



# Corporate Social Responsibility and Rang De

#### CSR and Rang De



World Bank defines poverty as pronounced deprivation in well-being, and comprises many dimensions. It includes low incomes and the inability to acquire the basic goods and services necessary for survival with dignity. Poverty also encompasses low levels of health and education, poor access to clean water and sanitation, inadequate physical security, lack of voice, and insufficient capacity and

opportunity to better one's life. Statistics also show that 20% of the worlds' poor live in India.

Rang De is a Bangalore based non-profit organization that harnesses the power of Internet to address the age-old problem of poverty. The credit support provided enables the beneficiaries to start a livelihood, scale up an existing business,

9100+ Social Investors 46,000+ Loans Disbursed

17 States Covered

93.42% Women Borrowers 2,300+ Education Loans 500+ Occupations



educate children & youth, empower women, restore traditional art & craft and improve farming.

Rang De was started in 2008 with support from ICICI Foundation. More recently, the organization received the support of Tata Trusts to help Rang De scale up.

Through a network of carefully selected partner organisations, Rang De aspires to reach out to the truly underserved communities in India and is presently working in 17 states in the country including Maharashtra, Karnataka, Tamil Nadu, Madhya Pradesh, Rajasthan and Manipur.

Rang De has more than 25 partner organisations that are working for the development and empowerment of underserved communities.

### The Companies Act 2013

The Companies Act, 2013 mandates every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year to make at least 2% of average net profits as CSR spend. The activities to be undertaken by the company should be as specified in Schedule VII of Sec 135.

The CSR activities under Schedule VII include,

- eradicating extreme hunger and poverty

- promotion of education
- promoting gender equality and empowering women
- reducing child mortality and improving maternal health
- combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases
- ensuring environmental sustainability
- employment enhancing vocational skills
- social business projects

# Applicability of CSR with Rang De

Clause 135, Companies Act, 2013	Applicability
A company may conduct/implement its CSR activities through registered Trusts/Societies which have an established track record of at least three years in carrying on activities in the specified areas.	Rang De is registered as a charitable trust u/s 12 A of Income Tax Act 1961 Vide No. DIT(E)BLR/12A/R-275//ITO(E) - 2 /Vol 2008 – 2009 with effect from 08.09.2008. Rang De is registered under FC(R)A Act 2010
	Rang De is working towards eradicating poverty and has disbursed 40 Crore worth credit support across India giving underserved communities access to better living and leave poverty behind.
	Any donations made to Rang De are exempt u/s 8oG subject to limits prescribed under the Income Tax Act 1961.
The 2013 Act provides that the company shall give preference to the local area and areas around it where it operates	Rang De works through NGO/Impact partners who are spread across geographies helping Rang De to scale deep. Rang De has a presence in 17 Indian states and over 30 locations.

Clause 135, Companies Act, 2013	Applicability
Only such CSR activities will be taken into consideration as are undertaken within India	Rang De works in India with projects spread across India touching varied geographies that include Karnataka, Tamil Nadu, Gujarat, Manipur, Orissa, Maharashtra and many more.
The Companies Act states that CSR funding should not be considered as a one-time philanthropy but rather focus on activities which have large scale impact and are effectively managed.	Rang De's unique model offers corporations an opportunity for optimum use of CSR funds. The CSR funds deployed will be a revolving fund which can go on for years thus multiplying the impact and ensuring sustainability of the project.
Contribution and involvment of employees in CSR activities of the company will generate interest/pride in CSR work and promote transformation from CSR as an obligation to Socially Responsible Corporate in all aspects of their functioning. Companies therefore, should be encouraged to involve their employees in CSR activities.	Rang De offers a variety of employee engagement activites which will involve the participation of the employees in the CSR activities of the corporate thus creating a sense of pride in the employee and corporate for having engaged its employees meaningfully.
Companies shall report, in the prescribed format, the details of their CSR initiatives in the Directors' Report and in the company's website	Rang De offers quarterly/half yearly/yearly impact reports as a means to abide to Rang De's principle of being transparent. Corporates also have a choice of receiving custom reports to suit its own reporting standards.
The New Companies Act largely recommends activities that support the fulfilment of the Millennium Development Goals (MDG).	Rang De's projects complies to five of the Milennium Development Goals and the prime focus of Rang De is to eradicate poverty which is Goal 1 of MDG.

# Applicability of activities under Schedule VII

Activity	Applicability
Eradicate poverty	Rang De's primary goal is to eradicate poverty by giving access to low cost affordable credit to the underserved and all projects and efforts are channelised to achieve this goal.
Promotion of education	Rang De provides education loans for primary and secondary level education with over 2,200 loans disbursed till date.
Empowering women	93.48% of Rang De's beneficiaries are women which testifys that Rang De believes in women empowerment and strives to bring about gender equality by giving women more employment opportunities.
Combat diseases	Good sanitation facilities and Clean and safe drinking water became a reality to many of the communities that Rang De work with. This has ensured that communicable and non-communicable dieseases are prevented.
Environment Sustainabilty	Rang De supports Organic farmers with working capital to market and package their organic produce. Thus ensuring that the soil is nurtured and environment is preserved. Rang De promotes sustainable farming and business practices that safegaurds our environment.
Employment enhancing Vocational skills	Rang De supports projects that provide vocational training for students that make them job ready. Thus, enhancing employment of the youth of India.
Social Business projects	Rang De supports social business that do social good and make sure that the stakeholders involved are benefitted.
Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts	Our efforts at Rang De continue to be two fold  1) Provide them access to low cost working capital  2) Help the artisan get their due through a fair price marketplace
Rural Development Projects	Rural entrepreneurs will receive mentoring support as well as much n e e d e d f i n a n c i a l assistance

## Employee Engagement with Rang De

#### Field Trip

• A field visit to Impact partner location gives the employees an opportunity to meet the community that they contribute to; making it more than just a monetary contribution.

#### Box Office

•Rang De Box Office is a platform for showcasing movies and documentaries that throw spotlight on pressing social and economic issues in India. Screenings are usually followed by an open Q&A session with the director to encourage a deeper engagement.

#### Rangdezvous

•Rang De's Impact partners are led by inspirational men and women.Rangdezvous Guest Lecture series will bring a host of change makers from the field closer to the employees.

#### Hangouts

• Employees can participate in Google+ Hangouts with the Rang De team to exchange ideas and be a part of Rang De's growth story.

#### Volunteer

• Employees can volunteer their skills(Technology, Writing & Communication, Photography) to assist Rang De's team.

#### Online Campaign

•Various online campaigns including Tweetathons and FB Campaigns to generate workable solutions for social problems. The company can also make this an opportunity to identify potential thought leaders within the organization who can take a more active role in the organisation's CSR initiatives.

#### Fellows

•For employees who are willing to go that extra mile for social good. A month fellowship with Rang De's impact partners participate in a community project. It could be BOT (Build-Operate-Transfer) project for a community owned water purification system, a solar charged public lighting system, an organic farm.

#### **Culinary Tours**

• Rang De Culinary tours will go to the rural India (Impact partner location) to learn local from Rang De's borrowers.

