

CCRAS GUIDELINES

FOR UTILIZATION OF CORPORATE SOCIAL RESPONSIBILITY FUNDS



Central Council for Research in Ayurvedic Sciences

Ministry of Ayush, Government of India

Janakpuri, New Delhi - 110058

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1. Background

The Central Council for Research in Ayurvedic Sciences (CCRAS) is an autonomous body of the Ministry of Ayush (Ayurveda, Yoga & Naturopathy, Unani, Siddha and Homeopathy), Government of India. It is an apex body in India for the formulation, coordination, development and promotion of research on scientific lines in Ayurveda system of medicine.

The Council has been executing its research programmes with a network of 30 peripheral Institutes/Centres with the Council Headquarters Office responsible for control, monitoring and supervision. Research work of the Council is executed by 792 officers and staff, though the sanctioned strength of officers and staff is 1983 and also through collaborative studies with various Universities, Hospitals and Institutes (ICMR, ICAR, CSIR, DRDO, ILBS, IITs, AIIMS, NIPER etc.). The research activities of the Council include Clinical Research, Medicinal Plant Research (Medico-ETHNO Botanical Survey, Pharmacognosy and Tissue Culture), Drug Standardization, Pharmacological Research and Literary Research & Documentation.

The outreach activities include Tribal Health Care Research Programme in 14 States, Swasthya Rakshan Programme, Ayurveda Mobile Health Care Programme under Scheduled Castes Sub Plan (SCSP) in 20 states, Integration of Ayush (Ayurveda) with National Programme for Prevention and Control of Cancer, Diabetes, Cardio-vascular disease and Stroke (NPCDCS), Information, Education and Communication (IEC) etc.

The Ministry of Ayush has been notified to receive Corporate Social Responsibility (CSR) Funds as per notification G.S.R. 525(E), dated 24th August, 2020 published by Ministry of Corporate Affairs read with Companies (Corporate Social Responsibility Policy) 'CSR Rules', 2014 and the Companies Act, 2013.

CSR funding of projects by corporates is an excellent opportunity to undertake and accelerate efforts to facilitate the CCRAS Institutes to seek financial support from Industries under Corporate Social Responsibility within the ambit of CSR Rules, 2014 notified under the Section 135 of the Companies Act, 2013 and under Sub Section 1 of Section 135, CCRAS has developed a guideline, hereafter called as 'CCRAS Guidelines for utilization of Corporate Social Responsibility Funds 2024'.

In accordance with Memorandum of Association of rules and regulations and By-laws of CCRAS, to undertake and accept the management of any endowment or trust fund for donation, the undertaking or acceptance whereof may seem desirable. Further, gifts, donations and

subscriptions of cash and securities and of any property whether movable or immovable may be accepted by CCRAS. All CCRAS Institutes will pursue CSR support and CCRAS will make every effort to promote and encourage such projects for wider socio-economic development of the Nation while keeping the sustainability aspects as core.

It is in the context of the above amendments, CCRAS has approved the following Guidelines to enable CCRAS Institutes to accept CSR grants from Corporates and implement projects against CSR grant funding.

2. Corporate Social Responsibility (CSR) Funds

- (i) Ministry of Corporate Affairs, Government of India notified the Section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014. The 'CSR Rules' and other notifications related thereto make it mandatory (with effect from 1st April, 2014) for certain companies to comply with the provisions relevant to Corporate Social Responsibility.
- (ii) The term 'Corporate Social Responsibility (CSR)' can be referred to as corporate initiative to assess and take responsibility for the company's effects on the environment and impact on social welfare. The term generally applies to company's efforts that go beyond what may be required by regulators or environmental protection groups. Ministry of Corporate Affairs, Government of India notified the Section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014. The 'CSR Rules' and other notifications related thereto make it mandatory (with effect from 1st April, 2014) for certain companies to comply with the provisions relevant to Corporate Social Responsibility.
- (iii) The soul of CSR is that it should be utilized for the activities that have larger public benefits and especially to those who need the corporate hand holdings the most.
- (iv) Ministry of Corporate Affairs vide notification G.S.R. 525(E), dated 24th August, 2020 amended the specific portions of Schedule VII [3] of the Act to include " Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; **Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (Ayush)**; Ministry of Electronics and Information Technology and other bodies, namely Defence Research and Development Organisation (DRDO);

Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs)] as eligible to approved CSR funding modes mandated under Section 135 of the Act.

- (v) CCRAS shall follow the provisions of the CSR Rules laid down by the Ministry of Corporate Affairs, Government of India from time-to-time under the Companies Act, 2013 and its amendments.
- (vi) Funds received in the form of contribution/donation under CSR reflects voluntary contribution and contributor(s) cannot prescribe any particular deliverable benefit or item or impose their area of interest in exchange from CCRAS for contribution.
- (vii) Any point not covered by these Guidelines would be interpreted in accordance with the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Department of Public Enterprises (DPE) Guidelines with the former taking precedence over the later in case of any conflict and any subsequent amendments, notifications/guidelines laid down by the Government of India from time to time.

3. Vision and Mission

(i) Vision

To ensure effective utilization of funds generated from a donation by industry to help develop scientific evidence in Ayurvedic Principles, drug therapies by way of integrating ancient wisdom with modern technology and to bring Ayurveda to the people through scientific innovations related to diagnostics, preventive, promotive as well as treatment methods and also introduce scientific research for sustained availability of quality natural resources, to translate them into products and processes and in synergy with concerned organizations to introduce these innovations into public health systems.

(ii) Mission

- (i) To aim for AyushMAN Bharat by way of promoting better health through evidence based Ayurvedic principles and practices.
- (ii) To develop CCRAS into a dynamic, vibrant and model research organization for undertaking, coordinating, aiding and promoting research in Ayurveda.

- (iii) To bring-up modern scientific knowledge, technology to explore Ayurveda scientific treasure following prevalent scientific methods.
- (iv) To attain global leadership in research for treatment and prevention of emerging important lifestyle related disease and health requirement.

4. Conditions for Acceptance of CSR Funds

- (i) All CSR funding will be received for appropriate items related to schedule VII or for activities related to Research, Development and implementation of CSR activities in Project/ Programme mode only.
- (ii) All the activities/cause identified for Research and Development/ implementation shall be in consonance with schedule VII of the Companies Act and related to 17 SDGs and 169 metrics of UN's Sustainable Development Goals.
- (iii) The acceptance of contributions/ donations/ grants should not harm the reputation of CCRAS and its various stakeholders. CCRAS and its Peripheral Institutes should maintain the highest standards of integrity and commitment while maintaining the public perception of the same.
- (iv) The acceptance of donations/ grants from a Corporate should not be construed as the Corporate influencing the data, research, insights, decisions or actions of the CCRAS or its employees.
- (v) The acceptance of donations/ grants from a Corporate should not be perceived by the public as influencing any Government related study or approval or certification, etc. being carried out by CCRAS that can have a direct bearing on the business of the Corporate.
- (vi) The accepted contributions/ donations/ grants should not divert CCRAS and its Peripheral Institutes from its core mission of advancing knowledge and applying it for the benefit of the people.
- (vii) CCRAS and its Peripheral Institutes should ensure that its unrestricted funds and earmarked funds do not unconsciously co-fund the project proposed by a contributor/ donor/ grantor; this has to be a well thought and deliberate decision and would require appropriate approvals from the competent authority. No collaborative projects can be undertaken without the approval of the funder/corporate.

- (viii) Benefits accruing to donors/ grantors including naming rights need to be carefully planned to reflect the ethos of CCRAS and also strike the right balance between various contributors/ donors/ grantors (esp. ensuring that one contributors/ donor/ grantor's right does not hurt another contributor/ donor/grantor's right or sense of satisfaction).
- (ix) Separate accounting system within CCRAS to be evolved to accept and utilize the contributions/ donations/ grants.
- (x) While entering into/or implementing any CSR fund supported research activity any intellectual property generated (IP rights), data rights, publication rights, press releases, confidentiality, March-in rights shall be dealt by the set provisions under CCRAS Technology Transfer and Revenue Sharing Guidelines/CCRAS Bylaws.
- (xi) CCRAS shall reserve the right to require that the product must be sold at a differential affordable price to government's procurement for public health needs.

5. Admissible Activities of CCRAS with CSR Funds

The CSR related funds may be considered for utilization under the following activities by CCRAS in consonance with the CSR objectives provided in Schedule VII of the Companies Act, 2013:

- I. For R& D activities of Council viz; Clinical, Drug Development, Medicinal Plant Research, Literary Research & Fundamental Research.
- II. Research Capacity Building, Training and Human resource Development programmes (PhD, SPARK, UG-PG PhD), sponsoring of awards for Scientists and other related disciplines etc.
- III. Research Oriented Health care services and field studies on diseases of national importance.
- IV. Development of Medicinal forestry & Medicinal plant Gardens
- V. Infrastructure Development such as construction of buildings, laboratories, upgradation of laboratories with equipment and instruments, Human Resource support, Vehicle, transportation etc.
- VI. Any other activity relevant to the objective of Council and per Memorandum of Association, Rules & Regulations and Bye-laws.

6. Route for project execution

In order to encourage many more projects funded by CSR being run at CCRAS institutions, the following modalities are to be followed:

- (i) Since all CSR projects will not offer any commercial benefits to the contributor/ donor/ grantor and all projects will have wider socio-economic benefits for the Nation and Society, CCRAS shall charge only direct costs and overheads but no Intellectual Fee or project Fee. However, a detailed breakup of the project cost would reflect in the detailed project report (DPR) submitted to the donor.
- (ii) Direct costs covered under CSR projects and shall include the following heads:
 - a) **Non-recurring**: Land and building, works/ renovations, fittings, furnishings, equipment, office equipment, etc.
 - b) **Recurring**: Manpower, consumables and supplies, event organization costs, publicity, travel and related, external services, contingency, etc.
- (iii) The funds shall be provided in only “Non-recurring” and “Recurring” Heads (unless required by the contributor/grantor/ donor) to allow flexibility in mid-course corrections, rephrasing for smooth and effective execution of CSR projects.
- (iv) In order to maintain cost efficiency and speed in executing CSR projects, no permissions required on mode of travel for utilization of budget allocations under TA/DA for the project. The Project Team can use the most efficient travel services and airlines as per the Govt. of India guidelines.
- (v) The Project Leader may engage Project Staff and Consultants/ Experts as needed within the provisioned budget allocations.
- (vi) The engagement of Project Staff and Consultant may be done only after following the due procedure as per GFR 2017.
- (vii) For CSR funding, Institute In-charge are authorized to consider the projects. Before implementation, prior approval of DG, CCRAS is mandatory.
- (viii) The Project Agreement shall outline the objectives, scope, work plan, budget, timelines and deliverables with clear terms of reference and obligations of CCRAS and the donor/ corporate.

7. Project costing

The Directors/Assistant Director/Research Officer (Institute In-charge) shall discuss with the interested CSR Contributor/ Grantor/ Donor and iterate between the project scope, the estimated costs and the funds available to arrive at a mutually acceptable project plan. While the funds shall be available under the Super-Heads of “Non-recurring” and “Recurring”, the Project Coordinator may wish to consider the direct costs under the following heads:

(i) Non-recurring costs

- a) Land and building
- b) Works/ renovations
- c) Fittings, furnishings, furniture
- d) Scientific and engineering equipment
- e) Office equipment
- f) Any other

(ii) Recurring costs

- a) Cost of temporary project staff deployed
- b) Cost of consumables/raw materials/components
- c) TA/DA
- d) Event organization costs
- e) Publicity, advertising and visibility
- f) External payments and services
- g) Contingencies
- h) Any other

The funding requested from the contributor/ donor/ grantor shall be equal to the project’s direct cost-plus applicable overheads.

8. Approval authority and process

In accordance with CCRAS Bye-laws Director General CCRAS, may accept any donation by cash or kind provided the same is unaccompanied by any condition inconsistent with or in conflict with the nature and objects for which the Central Council is established. The donation so received should be utilized for the purpose for which it has been received and the matter may be reported to the Executive Committee when it meets next.

The Competent Authority for approval of projects shall depend on the limit of funds. The project proposals shall be placed before the Competent Authority for consideration and approval in the prescribed proforma (Annexure-I).

8.1 Screening Committee Cum-Technical Advisory Committee

- (i) The Screening Committee shall be responsible for screening of proposals based on essential eligibility criteria for the requisite proposal as defined by CCRAS from time-to-time. The Committee will be responsible for the administration of the fund for all policy decisions including the matters of finance and administration, required for efficient execution of the objectives of the fund towards achieving its vision.
- (ii) The Committee will examine the CSR proposals received to ensure that there is no conflict of interest with the donor organization. The quorum for such review meetings shall be minimum 5-7 members which will review the proposal before accepting the proposal received from donor firms/organizations.
- (iii) This Committee shall consist of following members:

Director General, CCRAS	Chairman
Deputy Director General, CCRAS	Member
Deputy Director (Administration)	Member
SAG/SAB members to be nominated by DG, CCRAS	Member
Program Officer of the concerned Section, CCRAS Hqrs.	Member
Institute In-charge of Concerned Peripheral Institute	Member
Assistant Director (Coordination) or Administrative Officer (Admn).	Member Secretary
Administrative Officer (Budget)	Member

- (iv) The Committee shall act as a CSR fund Steering Committee and shall be responsible for technical review of proposals for evaluation of its robustness, feasibility of plan and its achievability.
- (v) Once the CSR funding is accepted, the Committee will call for proposals annually in the beginning of FY and recommended activities/invite proposals for which CSR funding can be utilized.

- (vi) The Committee will identify thematic areas for call for proposals. The Committee suo-moto can also decide and recommend certain activities for utilization of funds received under CSR. Such recommendations will be submitted to approval Committee for approval.
- (vii) The Committee will monitor the physical as well as financial progress of various schemes/activities undertaken under CSR by having periodic review.
- (viii) The projects and activities to be carried out from the CSR funds will be uploaded on the CCRAS website with complete details and updated regularly.
- (ix) The Committee will also suggestion-course corrections and make need-based modifications in Rules and Procedures while adhering to the guidelines. Such changes will be submitted to DG, CCRAS for approval.

8.2 Approving Authority (For receipt and utilization of funds)

- (i) All the project proposals shall be approved by the Competent Authority as per General Financial Rules, 2017 (GFR). All the proposals for receiving and utilization of funds shall be placed before the Competent Authority for consideration and approval.
- (ii) The proposal with funds upto 50 crores, shall be placed before the Internal Finance Committee (IFC) of the Council with recommendation of Screening Committee Cum- Technical Advisory Committee for consideration and approval. The composition of the IFC is mentioned below:

Internal Finance Committee (IFC)	
Special Secretary/ Additional Secretary/ Joint Secretary, Ministry of Ayush	Chairman
Financial Advisor, (Or his nominee not below the rank of Under Secretary), Ministry of Health & Family Welfare.	Member
Advisor (Ay), Ministry of Ayush	Member
Two non-official members of the Executive Committee to be nominated by the Chairperson of the IFC.	Member
Director General, CCRAS	Member Secretary

(iii) The proposal with funds from 50-100 crores, shall be placed before the Executive Committee (EC) of the Council with recommendation of IFC for consideration and approval. The composition of the EC is mentioned below:

Executive Committee	
Secretary Chairman, Ministry of Ayush	Chairman
Financial Advisor, (Or his nominee not below the rank of Under Secretary), Ministry of Health & Family Welfare.	Member
Special Secretary/ Additional Secretary/ Joint Secretary, Ministry of Ayush	Member
Advisor (Ay), Ministry of Ayush	Member
Four non-official experts' members of Governing Body two from Ayurvedic Sciences and two other experts to be nominated by the Chairman of the Executive Committee.	Member
Director, National Institute of Ayurvedic Sciences, Jaipur	Member
Any special invitees at the discretion of the Chairman.	Member
Director General, CCRAS	Member-Secretary

(iv) The proposal with funds above 100 crores, shall be placed before the Governing Body (GB) of the Council with recommendation of EC for consideration and approval.

9. Authorized Signatories to Contracts

The authorized signatories in the Institutes for all contracts/ agreements will be Institute In-charge with prior approval of DG, CCRAS. For multi-Institute projects, the signatories shall be the Institute In-charge (prior approval of DG, CCRAS) of the coordinating Institutes. For the contracts/agreements of the CCRAS Hqrs, the signing authorities shall be DG, CCRAS.

10. Foreclosure of Projects

In the event a project requires foreclosure, the Institute In-charge shall submit a comprehensive proposal stating the reasons for foreclosure to the Competent Authority. Based on the proposal DDA, CCRAS shall prepare a comprehensive note including financial statement for the approval of Director General.

In the event that such foreclosure is also accompanied by the donor/ grantor not meeting its funding obligations, and there is incomplete work in progress requiring additional funds, the Competent Authority shall constitute a foreclosure Committee. The Committee recommendations with regard to either discontinuation of the project or alternate sources of CSR funding shall be placed before Steering Committee for approval.

11. CSR Fund Management

In order to monitor and ensure transparency for proper utilization of CSR funds, as per Ministry of Corporate Affairs Guideline. CCRAS shall constitute various Committees responsible for reviewing proposals, fund allocation and its management.

- (i)** CCRAS Finance Department lead by ADO (Accounts & Finance) will be responsible for handling the CSR fund(s).
- (ii)** A separate interest-bearing bank account in a nationalized/scheduled bank will be maintained to keep record of all CSR fund receipts.
- (iii)** Any earning from this fund in terms of interest earned or revenue generated will be ploughed back to this fund. The fund will be spent based on the process laid by CCRAS from time-to-time.
- (iv)** All Receipts/payments done under CSR will be undertaken strictly as per provisions of GFR, 2017 as amended from time to time and same will be subjected to internal audit/CAG Audit/ audit by a recognized Chartered Accountant. A separate expenditure statement w.r.t. expenditure incurred on CSR related activities shall also be maintained.
- (v)** CCRAS will accept the CSR contributions from the companies having compliance with CSR norms/guidelines of Ministry of Corporate Affairs, Government of India.
- (vi)** CCRAS shall ensure that there is no conflict of interest with the donor organization i.e., a person/organization should not be in a position to derive personal benefit from actions or decisions made in their official capacity.
- (vii)** Accrual basis of accounting will be followed for contributions by which revenue, expenses, assets and liabilities will be reflected in the accounts in the period in which they accrue.
- (viii)** Approval by Competent Authority at CCRAS should be ensured at all the stages concerned.

- (ix) The CSR Fund(s) allocated and approved should strictly be used for the purpose intended and shall in no way be diverted for any other purpose.
- (x) A Sub-Committee comprising of 3 members will be formed at CCRAS in order to avoid mis-utilization of funds and exploring various investment avenues as per GoI rules and regulations.

12. Corporate Funding Acknowledgement

All publications, products, processes, activities and technologies developed through corporate support under CSR to have Name/ Logo of the Company along with CCRAS to acknowledge the contribution of the Corporate. Regular reporting on the progress of the project is to be communicated to the funder/corporate on a periodical basis.

13. Jurisdiction & Dispute Resolution Mechanism

- (i) These Guidelines shall be governed and interpreted in accordance with the laws of India subject to the exclusive jurisdiction of the Courts at New Delhi.
- (ii) The disputes arising under these Guidelines to be resolved amicably and in good faith by mutual consultation. If no resolution is reached within 30 (Thirty) days following the date on which one party first notifies in writing to the other of its request that such a meeting beheld, then, the dispute shall be resolved by arbitration as per the provisions of the Arbitration and Conciliation Act, 1996 and the Rules there under, as amended from time to time.
- (iii) The unresolved dispute or difference whatsoever arising between the Parties out of or relation to the construction, meaning, scope, operation or effect of these Guidelines or the validity the breach of agreements executed thereof or in respect of any defined legal relationship associated therewith or derived there from dispute shall be submitted for arbitration to International Centre for Alternate Dispute Resolution (ICADR), an autonomous organization working under the aegis of the Ministry of Law & Justice, Department of Legal Affairs, Government of India. The Authority to appoint the arbitrator(s) shall be the ICADR. The Arbitration under this Clause and provision of administrative services by ICADR shall be in accordance with the ICADR Arbitration Rules, 1996 read with New Delhi International Arbitration Centre (NDIAC) Act, 2019 and as per Indian Arbitration & Conciliation Act, 1996. The award made in pursuance thereof shall be binding on the Parties. The venue of arbitration shall be New Delhi and the arbitration proceedings shall be conducted in English Language. The provision of this Clause shall not become

inoperative notwithstanding the Guidelines expiring or ceasing to exist or any agreement being terminated or foreclosed there under.

14. Review of Guidelines

Based on the needs of improvement recognized while implementing the Guidelines, required changes shall be made with the approval by the DG, CCRAS through the designated Committee.

PROFORMA FOR PROPOSAL FOR CSR GRANT

A. Basic Information:

1.	Title	
2.	Name of grantor/ donor	
3.	Contact person and information	
4.	Proposed Project Coordinator at CCRAS Institute	
5.	Contact information of the Coordinator	

B. Project:

S.No.	Criteria	Information for consideration of proposal
1.	Objective	
2.	Eligible purpose under CSR	
3.	Type	
4.	Duration	
5.	SMART Goals <small>(SMART: Specific, Measurable, Achievable, Realistic, Timely)</small>	
6.	Work plan/Methodology with deliverables	
7.	Targets to be met at each milestone	
8.	Timeline (in months)	

C. Funding Arrangements:

Heads:

Non-recurring (Rs.)	
Recurring (Rs.)	
Institutional Overheads (Rs.)	
Total (Rs.)	

D. Agreement and other information:

The following documents are being attached for review by the Committee:

- a. Proposed agreement with the Contributor/ Donor/ Grantor is attached in full (with appendices, if any)
- b. Final project proposal
- c. Brief one-page profile of the Contributor/ Donor/ Grantor

E. Project Coordinator's Comments:

The Competent Authority is requested to approve the project. The project budget is adequate to meet the deliverables under this project. The timelines are reasonable.

Signature:
Name of Project Coordinator:
Designation:
Date:

F. Decision of Competent Authority

The proposal is recommended for implementation under the Scheme "CSR Contribution/ Grant/ Donation Projects by CCRAS Institutes".

I have reviewed the proposal in light of the "CSR Policy and Guidelines on accepting contributions/ grants from corporates".

Signature:
Name of Competent Authority:
Designation:
Date: