicating that none of the directors of the company or authorized representatives in India have ever been convicted or debarred from formation of companies and management in India or abroad.

5.1.3 CSR Policy, Functions and Responsibilities of the CSR Committee

The CSR committee shall formulate a CSR Policy, and establish steps for the effective implementation, maintenance, periodic review, and improvement of the CSR System. Such a policy shall be approved (*prior to its issuance*), maintained, communicated, reviewed and updated, as and when required.

Legal Performance Criteria

- a) The CSR Committee must formulate and recommended the CSR policy to the Board for approval.
- b) The CSR policy must indicate the sectors/areas/subjects in which CSR programmes/projects are to be undertaken as per Schedule VII of the Companies Act 2013 and CSR Rules 2014.
- c) The CSR Committee must recommend the amount of expenditure to be incurred on CSR activities to the Board along with a detailed break-up of activities.
- d) The CSR Committee must meet at least on three occasions each year, over the last three years.

5.2 CSR Planning

The CSR Policy must clearly outline mechanisms and modalities of actual implementation of CSR projects/programmes with a view to ensure measurable and sustainable outcomes primarily focusing on projects/activities which are beneficiary-oriented and contribute to sustainable development. The company must evaluate prospective CSR projects/activities in accordance with activities mentioned in schedule VII of *Companies Act*, 2013.

5.2.1 CSR Projects/Programmes

The Company must involve identified stakeholders in the selection of projects, planning, and implementation phase in accordance with the company's CSR policy. The Company may also involve appropriate stakeholders in the monitoring and evaluation of the CSR performance.

Legal Performance Criteria

- a) The projects/programmes must be executed by the company after receiving specific approval of the CSR committee.

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- b) The company must provide the number of projects/programmes that have been taken up for implementation in each of the last 3 years.
- c) Of the above, the company must enlist the number of projects/programmes that are ongoing and that have been completed in each of the last 3 years.

5.2.2 Identification of Credible Implementing Agencies

The Company can implement CSR Project on its own. However, it can also hire implementing agencies. It is important to have transparent mechanisms to ascertain the level of competence, experience, reputation, and integrity of the implementing agency and its personnel. In view of the same, the company shall conduct due diligence of implementing agency/agencies, inclusive of compliance with applicable legal requirements prior to hiring its services for implementation of its CSR projects in order to ascertain risks as well as benefits of working with the potential partner and ascertain the following:

- a) The extent to which the senior leadership of the implementing agency is independent of the company.
- b) Memorandum of understanding with implementing partner to be established indicating inter alia, KPIs, monitoring and reporting mechanism, timeliness, scope, risk mitigation strategies, dispute/conflict resolution mechanism and audit criteria etc.

Legal Performance Criteria

- 1) The process of due diligence must be carried out for selecting implementing agencies.
- 2) The selected implementing agency must have a track record of 3 years of project implementation.
- 3) Selected implementing agency must be registered as a trust, society, or Section 8 company or a company established by a company.

The company must duly declare the modality of CSR project implementation as direct and indirect. In case of the latter, it must enlist the number of implementing agency(s) involved in project implementation in the last 3 financial years.

5.3 Funds and Resources for Implementing CSR Projects

The Company shall identify and provide the necessary competence and resources necessary for the implementation, maintenance, continual improvement and sustenance of the CSR projects. The details of CSR spent shall include all expenditures including CSR activities undertaken for each projects and contribution to corpus. Also, the company shall review risk and mitigation measures and establish good practices for timely implementation of CSR projects.

Legal Performance Criteria

- a) Indicate the CSR budget of the company in each of the past 3 years.
- b) In each year mentioned above, the company will ensure that the CSR budget in at least 2 percent of the average net profits of the company made during the three preceding financial years.
- c) In case the company has not spent the 2 percent of average net profits as indicated above, has it:
 - 1) provided due reasons to the MCA for either not spent or underspent?
 - 2) received any notice from the MCA in this regard? If so, how has the notice been responded to?

5.4 Monitoring, Evaluation and Improving CSR System

The company shall monitor and evaluate CSR projects as per the CSR Policy. The company shall devise appropriate internal and external methods of monitoring and evaluating the performance of CSR projects and activities, by way of suitable qualitative and quantitative indicators. The company shall specify the modalities of execution of the CSR projects and the process of monitoring.

5.4.1 Process of Monitoring of CSR projects and Activities

The company shall establish, implement, maintain review procedures and its frequency for addressing risk assessment, determining causes of non-conformities, initiate corrective actions, record the results and review the effectiveness of initiated corrective actions and assess, if they have departed from their desired course, through a process to:

- a) Demonstrate conformity with legal and regulatory requirements;
- b) Assess whether the company's CSR projects have been able to meet their targeted objectives and benefit the targeted beneficiaries; and
- c) Evaluate periodically the adequacy and appropriateness of the impact assessment tools and framework established for impact assessment, as per context and size of the CSR projects.

Legal Performance Criteria

- 1) The company must put in place a detailed project monitoring mechanism for the implementation of tracking and monitoring each CSR project.
- 2) Ensure that the periodicity of the monitoring reports for the projects has been maintained as planned.

5.4.2 Evaluation and Impact of CSR Projects and Activities

Periodic internal and external audits shall be planned, established, and conducted in relation to this standard as well as the CSR projects.

The company shall establish and put in place appropriate processes and procedures for conducting such internal and external audits.

The CSR projects of a company may be subjected to a third-party independent evaluation. Such third-party evaluation will include (a) appropriateness of the processes and controls developed by the company and (b) the outcomes and impacts achieved by the implementation of the CSR projects undertaken.

Legal Performance Criteria

- a) The company has undertaken an evaluation or impact assessment for any of the implemented CSR projects.
- b) The company has enlisted the number of projects/programmes for which the evaluation/impact study reports been finalised and submitted to the company.

5.5 CSR Reporting

The Board of the Company shall ensure that the entire process and procedure of CSR projects and activities shall be duly consolidated and documented. The relevant documentations generated in the context of this standard shall be maintained and preserved for a period that is deemed appropriate and kept in safe custody; and shall be readily accessible and retrievable.

The company shall at appropriate intervals report to its stakeholders on results relating to CSR. The reporting shall include:

- a) The company's key/significant stakeholders and processes for identification, engagement and involvement of these stakeholders;

- b) Prioritized corporate social responsibility core subjects and issues the company addresses, and how these are prioritized;
- c) Corporate Social responsibility, policy, objectives and targets; and
- d) Corporate social responsibility performance, challenges and outcomes including inadequate performance.

Legal Performance Criteria

- 1) The company has submitted to the MCA in each of the preceding three years the returns specified in the Annexure (II) of the CSR Rules under Section 135 (2014). Please provide the link of the CSR report published on the website.
- 2) The Annual Reports of the Board of Directors of the company in each of the preceding three years, including a statement of CSR projects and activities undertaken by the company.
- 3) Submission of Form AOC-4 in each of the three financial years within thirty days of its annual general meeting. The Company shall ensure that in each of these filings, Segment III relating to Corporate Social Responsibility has been duly filled in.
- 4) The company shall ensure regularity of reporting by the KRPs to the CSR Committee and Board and indicate the number of meetings convened in each of the last three financial years.
- 5) The Company shall clearly disclose any notice that it has received from the Ministry of Corporate Affairs (MCA) on CSR compliance and the means adopted or proposed to be adopted to have the issue resolved.

ANNEX A

PROCESS OF CERTIFICATION

- I. For a company that is seeking 'CSR Star Rating', and comes under the purview of Section 135 *Companies Act*, 2013, it is expected that it would have defined, developed, and implemented a proper CSR System.
- II. For a company that is not required to comply with the provisions of CSR as per the *Companies Act*, 2013 and CSR Rules, it would still be required to adhere to the requirements prescribed for Star Ratings in order to qualify for certification.
- III. A company, only upon fulfilling the criteria of Basic Level Certification (BLC), will be eligible to apply for the Advance Level Certification. Upon meeting all the criteria for the BLC to the satisfaction of the Certification Committee, the applicant will be presumed to have a One Star Rating (60 marks) and the scoring will commence from this specific rating.
- IV. There are four (4) levels to the Advance Level Certification (ALC) that is, Two, Three, Four and Five Star. The marks achieved under each criterion for which the certification is applied for, will determine the Star Rating of the company.
- V. A Company that applies for Advanced Level Certification must separately submit the data required for Basic Level Certificate as well as the data required for the desired level of Advance certification.
- VI. A Company applying for Certification may do so indicating the Star Category/Categories which it seeks. The Certification Committee (Clause 3.6) may, after due assessment, award the same category or a lesser category or reject the application altogether on grounds that it deems fit. The decision of the Certification Committee will be final.
- VII. A Company may straightaway apply for any category in the ALC. In such an event, it will need to submit all the information related to BLC and simultaneously, all the information related to the category for which ALC is being sought.
- VIII. The Star Rating (2, 3, 4 and 5 rating) will be awarded on the basis of the company's performance in the ALC assessment. There will be a graded scale of 1-100 and the position obtained on the scale will indicate the star rating. The company will be required to answer all the questions prescribed in the level for which the certification is being sought. The overall ALC Assessment Framework has been provided below with the assigned weightage:
- IX. If the company fails to achieve any ALC Star rating level, but meets the BLC criteria, it will be awarded 1 (One) Star Rating. However, such a rating will not be deemed to be a legal proof or certificate of compliance.

STAR RATING	SCORES ACHIEVED (OUT OF 100)
	91 – 100
	85 – 90
	75 – 80
	65 – 70
	60

ANNEX B

BASIC LEVEL STAR RATING (BLC-ONE STAR)

One Star Rating 		YES/NO/Does not Apply/(Provide reason)
1.	Does the Company have a formally constituted CSR Committee?	
2.	Has this been done by a Board Resolution post 1.4.2014?	
3.	Has the composition of the CSR Committee been displayed on the web site of the Company?	
4.	Does the CSR Committee have at least three members?	
5.	Does the CSR Committee include an Independent Director?	
6.	Does the Company have a CSR Policy?	
7.	Has the CSR Policy been duly accepted by the Board by means of a Board Resolution post 1.4.2014?	
8.	Has the Company disclosed the contents of its duly approved CSR Policy on its web site?	
9.	Did the Company spend at least 2 percent of its previous three years' average net profits on CSR activities in each of the last three financial years?	
10.	If the answer to the above question (No. 9) is "NO" for any of the three years, did the Company specify the reasons therefor on its web site/Board Report?	
11.	Has the CSR Committee been regularly monitoring the CSR activities of the Company regularly?	
12.	If the answer to the above question (No.11) is "YES", does the Company have a monitoring mechanism/format for the same?	
13.	Has the Company been filing its CSR Returns regularly as prescribed in the ANNEX to the CSR Rules notified on 27 th February 2014? (Rule 8)	
14.	Has the Company been filing regular returns to the Ministry of Corporate Affairs on MCA 21 (AOC 4 Form)?	
15.	Has the Company received any notice from the Ministry of Corporate Affairs on the subject of CSR?	
16.	Has the Company been implementing its CSR projects/programs by any one or more of the following: 1) Its own staff 2) through a registered trust or society 3) through a Section 8 company 4) by contribution to Corpus (Rule 7 of CSR Rules notified on 27 th February 2014? By contributing to one of the specified funds of Schedule VII such as PMNRF, PM-CARES or any another funds?	

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ANNEX C

ADVANCED LEVEL CERTIFICATION (ALC) TWO, THREE, FOUR AND FIVE STARS

LEVEL II - Two star rating		MAXIMUM MARKS ASSIGNED = 10 (10 × 1)	
LEVEL II – Two Star Rating 		Marks Assigned	Marks Obtained
1.	Has the company done 3 or more CSR projects in each of the 3 preceding financial years (FY)?	1	
2.	For projects started in the last FY by the company, has the need-based assessment and baseline survey been conducted for at least 20 percent of the projects?	1	
3.	Has a detailed documentation been conducted for at least 30 percent the CSR projects undertaken in the last three financial years with respect to planning, implementation, monitoring, evaluation and reporting of CSR performance?	1	
4.	Has a detailed monitoring process been put in place with submission of reports to the CSR Committee at regular intervals?	1	
5.	Has the company externally evaluated or started to evaluate at least 20 percent of projects completed in the last three financial years subject to a capping of 20 projects?	1	
6.	For all CSR projects undertaken in the last FY, does the number of direct beneficiaries exceed 100?	1	
7.	For all CSR projects undertaken in the last FY, are at least 20 percent located in more than one district/panchayat?	1	
8.	For all CSR projects undertaken in the last FY, are at least two activities of Schedule VII of the Companies Act addressed?	1	
9.	For all CSR projects undertaken in the last FY, whether at least one CSR project has been aligned with the relevant SDG? If so, please specify the SDG and indicators.	1	
10.	Has the internal audit of CSR activities and expenditure of the company been carried out for the 3 financial years preceding the last FY?	1	
Maximum Marks		10 (10 × 1)	

LEVEL III - Three Star Rating		MAXIMUM MARKS ASSIGNED = 20	
LEVEL III - Three Star Rating 		Marks	Marks Obtained
1.	Has the company done 5 or more CSR projects in each of the 3 preceding financial years (FY)?	2	
2.	Has the average cost of at least 5 projects mentioned above been more than Rs. 10 lacs?	2	
3.	For projects started in the last FY by the company, has the need-based assessment and baseline survey been conducted for at least 30 percent of the projects?	2	
4.	Has a detailed monitoring process been put in place in the format of an MIS for submission of reports to the CSR Committee at regular intervals?	2	
5.	Has a detailed documentation been conducted for at least 40 percent the CSR projects undertaken in the last three financial years with respect to planning, implementation, monitoring, evaluation and reporting of CSR performance?	2	
6.	Does the number of direct beneficiaries from all the projects undertaken exceed 500?	2	
7.	For all CSR projects undertaken in the last FY, are at least 30% located in more than one district/panchayat?	2	
8.	For all CSR projects undertaken in the last FY, have at least three CSR projects been aligned with the relevant SDGs? If so, please specify the SDGs and indicator.	2	
9.	Has the internal audit of CSR activities and expenditure of the company been carried out for the 3 financial years preceding the last FY?	2	
10.	Has the company externally evaluated or started to evaluate at least 30 percent of projects completed in the last three financial years subject to a capping of 25 projects?	2	
Maximum Marks		20 (10 × 2)	
			(10 × 2)

LEVEL IV	Four Star Rating	MAXIMUM MARKS ASSIGNED = 30	
LEVEL - IV	FOUR STAR RATING 	Marks Assigned	Marks Obtained
1.	Has the company done 10 or more CSR projects in each of the 3 preceding financial years?	2	
2.	Has the average cost of at least 5 projects mentioned above been more than Rs. 20 lakhs.	2	
3.	For projects started in the last three financial years, has the need-based assessment and baseline survey been conducted for at least 40 percent of the projects?	2	
4.	Has the Company put in place a robust due diligence system in the selection of its implementation agencies?	2	

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LEVEL IV	Four Star Rating	MAXIMUM MARKS ASSIGNED = 30	
LEVEL - IV	FOUR STAR RATING 	Marks Assigned	Marks Obtained
5.	Has a detailed documentation been conducted for at least 50 percent the CSR projects undertaken in the last three financial years with respect to planning, implementation, monitoring, evaluation and reporting of CSR performance?	2	
6.	Has a detailed monitoring process been put in place in the format of an MIS for submission of reports to the CSR Committee at regular intervals? Has the CSR Committee reviewed the performance of the Company and its projects at least four times in the last financial year?	2	
7.	Does the number of direct beneficiaries from all the projects undertaken exceed 5000?	2	
8.	For all CSR projects undertaken in the last FY, are at least 40 % located in more than one district/panchayat?	2	
9.	For the last two financial years, have at least 10 projects been located in aspirational districts (as identified by NITI AYOOG)?	2	
10.	Has the company externally evaluated or started to evaluate at least 30 percent of projects completed in the last three financial years subject to a capping of 40 projects?	2	
11.	For all CSR projects undertaken in the last two financial years, has the company undertaken impact assessments of at least 20 percent of these projects?	2	
12.	Has the internal audit of CSR system/activities and CSR expenditure of the company been carried out for the last 3 years?	2	
13.	In the last three financial years, has any of the Company's CSR projects or the Company itself, received an award from any nationally/internationally reputed organization, or a national/State level Industry Association/body (such as CII, FICCI, ASSOCHAM etc.)?	2	
14.	Are at least 10% of the completed CSR projects still surviving/being sustained without any support of the company, for at least a period of one year, post the company's exit from the CSR project (subject to a cap of 20 projects)?	2	
15	For all CSR projects undertaken in the last FY, have at least five CSR projects been aligned with the relevant SDGs? If so, please specify the SDGs and indicator.	2	
	MAXIMUM MARKS	30	

LEVEL V - Five Star Rating		MAXIMUM MARKS ASSIGNED = 40	
LEVEL - V	FIVE STAR RATING 	Marks	Marks Obtained
1.	Has the company done 20 or more CSR projects in each of the 3 preceding financial years (FY)?	2	
2.	Has the average cost of at least 10 projects mentioned above been more than Rs. 50 lakhs per annum?	2	
3.	Has the expenditure of the company on CSR in each of the last 3 years been at least 2.5 % of its average net profits (of the preceding three financial years)?	2	
4.	For projects started in the last three financial years, has the need-based assessment and baseline survey been conducted for at least 40 % of the projects?	2	
5.	Has a detailed documentation been conducted for at least 60 % the CSR projects undertaken in the last three financial years with respect to planning, implementation, monitoring, evaluation and reporting of CSR performance?	2	
6.	Does the number of direct beneficiaries from all the projects undertaken exceed 10,000?	2	
7.	Are the CSR projects of the company located in more than 50 districts/panchayat?	3	
8.	For the last two financial years, have at least 20 projects been located in aspirational districts (as identified by NITI AYOOG)?	2	
9.	For all CSR projects undertaken in the last FY, have at least ten CSR projects been aligned with the relevant SDGs? If so, please specify the SDGs and indicator.	4	
10.	Has the company externally evaluated or started to evaluate at least 40% of projects completed in the last three financial years subject to a capping of 50 projects?	4	
11.	For all CSR projects undertaken in the last two financial years, has the company undertaken impact assessments of at least 30 % of these projects?	4	
12.	In the last three financial years, has any of the Company's CSR projects or the Company itself, received an award from any nationally/internationally reputed organization, or a national/State level Industry Association/body (such as CII, FICCI, ASSOCHAM etc.) or a National Award from the Government of India?	3	
13.	Are at least 15 % of the completed CSR projects still surviving/ being sustained without any support of the company, for at least a period of one year, post the company's exit from the CSR project (subject to a cap of 30 projects)?	4	
14.	Has any of the company's projects demonstrated special creativity or innovation? Please provide details.	4	
Maximum Marks		40	

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ANNEX D

(Foreword)

COMMITTEE COMPOSITION

Social Responsibility Sectional Committee, MSD 10

<i>Organization</i>	<i>Representative(s)</i>
In personal capacity, New Delhi (Former DG, Indian Institute of Corporate Affairs, New Delhi)	DR BHASKAR CHATTERJEE (Chairman)
AROH Foundation, Noida	DR NEELAM GUPTA
Cargill, New Delhi	MS DIPANWITA CHAKRABORTY
Centre for Responsible Business, New Delhi	MR RIJIT SENGUPTA MR ARUN ASTHANA (<i>Alternate</i>)
Charities Aid Foundation India, New Delhi	MS MEENAKSHI BATRA MR AVIJEET KUMAR (<i>Alternate</i>)
Coca Cola India, Gurgaon	MR ISHTEYAQUE AHMED MS SHUBHA SEKHAR (<i>Alternate</i>)
Department of Commerce, Ministry of Commerce & Industry, New Delhi	MR AJAY YADAV MS TANU SINGH (<i>Alternate</i>)
Department of Consumer Affairs, Ministry of CA, F & PD, New Delhi	MR DHARMESH MAKWANA MR ANIL KUMAR PANDEY (<i>Alternate</i>)
Department of Public Enterprises, Ministry of Heavy Industries & Public Enterprises, New Delhi	DR MADHUKAR GUPTA
FICCI, New Delhi	MS RITA ROY CHOUDHURY
Foundation for MSME Clusters, New Delhi	MR MUKESH GULATI
GAIL India Ltd, New Delhi	MR SANTANU ROY
GITAM University, Hyderabad	DR DIVYA KIRTI GUPTA
Indian Institute of Corporate Affairs, Haryana	MR MUKESH KUMAR
Indian Oil Corporation Ltd, New Delhi	MR BIBHUTI PRADHAN
Institute of Chartered Accountants of India	CA SANJAY KUMAR AGARWAL, FCA
M/s Deloitte Touche Tohmatsu India LLP, Gurgaon	MR SUMIT MAKHIJA MR SAURABH KHOSLA (<i>Alternate</i>)
Management Development Institute, Gurgaon	MR ANKUR ROY
Ministry of Commerce & Industry, Department of Industrial Policy & Promotion, New Delhi	MR ZAKARIA KHAN YUSUFZAI MR BINOD KUMAR (<i>Alternate</i>)
Ministry of Corporate Affairs, New Delhi	MR K. M. S. NARAYANAN
Ministry of Labour, New Delhi	MR VINOD KUMAR
Ministry of Micro, Small & Medium Enterprises, New Delhi	MR SANJEEV CHAWLA MR PIYUSH AGARWAL (<i>Alternate</i>)
QCI, New Delhi	DR HARI PRAKASH DR S. K. MISHRA (<i>Alternate</i>)
The Energy Research Institute (TERI), New Delhi	DR ANNAPURNA VANCHESWARAN
United Nations Global Compact Network India, New Delhi	MR KAMAL SINGH

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<i>Organization</i>	<i>Representative(s)</i>
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In personal capacity, New Delhi	MS RADHIKA RALHAN
In personal capacity, New Delhi	MR RAJIB KUMAR DEBNATH
In personal capacity, New Delhi	MR DINESH AGARWAL
BIS Directorate General	MS SNEH LATA, SCIENTIST 'F' AND HEAD (MSD) [REPRESENTING DIRECTOR GENERAL (<i>Ex-officio</i>)]

Member Secretary

MS SHALU VARSHNEY,
SCIENTIST 'D' (MANAGEMENT AND SYSTEMS), BIS

Composition of Panel on 'CSR Requirements', MSD 10/P-6

<i>Organization</i>	<i>Representative(s)</i>
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