



PROCEEDINGS

Surat Roundtable on CSR

Wednesday, August 10th, 2016

Venue: The Southern Gujarat Chamber of Commerce and Industry, Surat, Gujarat

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Introduction

About the Surat Roundtable on CSR

The Gujarat Corporate Social Responsibility Authority (GCSRA) has been established by the State Government of Gujarat with an objective to co-ordinate, monitor and implement the various CSR activities in the state. GCSRA provides a platform to the companies for the optimal utilization of CSR funds through facilitating both the public and private sector companies in relation to carry out their CSR activities.

In order to identify and document the challenges faced by companies while executing their CSR projects, GCSRA carried out need assessment of large, small and medium enterprises at Ahmedabad, Vadodara and Surat clusters of the state.

On August 10th, GCSRA organized a Roundtable on Corporate Social Responsibility at Southern Gujarat Chambers of Commerce and Industry (SGCCI) to present the key findings on priority areas and gaps for strengthening capacities of companies at Surat cluster. More than 50 stakeholders from Industry, Government and Academia with experience in CSR attended the Roundtable discussion at Surat. List of participants is enclosed at Annexure-1.

Surat Roundtable on CSR was chaired by:

- Mr. Bhavaniprasad S. Agarwal, President, SGCCI
- Mr. A. M. Tiwari, IAS, Chief Executive Officer, Gujarat CSR Authority
- Mr. Milind Torwane, IAS, Municipal Commissioner, Surat
- Mr. Pravinkumar M. Shah, Vice President, SGCCI
- Mr. Anil O. Saraogi, Hon'ble Secretary, SGCCI

Discussion Agenda

- sensitize participants about GCSRA's role and its objectives for effective implementation of CSR projects in the state
- make the participants aware about various provisions of Companies Act, 2013 to highlight the prominence of CSR
- present key findings of CSR needs and capacity assessment of Surat cluster, arrived after analysis of the need assessment of Ahmedabad, Vadodara and Surat clusters
- provide the perspective of state government on the human development deficit areas (key thematic areas), and the CSR interventions by GCSRA to address the same

Key note address by Mr. Bhavaniprasad S. Agarwal

The key note address was given by **Mr. Bhavaniprasad S. Agarwal, President, Southern Gujarat Chamber of Commerce and Industry (SGCCI)**. He commenced the Roundtable on CSR by welcoming the key stakeholders. He reiterated that CSR is important for companies, NGOs, employees and society. With a mandate of CSR in Companies Act, 2013 it has become one of the standard business practices today and companies committed to CSR gain competitiveness advantage.



Mr. Bhavaniprasad Agarwal, President, SGCCI welcoming Mr. A. M. Tiwari, IAS during roundtable

Inaugural address by Mr. Milind Torwane, IAS

The inaugural address was given by **Mr. Milind Torwane, IAS, Municipal Commissioner, Surat**. He inaugurated the roundtable on CSR by welcoming the participants and then highlighted the fact that both Society and Company are benefited from corporate social responsibility activities.

Major points highlighted by Mr. Torwane are as follows:

- large chunk of companies still don't know the effective way of utilizing the CSR funds
- companies can approach GCSRA which is formed for channelizing the funds by inviting corporates and pooling their CSR funds for effective implementation of CSR projects 'at scale', by focusing in an integrated manner on key thematic areas such as skill upgradation, malnutrition, health & sanitation and education etc
 - from a skilling perspective, he stated that only approximately ~5,000-6,000 people get jobs per year from Rojgar Bharti Melo being conducted by Surat Employment Exchange office every year, which has a substantial scope for improvement
 - on sanitation, he opined that condition of public toilets is not as per the standards set by other developed countries and urban toilets could be professionally developed & managed



Mr. Milind Torwane, IAS, Municipal Commissioner, Surat

Mr. Torwane also gave an overview of Corporate Social Responsibility activities carried out in Surat cluster and proudly announced that ***Surat is rewarded as India's first open defecation free city on July 15, 2016 by Smt. Anandiben Patel, the then Hon'ble Chief Minister of Gujarat.***

Presentation by Mr. A. M. Tiwari, IAS

The context setting presentation was made by **Mr. A. M. Tiwari, IAS, Chief Executive Officer, GCSRA**. Mr. Tiwari highlighted the role and objectives of GCSRA and the perspective of the state government for CSR interventions.

Major points highlighted by Mr. Tiwari are as follows:

- The planning for the Roundtable was started with conducting preparatory meetings with corporates, followed by a phase 2 survey of SMEs to understand the challenges faced by them for effective implementation of CSR activities. It was noted during this exercise that:
 - corporates are still not having clarity on the CSR regime and are not properly utilizing the CSR funds for CSR activities in Gujarat



Mr. A. M. Tiwari, IAS, Chief Executive Officer, Gujarat CSR Authority

- focus of companies are not towards the need based issues (impact creating issues)
- no dedicated staff is designated for the effective implementation of CSR activities in PSUs
- NTPC Ltd. and ONGC Ltd. has CSR funds over INR 250 crore and INR 350 crore respectively but these PSUs are yet to create impact by these CSR activities
- Gujarat continues to remain home to malnutrition, lack of teachers in government schools, unhygienic health & sanitation facilities, etc. The state government highlighted key intervention areas for CSR: A) eradication of malnutrition, B) Construction of individual toilet blocks, C) Deficit teacher's linkages and D) Construction and renovation of Anganwadis etc.
- He then summarised GCSRA's package of support for Corporates:
 - GCSRA can assist in creating meaningful CSR programmes by pooling the funds of 3-4 companies. Under the same, corporates can contribute towards GCSRA's key areas of interventions such as Health, Water & Sanitation, Malnutrition, Skills & Livelihood, Education and Entrepreneurship. The key areas of intervention in diagnostic centres include consultation, diagnostic and medical facilities etc
 - GCSRA approached central government to make amendment in the provisions of Companies Act, 2013 which stated that any PSUs needs to complete 3 years before investing into CSR. As per the amended CSR Rules by MCA vide Gazette Notification G.S.R 540(E), Gujarat CSR Authority, a Trust and Society set up by Govt. of Gujarat, is now eligible to accept CSR funds from the companies and carry out implementation of CSR activities.
- Mr Tiwari highlighted the benefits and requirements of doing CSR as per the law:
 - CSR activities would help companies in improving the visibility and branding, resolving conflict with local community, and better credibility with any business partners
 - Surat has presence of approximately ~360 companies having potential to generate approx. INR 200 crore towards CSR activities
 - Every company needs to fulfil CSR compliances as per the Companies Act, 2013 as Registrar of Companies has started sending notice to companies who failed to meet the CSR compliances.
- Some of the other areas in which companies at Surat can intervene are A) Meeting old age home requirements, B) City traffic of Surat, C) Community toilet blocks, D) Special Children, E) Vocational training, and F) Providing additional teachers. All these areas (except Special Children and vocational training) have already been tapped into other districts and Surat can adopt the same models too. The project on special children (Disabled children) project can be adopted as the new area of intervention which would include areas of physically handicapped (~2% of total children) and learning difficulty problem (~6% of total children population)

Need Assessment Presentation by Mr. Biplav Chatterjee

A presentation on need assessment was made by Mr. Biplav Chatterjee, Associate Director, PwC India. He highlighted key findings of CSR needs and capacity assessment carried out at Ahmedabad, Gandhinagar and Surat clusters. In this context, key points highlighted are as follows:

- GCSRA team conducted need assessment of 88 large, medium and small companies based out of Ahmedabad, Vadodara and Surat clusters.
- Top focus areas of SMEs across Surat cluster are **Education & Vocational skill training, Healthcare (including preventive**



Mr. Biplav Chatterjee, Associate Director, PwC India Pvt. Ltd.

healthcare) and Livelihood & income generation etc

- **~100% of respondent companies at Surat cluster** agreed that key CSR drivers for SMEs in Surat cluster is Compliance as per Section 135 of Companies Act, 2013
- **Only 26.3% of respondent companies at Surat cluster** said that they have included board approved CSR policy at website which is quite low as compare to the overall rate (~58.4%).
- **89.5% of respondent companies at Surat cluster** said that they are implementing CSR directly (CSR/ HR/ legal dept.), but only **78.9% of respondent companies at Surat cluster** said that they do not monitor and evaluate the CSR funds allotted towards CSR activities.
- Some of the challenges faced by Surat cluster is due to unclear directive in the CSR rules, inadequate skill sets and expertise of the CSR teams etc
- Major areas for training in SMEs in Surat Cluster are CSR compliance reporting, project outcome and impact monitoring etc

Interactive session with participants

An interactive session was held with participants to explore the ways of potential collaboration and discuss the concerns raised by participants. Some of the key points made during the discussion are:

- Mr. A. M. Tiwari, IAS highlighted that any CSR activity/ programme needs to have three major components: A) Track of each CSR activity B) Benefit/ Impact from activity and C) Monitoring of each activity.
- There is a lack of monitoring on the part of companies (SMEs) and small companies find difficulties in identifying NGOs/ implementing agency for monitoring the projects. In this connection, Mr. A. M. Tiwari, IAS said that such companies can approach GCSRA also. Scope of GCSRA is not limited to design and implement CSR projects and it can help companies for monitoring of projects.
- It was discussed that there are no mandatory guidelines/ provisions for selecting geographical location. On this Mr. A. M. Tiwari, IAS said that company can chose any area/ village/ block/ district having definite problems but solution of problem must lead to creation of impact on society.
- It was highlighted that credibility of Implementing agency/ NGOs needs to be considered. CRISIL, Credibility Alliances NGO etc. are some of the accrediting agencies which can be approached if any Implementing agency/ NGO wants to be accredited.
- It was discussed that companies which invested money as CSR funds before the mandate of CSR provisions as per Companies Act, 2013, need to obtain the utilization certificate (UCs) against relevant components mandated by Act and the same can be provided by GCSRA to the funders.



- It was also highlighted during the meeting that Impact Assessment is necessary after designing and implementation of CSR projects.

Presentations on CSR interventions by GCSRA

Some of the participants made presentations on CSR interventions of Gujarat CSR Authority and key thematic areas identified for future. Following are the key themes presented by different speakers:

- 1. Presentation on Strategies to mainstream the issues and challenges of old age people in Surat city by Smt. Aruna Lakhani**
Smt. Aruna Lakhani highlighted the present conditions of old age people which indicated that with increase in mobility for education and job opportunities and change in social structure, traditional families and family ties are breaking down. It was suggested that senior housing colonies could be the answer to such problems and this program on building senior housing colonies needs to be brought under the purview of CSR and government.
- 2. Presentation on Skilling interventions of Gujarat CSR Authority by Mr. Manoj Makandia from Vaghaldhara Vocational Training Centre (VVTC)**
Mr. Makandia highlighted that VVTC established under Vanbandhu Kalyan Yojna of Tribal Development department was started to impart skill competency among tribal youth, by providing high quality training, soft skills and employment assistance to the school dropout children and unemployed tribal youth. It was further stated that the first batch of ~135 trainees in various skills have been fully absorbed in various industries immediately after the training.
- 3. Presentation on perspective for better traffic management in Surat City through Digital Outdoor Media by Mr. Mallesh, Director, Zero-sums ITS Solutions India Pvt. Ltd., Bangalore**
Mr. Mallesh highlighted that a significant way of contributing in improving society is through educating road users on road traffic norms. It was highlighted that this CSR project uses message boards placed along the road that displays real-time traffic status and suggests alternate routes to travelers by using camera based traffic sensors and variable message sign (VMS) boards to gather, infer and disseminate real time traffic information to commuters.
- 4. Presentation on Sanitation project of GCSRA by Mr. Chirag Vyas, Project Officer, GCSRA**
Mr. Chirag Vyas highlighted the need for community toilets/ restroom toilet complexes in Gujarat. It was stated that GCSRA is in process of constructing community toilets which would be offered through **Build Operate Transfer (BOT)** model in which GCSRA will build world class restroom complex in the land offered by the Municipal Corporations and would operate it for a period of five years before returning it to Municipal Corporation.
- 5. Presentation on Eye Care Hospital - Divya Jyoti Trust by Dr. Uday R. Gajiwala, Vice President, Eye Care Hospital**
Dr. Gajiwala given the presentation on Eye care hospital run by Divya Jyoti Trust to highlight the key activities and support provided by hospital to its patients.
- 6. Presentation on Lions Cancer Detection Centre Trust by Mr. Bharatbhai V. Shah, Hon'ble Secretary**

Mr. Shah highlighted that centre runs cancer treatment centre for the treatment of cancer at affordable prices. It was further highlighted that it has developed a world-class Linear Accelerator Radiotherapy Centre, which enables the centre to provide even better treatment to the patients.

Closing Remarks

Mr. Biplav Chatterjee gave the vote of thanks. He thanked **Mr. A.M. Tiwari, IAS** and the GCSRA team for taking up the initiative of organizing Roundtable on CSR at Surat. **Mr. A.M. Tiwari** then thanked all the participants for contributing to the discussions and expressed that the discussions were quite fruitful and would definitely help in exploring the different project ideas focusing on need based issues and impact creation.

Action Plan

1. Gujarat CSR Authority would approach all the participating companies to collaborate in any of the thematic areas defined.
2. Companies would also be apprised about the following areas in which they can also get support from Gujarat CSR Authority:
 - development of CSR strategy & annual plan
 - development of CSR plan linked with EIA proposals
 - support for creating a dedicated CSR team
 - development of innovative project ideas
 - development of sector specific funds
 - support to identify credible implementing partners
 - other implementation support
3. Gujarat CSR Authority would take follow up from the companies interested to collaborate in any thematic areas to create opportunities for CSR interventions.
4. Considering the success of Surat roundtable on CSR, Gujarat CSR Authority proposes to conduct Roundtable on CSR at Ahmedabad and Vadodara in September, 2016.

Annexure 1: List of participants

List of participants from external stakeholders

| Sr. No. | Name | Designation | Company |
|----------------|------------------------|---------------------------------|---|
| 1 | Mr. Anil Patel | Sr. Manager | Essar Foundation |
| 2 | Mr. Bhavesh Khandelwal | Company Secretary | Condor Footwear Pvt. Ltd. |
| 3 | Mr. Viral H Vora | Company Secretary | Dakshin Gujarat Vij Company Limited (DGVCL) |
| 4 | Mr. Ramesh Gajjar | | |
| 5 | Mr. Jayesh Gajjar | Assistant Vice President | Reliance Industries Limited |
| 6 | Mr. Kalpesh L Gupta | Assistant Professor (Law) | AURO University, Surat |
| 7 | Mr. Mahendra Patel | Manager of Social Performance | Hazira LNG and Port |
| 8 | Mr .Aruna Lakhani | Dev. Prof. | Shroff Family Charitable Trust |
| 9 | Mr. P. M. Patel | ARBH (AB) Shrat | GSFC Ltd. |
| 10 | Mr. Maulik Parmar | CSR Head | Adani Hazira Port |
| 11 | Mr. P.S. Vayeda | Head- CSR | L & T |
| 12 | Mr. A.P. Patel | Manager- CSR | L & T |
| 13 | Ms. Suchi Agrawal | Company Secretary | Anupam Rasayan Ltd. |
| 14 | Mr. Harni Patel | Company Secretary | Surya Exim Ltd. |
| 15 | Mr. U.C. Patel | Jr. Officer | NTPC |
| 16 | Mr. Naresh Gurjar | Executive | SGCCI |
| 17 | Mr. Jose Thomas | National Programme Co-ordinator | SRHR alliance |
| 18 | Mr. S.P. Solanki | Director | Surat Diamond |
| 19 | Mr. Shirish P. Patel | Member | SGCCI |
| 20 | Mr. Ashok B. Patel | Member | SGCCI |
| 21 | Mr. Inderjeet Makwana | Member | SGCCI |
| 22 | Mr. Mallesh B. | Director | Zero Sum Pvt. Ltd. |
| 23 | Mr. Mitesh Surti | P. Officer | Adani |
| 24 | Mr. P.M. Naik | Dy. P.O. | SMC Surat |
| 25 | Mr. Dilip R. Shah | | |
| 26 | Mr. Ajay Shekha | Reporter | DD news |
| 27 | Mr. Shyam Kapadia | Assistant Trainee | K P Energy Ltd. |
| 28 | Mr. Rashesh Desai | GM Corp Affairs | RIL- Hazira |
| 29 | Mr. Hemant Gadani | Manager | Torrent Power – Dahej |
| 30 | Mr. Vikas S. Patel | DGH- CSR | Essar Foundation |
| 31 | Mr. Vinod V. Hange | Manager | HLE Engineering Pvt. Ltd. |
| 32 | Mr. Jigar H Vyas | MAH- HR | Coloursey |
| 33 | Mr. Pankaj | MAH- P & A | Coloursey |
| 34 | Mr. Bharat Parmar | Executive SWM SME | SMC |
| 35 | Mr. Dhiren Thakkar | SGCCI | |
| 36 | Dr. Uday R. Gajiwala | Vice President | Divyajyoti Trust |
| 37 | Mr. Mehul Patel | Dy. CRO | SCCT |
| 38 | Mr. Pradeep | Owner | Badri vish |
| 39 | Mr. A.K. Sinha | CEO | Adani Port |
| 40 | Dr. Miral Mandir | CHRO | SRK |
| 41 | Mr. R. Jayarajan | Dum (Law) | NTPC |
| 42 | Mr. M N Patel | | |

List of participants from Gujarat CSR Authority, SGCCI and PwC India Pvt. Ltd.

| Sr. No. | Name | Designation | Company |
|----------------|------------------------------|---|--|
| 1 | Mr. A. M. Tiwari, IAS | Chief Executive Officer | Gujarat CSR Authority, Ahmedabad |
| 2 | Mr. Pankaj Kamliya | Chief Operations Officer | Gujarat CSR Authority, Ahmedabad |
| 3 | Mr. Chirag Vyas | Project Officer | Gujarat CSR Authority, Ahmedabad |
| 4 | Mr. Bhavaniprasad S. Agarwal | President | The Southern Gujarat Chamber of Commerce and Industry, Surat |
| 5 | Mr. Pravinkumar M. Shah | Vice President | The Southern Gujarat Chamber of Commerce and Industry, Surat |
| 6 | Mr. Anil O. Saraogi | Hon'ble Secretary | The Southern Gujarat Chamber of Commerce and Industry, Surat |
| 7 | Mr. Sudhir Sinha | Advisor, Sustainability Practices | PwC India |
| 8 | Mr. Abhishek Tripathi | Director, Responsible Business Advisory | PwC India |
| 9 | Mr. Biplav Chatterjee | Associate Director, Responsible Business Advisory | PwC India |
| 10 | Ms. Riya Bakshi | Senior Consultant, Responsible Business Advisory | PwC India |
| 11 | Mr. Subhash Advani | Consultant, Responsible Business Advisory | PwC India |