



CSR problems and way out



By :R.N.Mital
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The CSR concept

- The general assumption in our Country has been that the care of the elderly is the responsibility of the family and not of the society or the Government.
- That is why institutions associated with old age such as old age homes, day care centers; nursing homes for the elderly etc were not very popular. But circumstances have changed and this responsibility has now fallen on the administration as in other Countries.



- A UN supported survey of the comparative well being of Older Persons ranked India at poor 73 out of 91 countries sampled, closer to Afghanistan where senior citizens had only limited facilities.
- Around 2012 the concept of CSR was being talked about. We were very hopeful that all our needs will be solved under the application of the proposed CSR concept.
- In 2013 Companies Act was amended, section 135 defining rules for CSR was added but it did not mention the needs of senior citizens.

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- We in AISCCON & Help Age had to mount an agitation and finally Mr. Sachin Pilot, Minister Corporate Affairs, agreed and an amendment to Companies Act was issued on 27th April, 2013 including some of the elder care problems.
- It may be of interest to know that out of around 15 crore senior citizens 70% belong to BPL category or close to it, 30% of them are so poor that they cannot afford even two meals a day.
- They are the retirees of the unorganized sector of economy which contributes more than 62% of GDP. They are thus our real bread earners but they starve when they become old.

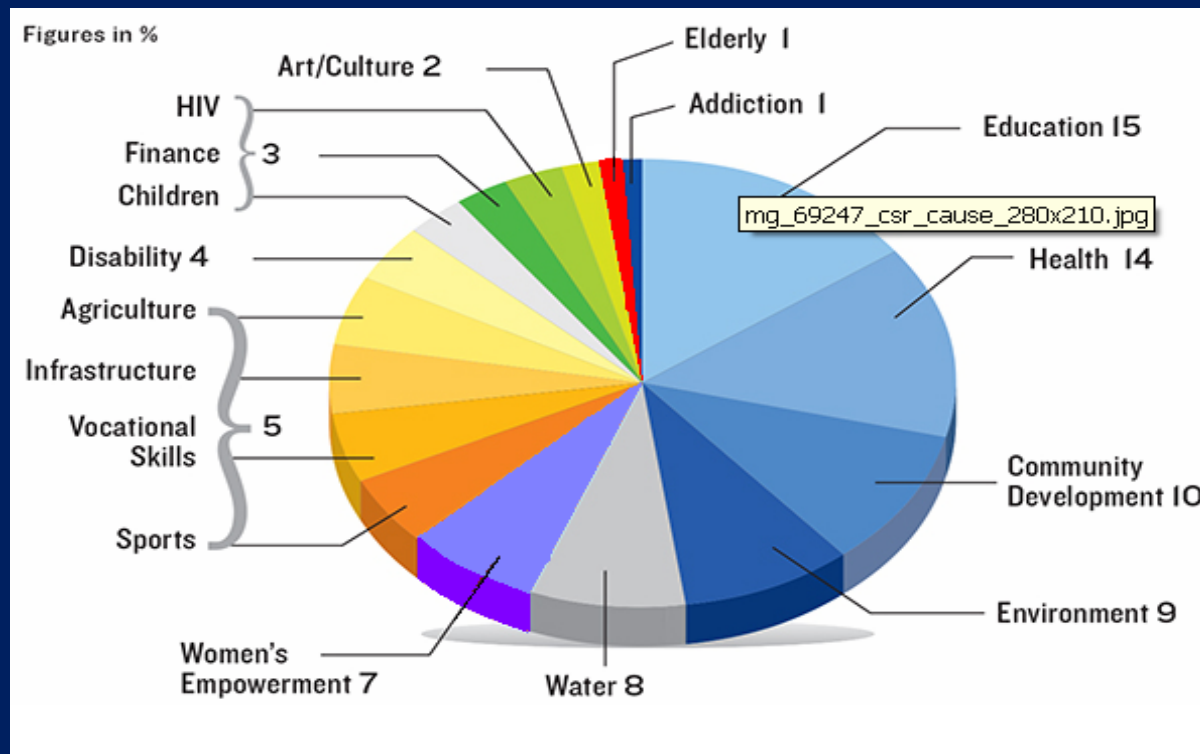


- In 2007, Parliament issued mandates to build old age homes in every district having a capacity of 100-150 & to set up health care units in every mandal geriatric wards in every hospital regular diagnostic checks and many other such facilities to enable our elders to live a life with dignity & purpose which is their constitutional right.
- According to a PIL before Supreme Court there are only 137 Old Age Homes supported by Govt. against the mandate to have 730 of them, one in every District, that is 600 more to be built. Same PIL also demands Healthcare facilities to be set up in rural areas.
- The GOI has found roundabout way to ignore the Judgement. The Court also seems to have given up bothering to ensure the implementation of the judgement for which they earlier proposed to issue mandamus.



CSR Support to Different Sectors 2013-14

- The largest share of the CSR investment which we received for Eldercare was in year 2013-14 and it was around 1% of the total which you see in the following:



Almost Nil CSR Contribution in 2016-17

- After year 2013-14 instead of increasing the share of the age related projects went on reducing steadily, so much so that in 2016-17 it was less than 0.19% of the total investment. It was the least favoured social cause

Break-up of the CSR Spend-Sector-wise

Healthcare & WASH 32%

Education & Skills 29%

Environment 13%

Rural Development 12%

Gender Equality 6%

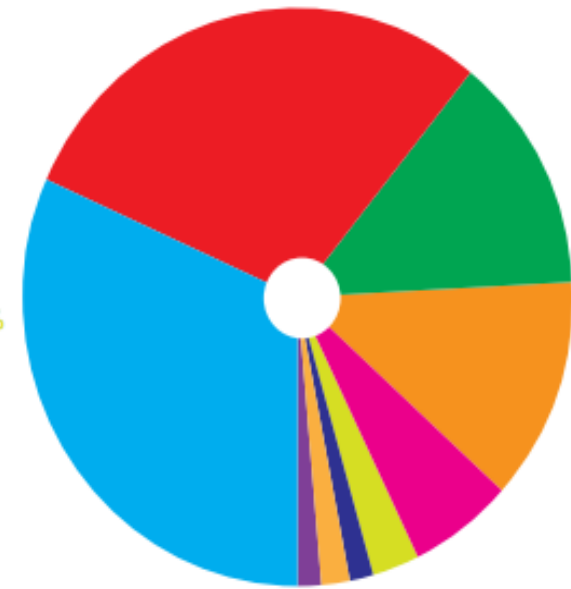
Urban Slum Development 3%

Heritage, Art & Culture 1.5%

PM Relief Fund 2%

Rural Sports 1%

Armed Forces 0.04%



- In year 2020-21 it was not better, being around only 56 crores out of total investment of Rs 25,714 crores.
- The total CSR investment is increasing every year with more Corporate Houses contributing to it. A few major problems have been noted:
 1. The proportionate investment in elder care projects has been very very low.
 2. There has been overwhelming support to two social sectors namely health and education, at the cost of other deserving causes such as the welfare of disabled, widows, senior citizens etc.

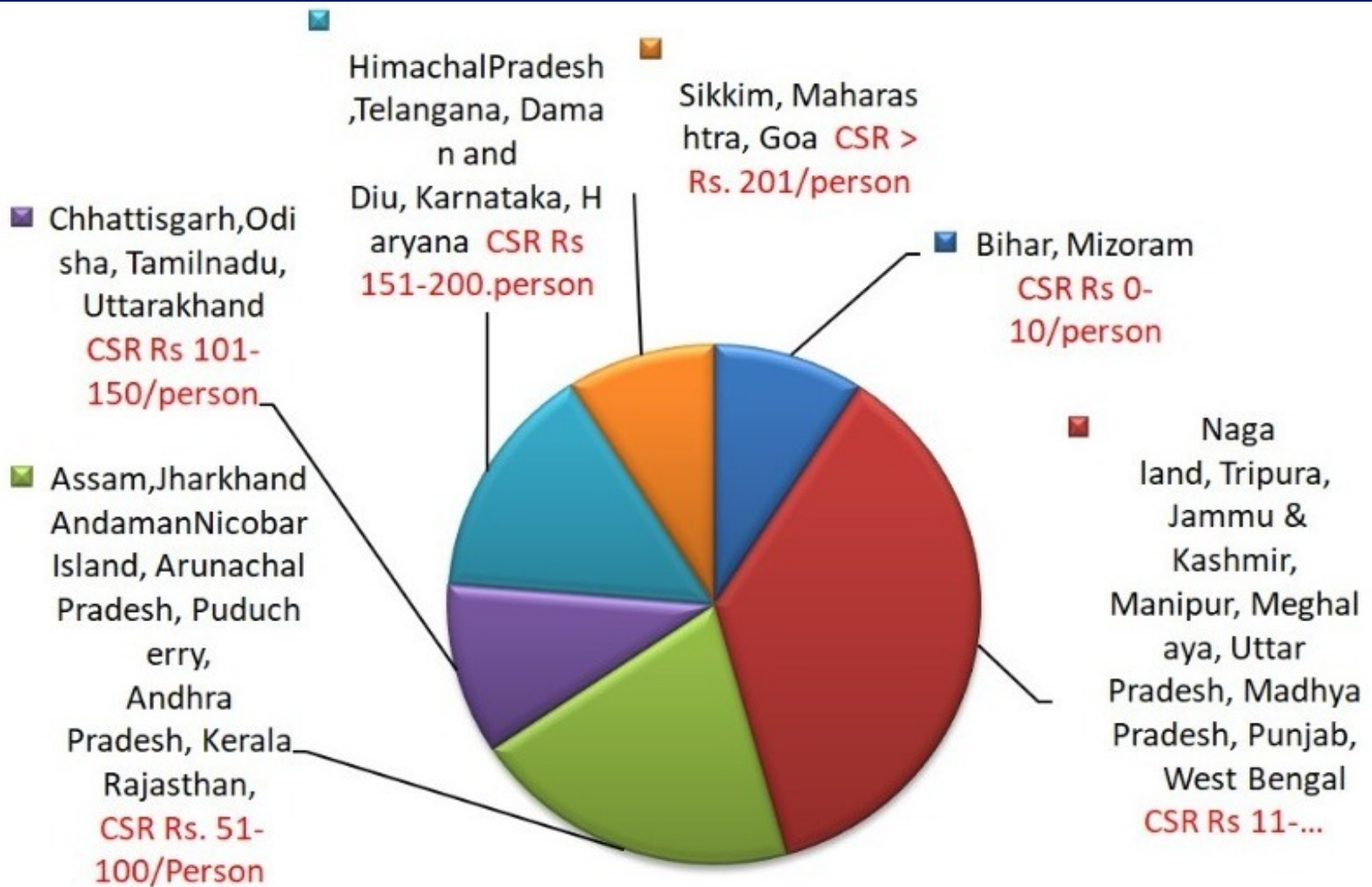


3. Some States are receiving much higher investment than others leading to unequal development of the Country for social sector.
4. The investment per person is a fair indication of CSR support to that State, the picture that emerges in 2020-21 is shown in the following schematic. States are divided in to six groups on the basis of CSR support. States like Bihar , Mizoram etc are getting less than Rs 10 per person while States like Maharashtra and Goa are receiving more than Rs 200 per person.

This will lead to unequal development which was not the objective of the CSR concept.



CSR investment per person in different States in 2020-21



5. The Causes concerning health and education are getting over whelming support. The real reason for it is not clear but probably it is because most of the registered NGO's have the background of working in these social sectors.

6. They are registered with MCA also as implementing agents. They prefer to execute projects in the same field

This is a obviously undesirable. Because of shortage of implementing agents, their choice of cause and even States/ UT may dominate.

7. The Corporate Houses also prefer to locate the projects in the State of their Head or major office. It partly explains higher CSR investment in States like Maharashtra, Gujarat and Karnataka etc.



What we should do

To increase CSR investment in Eldercare Projects

- 1) According to the present procedure there are 3 distinct groups namely the senior citizens as the beneficiaries Corporate Houses as the financiers and the NGO's and the Trusts as the implementing agents.
- 2) Senior Citizens are expected to prepare the projects required by them and place them on CSR portal of MCA. A Corporate House selects a project from the MCA portal which belongs to the cause they want to support and can be executed within the fundsavailable.



3) Some times the implementing NGO's also pickup a project and look for a Corporate House to implement it.

Since there are limited number of implementing NGO's and Trusts their choice of the project often prevails which is generally in the field of health and education.

That is often the reason why they are getting over whelming support.



The solution to this problem will be threefold

1. Senior Citizen Organizations should get themselves registered on CSR portal as beneficiaries. Those who are qualified should also get registered as implementing agents.
2. Large number of eldercare projects should be prepared and placed on the CSR portal. The Corporates complain that they do not find any elder care project on the portal.
3. More NGO's should be got registered particularly from the States which are at present neglected as far as CSR investment is concerned.



- As regards the projects belonging to the 2nd category that is the ones which require large capital and long time for execution, some flexibility has to be granted to the Corporate Houses.
- It is also possible that the organization which is proposing such a project is not capable of running it or maintaining it after it is executed, like an OAH. In such a situation the State or the Central Govt have to step in.
- The ideal solutions to these problems would be to have a body consisting of the neglected causes which are to be promoted and this body should guide the corporate houses in the choice of the cause they should support keeping the need of the State in mind This will lead to uniform need based development of ...our Country.



- The participants should take the maximum benefits from this workshop in terms of identifying the gaps to pre-qualify for becoming an implementing agency for CSR projects. It would call for fulfilling the procedural requirements and competent resource building either in-house or through association with other organizations.
- All those who are economically sound / secure and blessed with good health should identify the "deserving elderly as prime beneficiaries" for conceptualizing the CSR schemes. Addressing the people from unorganized sectors would be desirable. This is in line with the main focus of this workshop. Make the best use of time for hands- on experience of working on such endeavours.

- Affiliates of AISCCON should continue to sensitise the State Governments on various policy issues / shortcoming in the promises made by Government and AISCCON should take up the issues of our concern at National level through consultative process with our affiliates in various States of India.
- This forum is an ideal situation to deliberate, mull and come to some specific concepts of programs / projects that could be undertaken at national level under the brand of AISCCON.
- The CSR committee should take up with organizations like CII / FICCI / MoSJ&E to constitute a body to analyze the issues of concerns to elderly segment of society and come out with recommendations to the Ministry of Corporate Affairs / Corporate Houses and MoSJ&E aimed at improving the lives of seniors - predominantly prudent for the unorganized sectors of our economy.



Thank you

A beginning.....

