

June 2024
Attempt

CSR & SOCIAL GOVERNANCE

COMPREHENSIVE CONCEPT BOOK

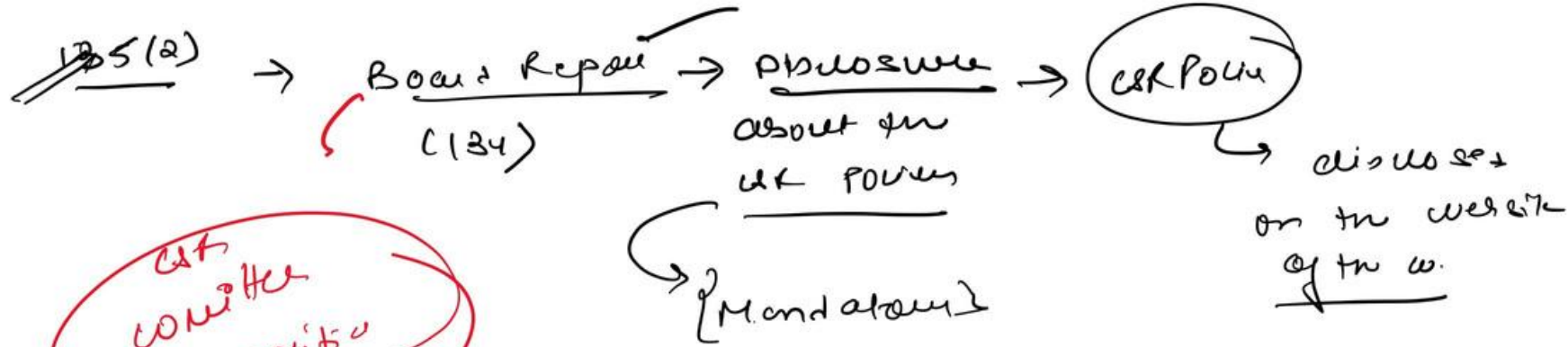
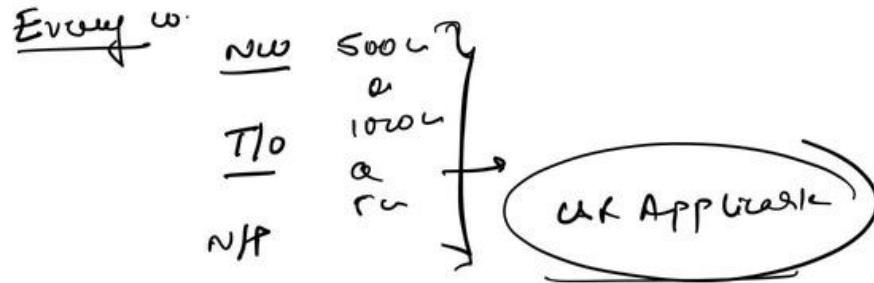
PART - A

Handwritten Notes

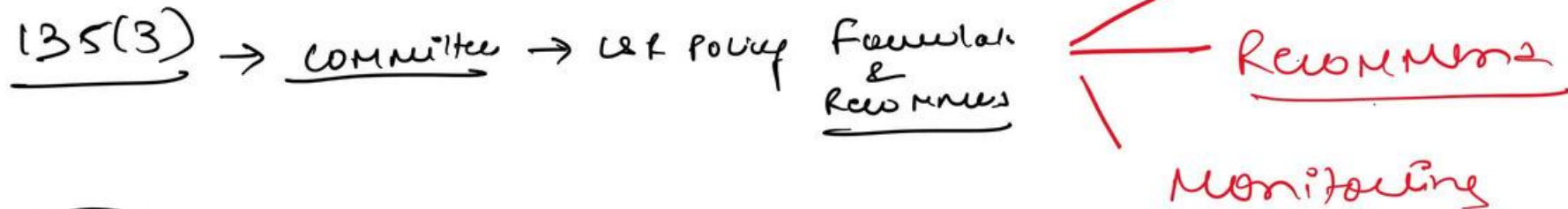
CS MUSKAN GUPTA

(1)

135(1) → Applicability



CR Committee Composition



135(4) → Approval of policy BOP

Monitoring

2

Composition of CSR Committee

Every Unlied Co. → 3 Directors → 1 ID

Every Public Co. → 3 Directors → 1 ID

↳ of appl of ID is Mandatory

of appl of ID x Mandatory

↳ 2 Directors

Prvt Co. → 2 Directors

Foreign Co. → 2 → 1 Resident Director

135(5) → CR contribution

3

2% of Aug NIP $\frac{3}{4}$ preceding FY

① Net Profit → Net Profit
Before Tax

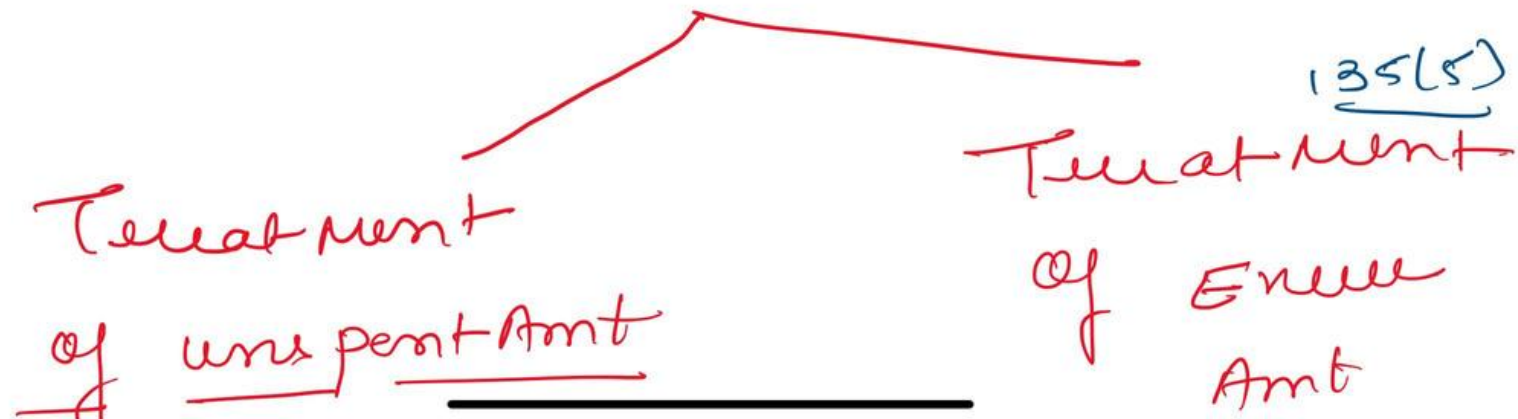
② incorporate → less than 3 years
↳ It will be calculated according to the Aug of 2 years or as per the years of incorporation

the years of incorporation

③ Aug Me → company has
suffered loss
for 3 years

→ Disallowance of
Disallowance Kaurange
ki Aug Nikalene
ke bad contai
was zero henu
x CR contai has
been made

④



⑤

Treatment of unspent Amt

135(5)
Multi year
Project X

[not an ongoing
Project]

[will be completed
within a year]

ongoing
Project

135(6)

[Multi year project]

[Maximum 3 year
More than 3 year]

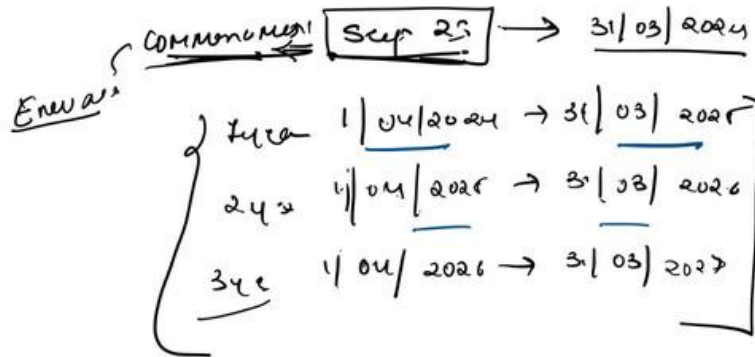
Ending the year
of commencement

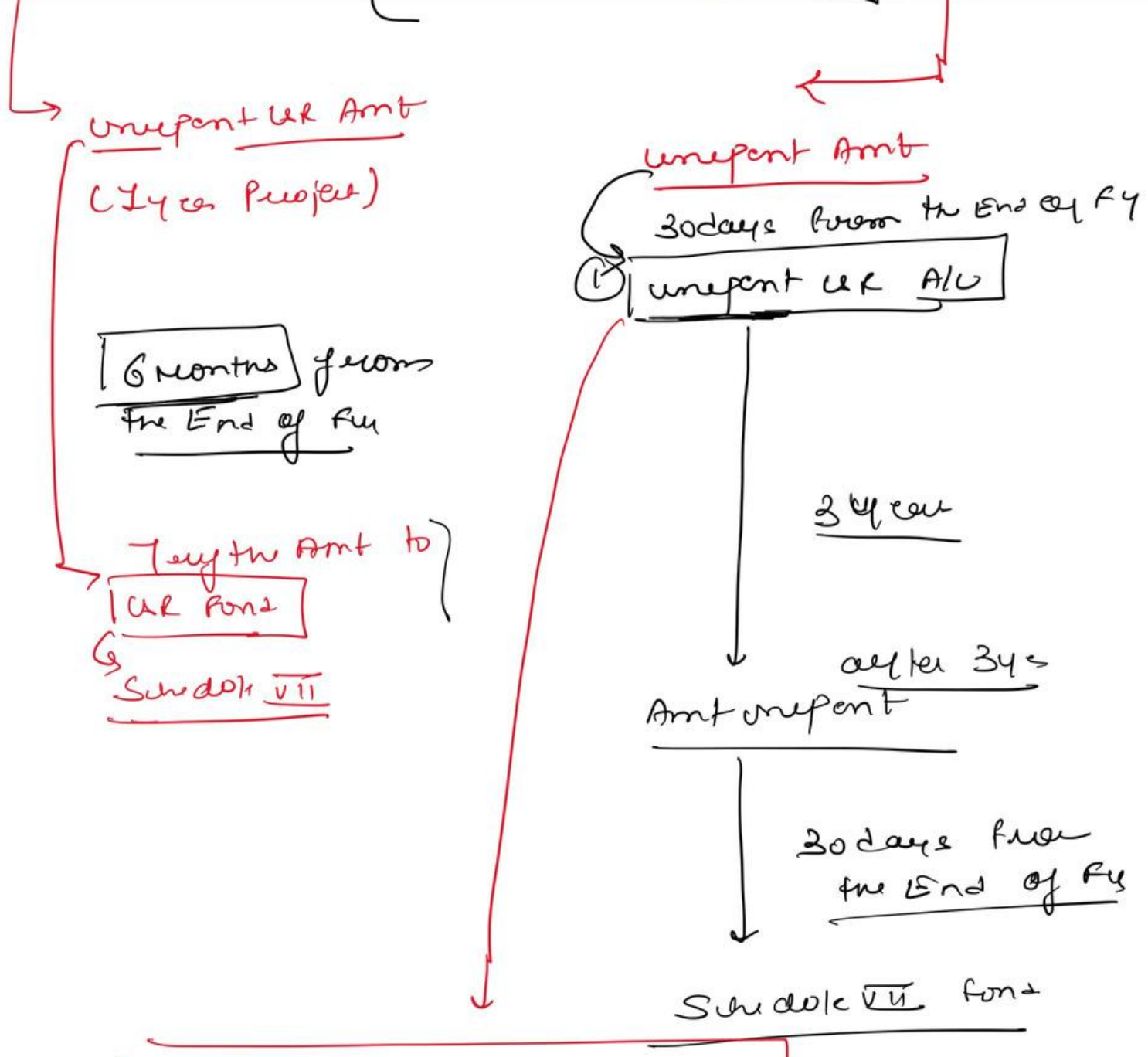
Treatment of Excess Amt

Excess Amt → Set off

for 3 year

5





the End of FY

Schedule VI fund

* Scheduled Bank

* Every year separate
unspent UR A/c will be
opened.

* A/c is * supposed
to be opened for Every
Project

7

135(7) → Penalties → unrepentant at A/c

8

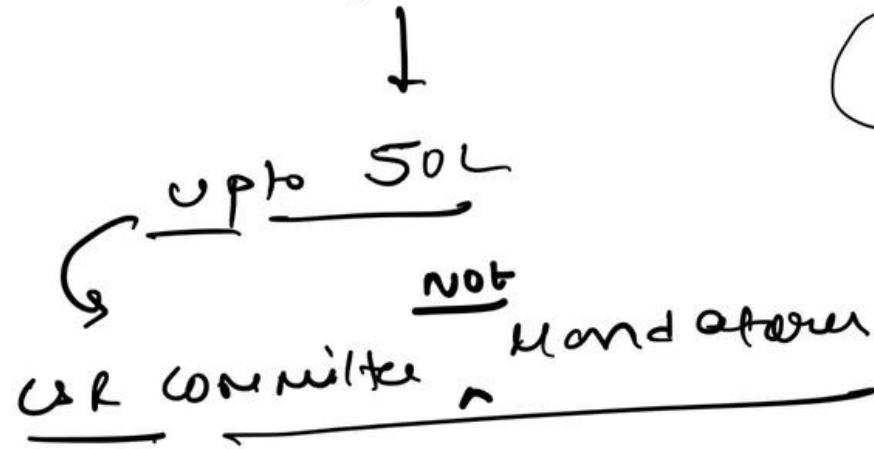


2x the
amt to
be imposed
[WEL]
or 1a

1 or 2L
[WEL]

135(8) → Power of CA

135(9) → Contributors [2% of Amt N/P
of 3 preceding FY]



Rule 4 → dup incorporation Regency

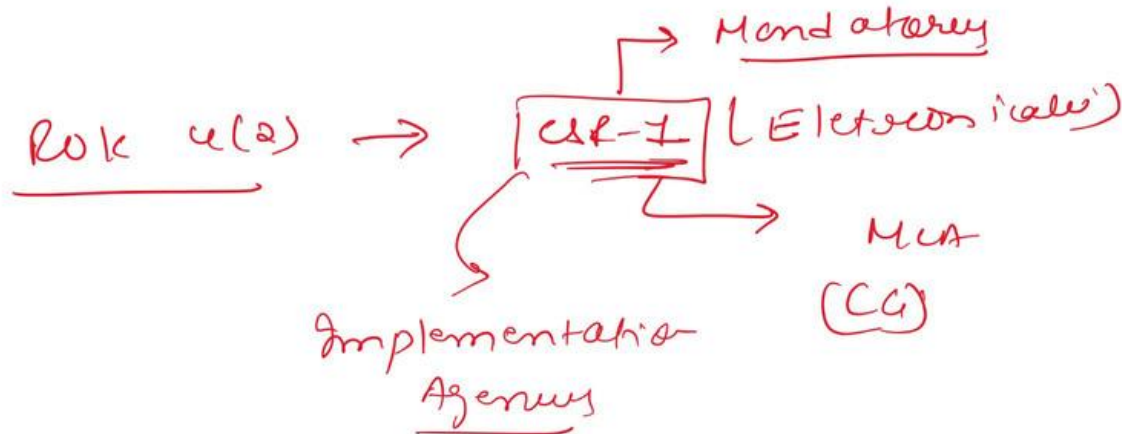
↳ company itself or following

- 1) Section 8 co. or Registered public trust or
Registered Society → with 80G + 12A

- 1) Section 8 w/o or Registered public Trust or Registered Society → with 80G + 12A of income Tax → Incorporation by co
- 2) Section 8 w/ ^{Reg} Public Trust / Reg Society incorporation by Govt
- 3) Statute company incorporation by Parliament / State Legislature
- 4) Section 8 w/ Reg Public Trust / Reg Society incorporation by other + 34CA Entp + 12A + 80G Reg

12A + 805 Rg

11



CSF → individuals or in collaboration with other

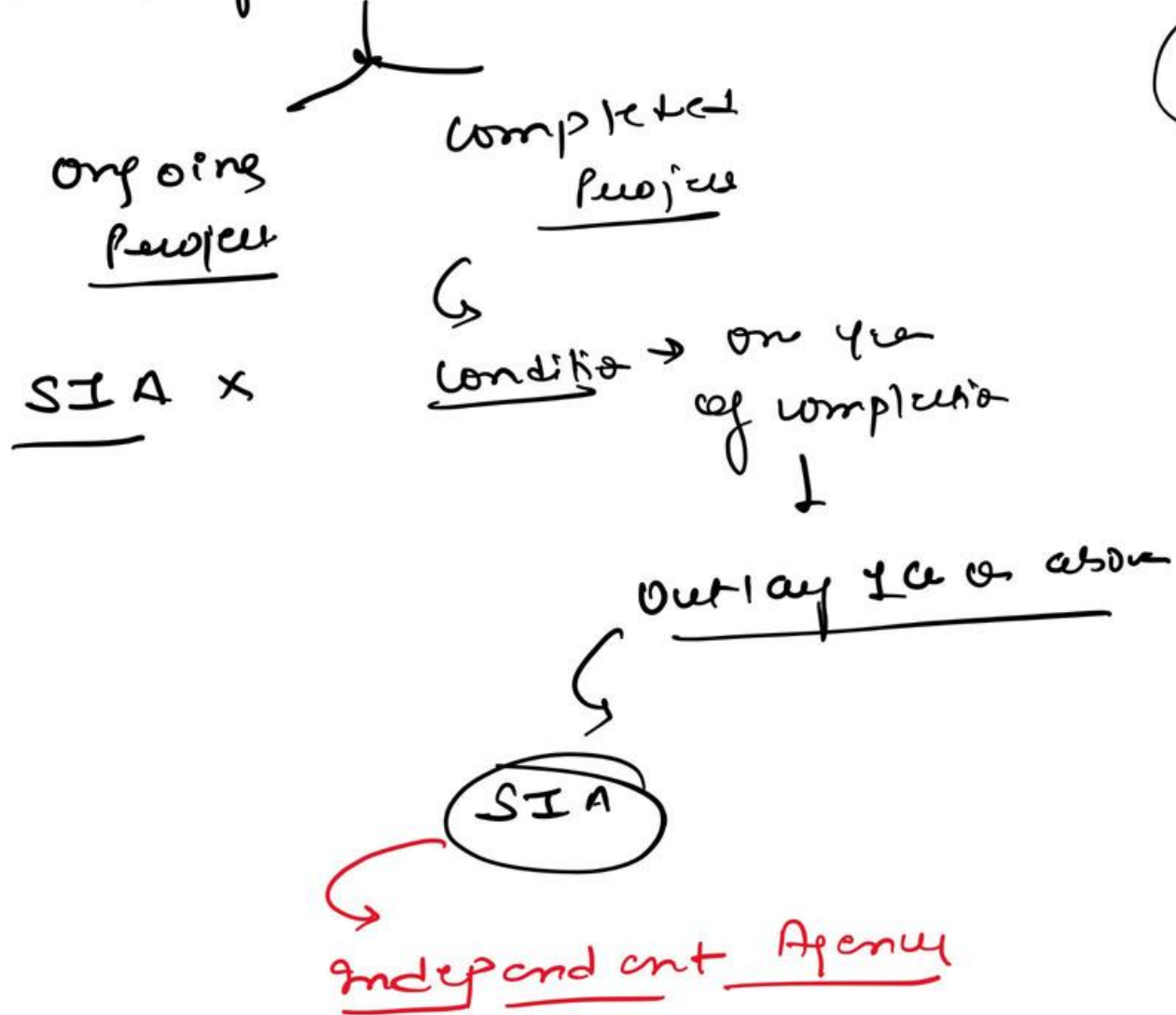
Role of Int Org → NO Int Org can be an implementing Agency.

Impact Assessment → Role 8

Any CSF obligation Part 34 a 10c

Aug CST obligation Part 34a 10a

12



*

Adm OI



5% of

UR Expenditure



Adm OI

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PART - B

Handwritten Notes

CS MUSKAN GUPTA



Social Stock
Exchange

Mediator b/w social
Enterprise who wants
to raise funds & Investors
who wants to invest

N40's

provides platform to all the
SEs for raising their
needed capital

Regulatory Framework

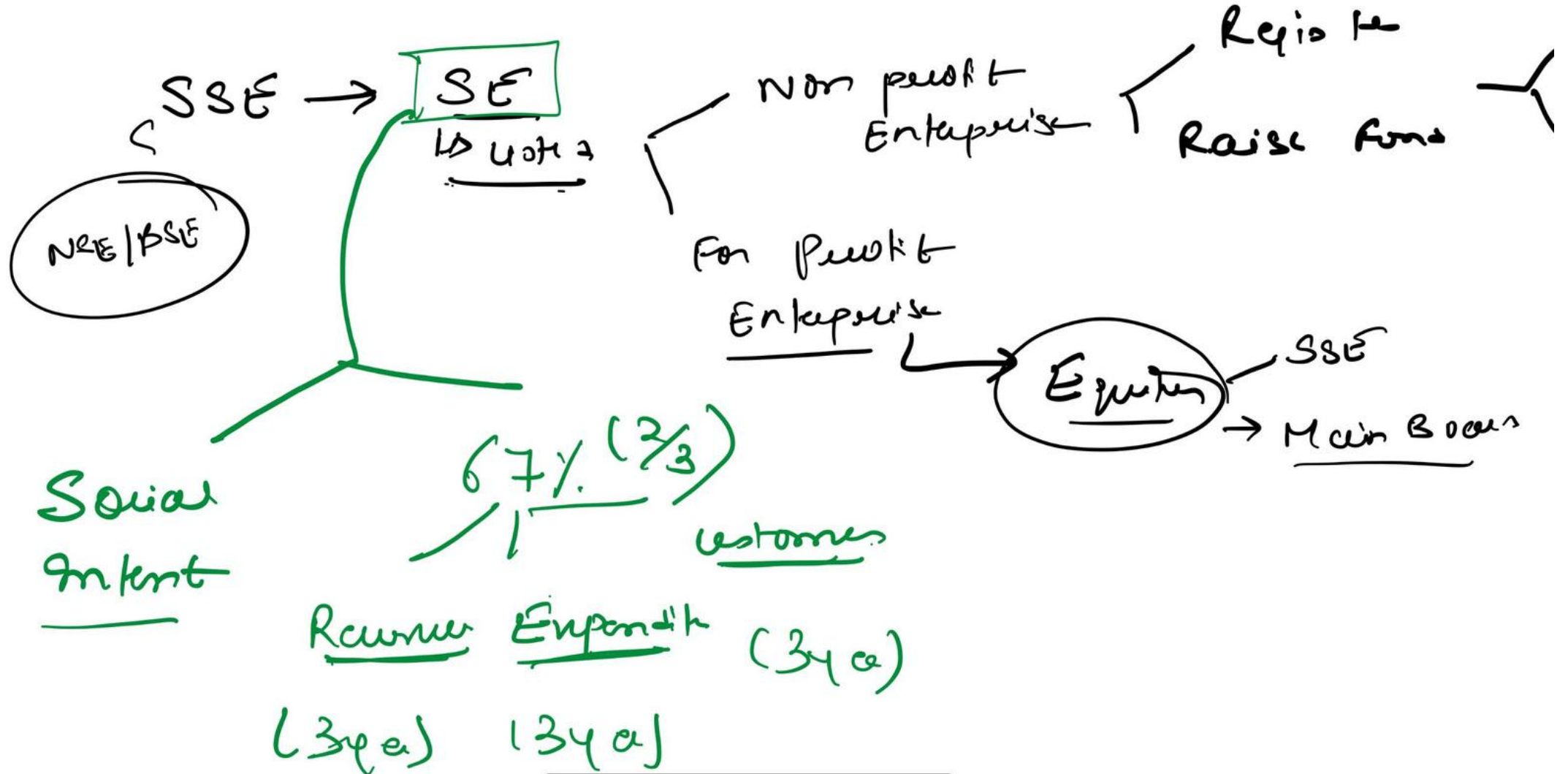
2

2022 → Made Mandatory → only
listed
NPO's will
be allowed to
raise fund through
ZCFP Bonds

Social Stock Exchange → Segment of Recognised
Stock Exchange → permitted
to register NPO / Securities
issued by
NPO's

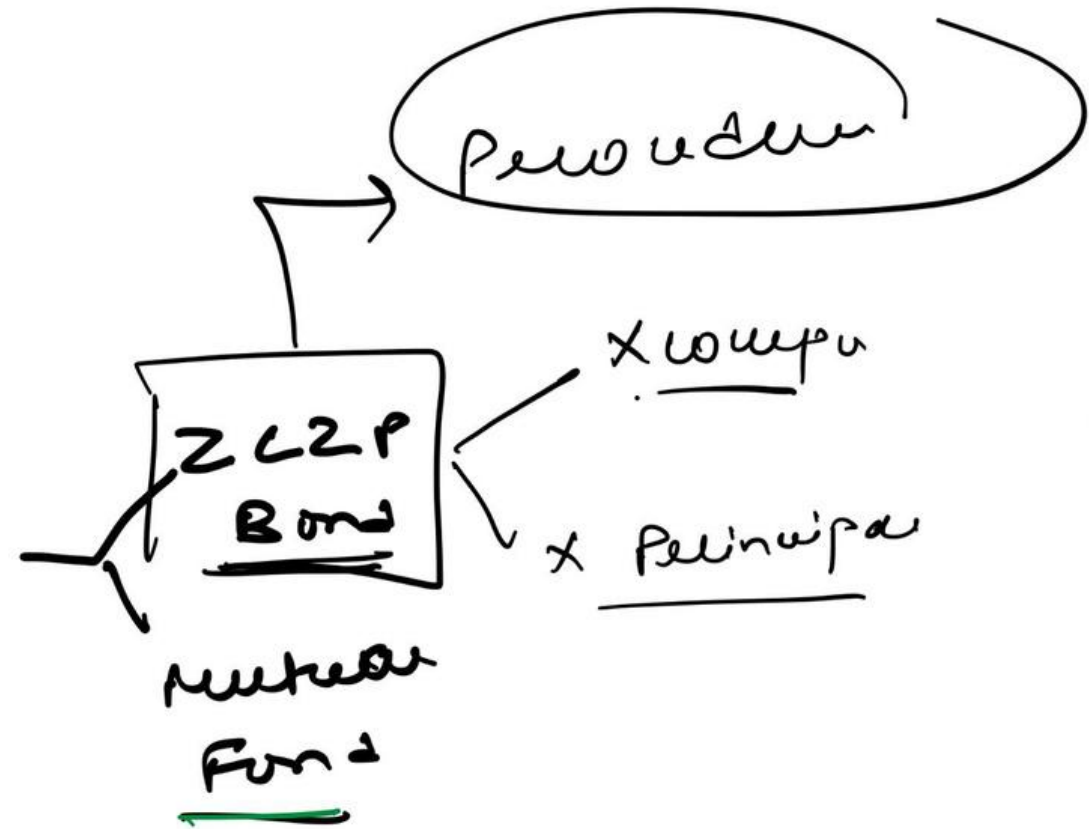
↳ Permits only Institutional
Investors + Non Institutional
Investors

(3)

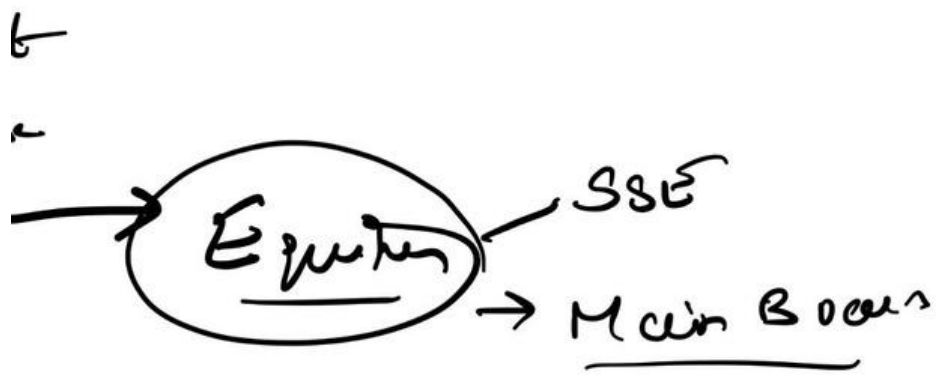


for
—
—
options

3



4

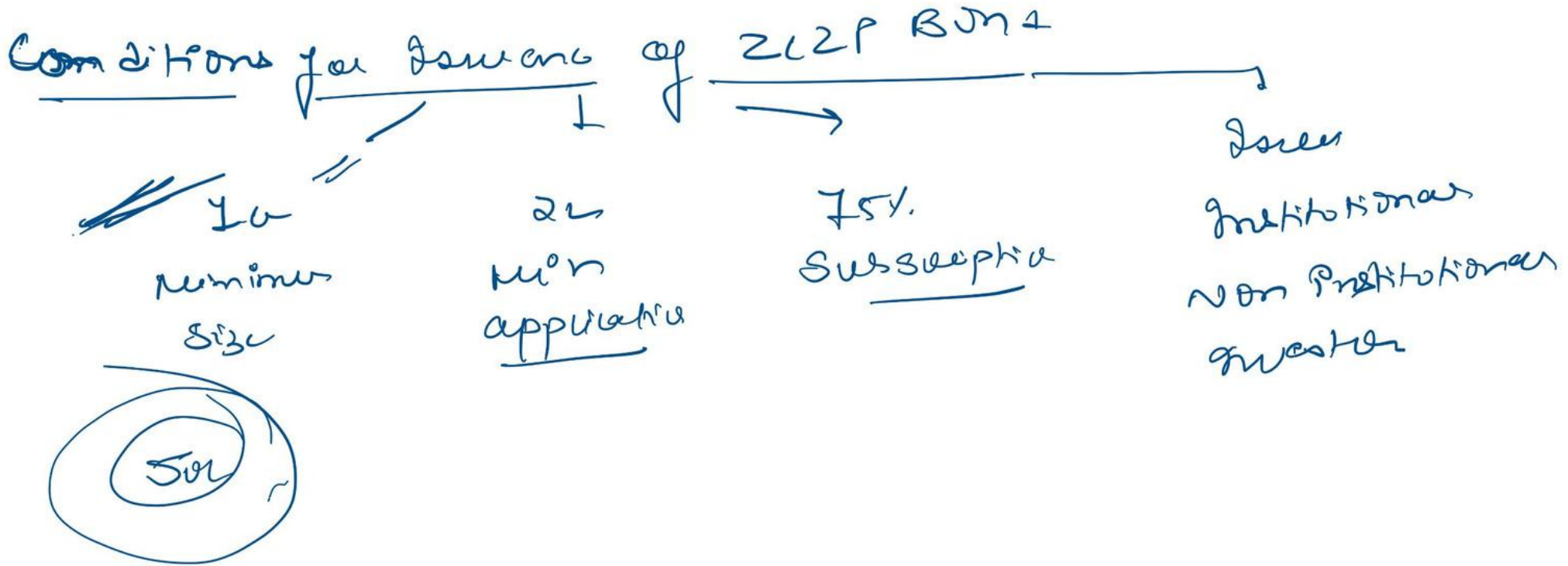


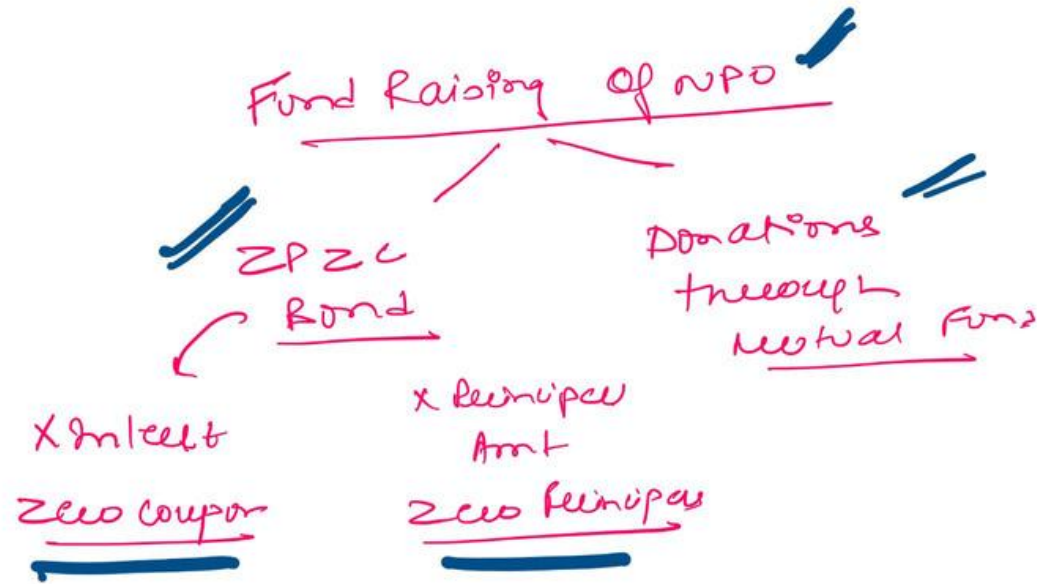
Social Intent

67% (3/3) customers

Revenue (3ya) Expenditure (3ya)

5





Issued only by an org registered on SSE

→ NPO will issue only for a specific project + activity with Fund Raising Pow

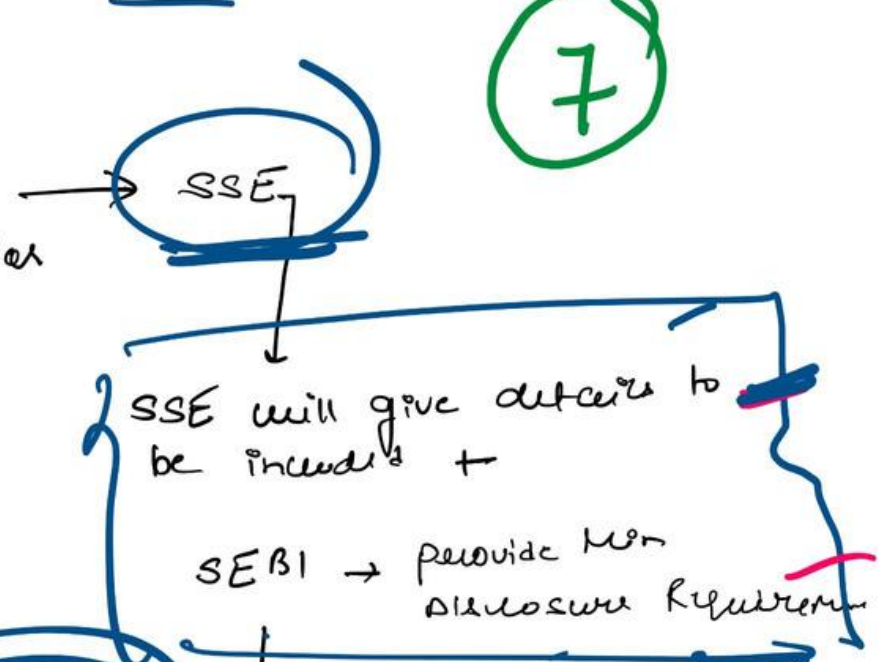
Draft doc → submittⁿ to SSE for approval
Final Document

Procedure

Procedure

1) Draft Fund Raising Document + In principle approval for ZPZC Bond

Fund Raising Document
↓
Disclosures to ensure transparency

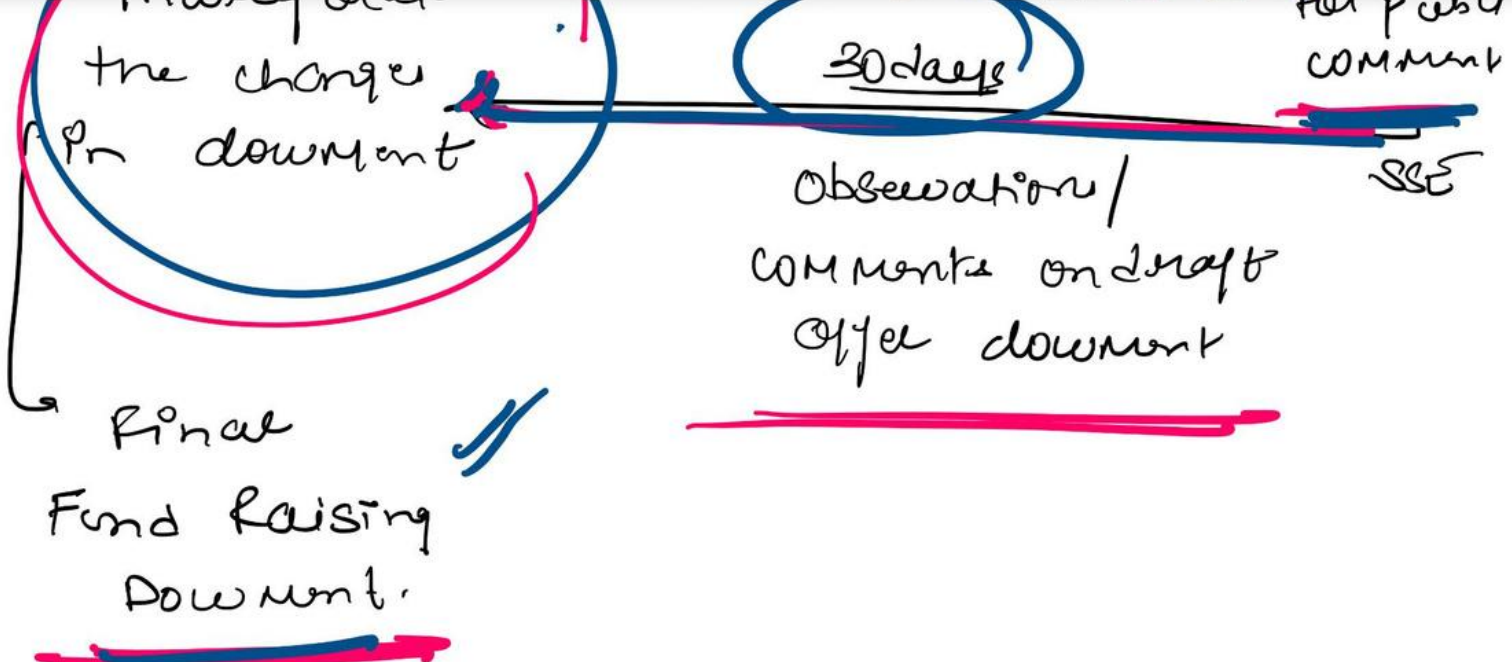


Draft doc

Made available on website for public comment

Incorporate the changes in document

30 days
Observation/Comments on draft
~~of the document~~



Conditions

- Minimum Issue Size → 1 crore
- Minimum Appl Size → 2 Lakh
- Minimum Subscription → 75%