**CSR METHODS**

METHOD-1 (THROUGH SEPARATE CSR PROJECT MANAGEMENT DEPARTMENT)

Setting up CSR Projects Management Department involves appointment of some expert staff with the responsibility of assessing the social needs and problems and formulate the strategies to tackle them. These departments are not necessarily called “CSR”, but carry a variety of names, including sustainable development, sustainability, environmental affairs, social compliance public affairs or combinations thereof. These CSR departments manage the company's social programs and make sure that the company's efforts in the field of corporate social responsibility remain in the eyes of the public. Having a special department to look after CSR issues depends on the size and CSR issues undertaken by companies. CSR departments have the responsibility of planning, implementing, and monitoring the CSR practices of the companies. They decide the areas of CSR to be addressed and come out with a social responsibility project. New Company Bill Act 2013 has made it mandatory for companies falling under this section to have a CSR committee. The CSR committee shall consist of 3 or more directors, out of which at least one shall be independent. CSR committee would be responsible to formulate CSR Policy, recommend the CSR activities as specified in Schedule VII & monitor the CSR expenditure. Board would be mandatorily required to disclose its CSR Policy in its report and on the company’s website.

METHOD-2 (THROUGH PARTNER NGOS)

Partnership between business and non-profit organizations is an increasingly prominent element of CSR. A non-governmental organization (NGO) is any non- profit, voluntary group that is organized at a local, national or international level. Task-oriented and driven by people with a common interest, NGOs perform a variety of service and humanitarian functions. They bring people's concerns to governments, advocate and monitor policies, and encourage political participation through provision of information. Some are organized for some specific issues, such as human rights, environment, education, or health. Such cross–sector partnerships have been one of the most exciting and challenging ways that organizations have been implementing CSR in recent years. A general definition of partnerships in a CSR context is ‘‘collaborative arrangements in which actors from two or more spheres of society (state, market, and civil society) are involved in a non-hierarchical process, and through which these actors strive for a sustain ability goal.’’ Non-governmental organizations (NGOs) normally don’t have enough financial or knowledge recourses. However, due to their focus on specific issues, they could work more effectively and actively on them than the companies that have a commercial goal as their base. Corporates increasingly join hands with Non-government organizations (NGOs) and use their expertise in devising programs which address wider social problems.

METHOD-3 (THROUGH ESTABLISHING TRUST/FOUNDATION/SOCIETY)

The trust/foundation/society is established to provide structure and focus to ongoing social responsibilities of a company. They are given separate budget for the whole year, which may be evaluated from time to time for enhancement, so that different social responsibilities are executed successfully. Where a company has been set up with a charitable objective or is a Trust/Society/Foundation/any other form of entity operating within India to facilitate implementation of its CSR activities, then it shall be applied that;

(a) contributing company would need to specify the projects/ programs to be undertaken by such an organization, for utilizing funds provided by it;

(b) contributing company shall establish a monitoring mechanism to ensure that the allocation is spent for the intended purpose only.

METHOD-4 (THROUGH COLLABORATING WITH OTHER COMPANIES)

Companies may collaborate or pool the resources with other companies to undertake CSR activities. This method is mostly adopted for the bigger projects like construction of orphanage, schools, hospitals, etc. for the society. Joint ventures are created mainly to achieve synergies that lead to reduction in the cost.

METHOD-5 (THROUGH FUNDING TO GOVERNMENT)

The contribution to Prime Minister’s National Relief Fund and such other funds as set up by Government falls under this method. Schedule VII of the Company Bill Act 2013 recommends “Contribution to PM’s national relief funds and such other funds established by central or state government for socio-economic development and relief and welfare of scheduled castes and scheduled tribes and other backwards classes, minorities and women” as one of the activities to be taken under CSR. The companies may also use this mode of CSR implementation as per Company Bill Act 2013. .

**TYPES OF CSR**

