Policy and Guidelines for accepting and utilization of Contributions/Grants/Donations from Corporates/ Industries under Corporate Social Responsibility (CSR)
National Institute of Pharmaceutical Education and Research – Ahmedabad (NIPER-A)

CSR Policy

The purpose of this document is to outline the guiding principles and mechanisms to be followed by National Institute of Pharmaceutical Education and Research – Ahmedabad (NIPER-A) while accepting donations and CSR grants from Industry / Corporates for activities included in Schedule VII of Section 135 of the Companies Act, 2013. The policies included in the document are only meant for Guidance purposes and shall not to be interpreted as Rules. The policies indicated are dynamic in nature and will be subjected for review and revision as and when the necessity is felt.

Background

National Institute of Pharmaceutical Education and Research - Ahmedabad (NIPER-A) is an institute of national importance, under the Department of Pharmaceuticals (DoP), Ministry of Chemicals and Fertilizers, Government of India (GoI). NIPER-A provides post graduate and PhD degree in various domains like Pharmaceutics, Pharmaceutical Analysis, Medicinal Chemistry, Medical Devices, Natural Products, Pharmacology and Toxicology and Biotechnology. The cutting-edge research activities at NIPER-A helps in strengthening the pharmaceutical sector of the nation. NIPER-A accomplishes this by:

- Technology development and innovation
- Technology transfer to Industries
- Exploratory research and advanced research training
- Setting-up and operating national resource centres such as Centre of Excellence in Medical Devices/Biopharmaceuticals/Radiopharmaceuticals etc depending on the nation's requirement

The Guiding Principles

a. 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.
b. 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.

c. The acceptance of contributions/ donations/ grants should not harm the reputation of NIPER-A. It should maintain the highest standards of integrity and commitment while maintaining the public perception of the same.
d. 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 NIPER-A or its employees.
e. The donors/ grantors (esp. ensuring that one contributors/ donor/ grantor's right does not hurt another contributor/ donor/grantor's right or sense of satisfaction).
f. Separate accounting system must be maintained within NIPER-A to accept and utilize the contributions/ donations/ grants.

Authority and Process

The CSR Committee of NIPER-A is empowered to approach various Corporates for receiving CSR fund. Received proposals will be evaluated by the committee for conforming to the policy above. After initial screening, committee will discuss the proposals with the Competent Authority. Director, NIPER-A would be the Competent Authority for final consideration and granting approval to all the proposals.

Contact person

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Guidelines

1. Background

Through Notification G.S.R 776(E); dated 11th October 2019 in the Gazette of India, Ministry of Corporate Affairs made Amendments to Schedule VII (Item-ix) of Companies Act 2013 (18 of 2013) which now is substituted as:

(ix) Contributions to incubators funded by Central Government or State Government or any Public Sector undertaking of Central or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific & Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organization (DRDO), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs). CSR funding of projects by corporates is an excellent opportunity to undertake and accelerate efforts at NIPER-A relating to research/ incubation in pharmaceutical sciences, technology, engineering and medicine aimed at promoting schedule VII activities of Section 135 of the Companies Act, 2013 related to SDGs.

NIPER-A will pursue CSR support and it 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, NIPER-A has approved the following Guidelines to accept CSR grants from Corporates and implement projects against CSR grant funding.

2. CSR Project Definition

A project is considered to be a CSR project if:

a. It is financially supported by funds received from industry/ corporate available under its CSR funds
b. This is explicitly mentioned in the letter of approval from the concerned industry / corporate; and
c. The project is for undertaking research/ infrastructure development/ deployment linked to schedule VII of the Section 135 of the Companies Act, 2013 and SDGs.

These projects will be identified in consultation with the Donor Industry/Corporate and should be in line with their CSR policy. All the projects will have to follow all the norms and compliance requirements of the Section 135 of the Companies Act, 2013 and will have all the essential ingredients of the Project such as need assessment, timelines, monitoring and evaluation mechanism, and impact assessment. At the same time, all such projects will be governed by NIPER-A rules for implementation.

3. Requirements for a CSR project

CSR rules specifically exclude one-time events in the nature of donation that are not linked to a defined project having a start date, an end date, objectives linked to one or more of the 17 SDGs and 169 SDG metrics, milestones, allocation and third-party monitoring. Therefore, every project on research and development should have specific outcomes and way ahead.

These projects can be funded by one, two or more corporates through their CSR fundings and hence can be taken in collaborative manner. However, separate accounts have to be maintained for each corporate funding and is to be reported separately to each of them.

NIPER-A may receive CSR contributions/ grants under CSR in the following categories:

Category	***Eligibility Purposes***
Type 1: Support for the creation of infrastructure	• For an incubator promoting scientific/technology businesses For conducting research in pharmaceutical sciences, technology, engineering and medicine aimed at promoting SDGs • Auditorium for conducting various scientific events • To create hostel facility in campus for providing extended access to research facility
Type 2: Support for the creation of a specialized facility of wider utility	• For an incubator promoting scientific/technology businesses • For conducting research in pharmaceutical sciences, technology, engineering and medicine aimed at promoting SDGs
Type 3: Support for technology driven projects	• For conducting research in pharmaceutical sciences, technology, engineering and medicine aimed at promoting SDGs
Type 4: Support for projects in futuristic technology areas	• For conducting research in pharmaceutical sciences, technology, engineering and medicine aimed at promoting SDGs

Type 5: Support for a Centre of Excellence	• For conducting research in pharmaceutical sciences, technology, engineering and medicine aimed at promoting SDGs
Type 6: Support for entrepreneurs or startups who are building technology businesses (incubation)	• For an incubator promoting scientific/technology businesses
Type 7: Research Fellowships linked to specified project objectives	• For supporting/ skilling students for future prospects in pharmaceutical sciences, technology, engineering and medicine
Type 8: Awards linked to specified project outcomes	• For encouragement and promotion of education, science, technology, engineering and medicine
Type 9: Chair Professorships such as "Professor of Practice" physically hosted at NIPER-A	• For creation of Center of Excellence in teaching and research
Type 10: To support the biopharma research at NIPER-A	• For creation of research infrastructure support
Type 11: Rural & Preventive Healthcare Outreach Programs	• To act as a facilitator through CSR fund for wider outreach of Anaemia Mukt Bharat
Type 12: Pharma Skill Development for Underprivileged Youth	• Supporting the govt. through CSR fund towards inclusive society.
Type 13: Medical Device Innovation &	• To make India an 'Atmanirbhar Bharat (Self-Reliant India)' in medical devices and supporting MSMEs

Affordable Prototype Development	
Type 14: Green Pharma & Environmental Sustainability Initiative	• By helping pharma and medical device industries in shifting from reactive compliance to proactive, altruistic initiatives to reduce their ecological footprint, drive innovation, and build long-term value

Projects taken under CSR shall have the following features:

i. The CSR contribution/ grant support from a Corporate shall not be accompanied by any requirements of direct commercial benefits accruing to the Corporate. The Corporate grantor shall not expect any rewards to itself relating to IP or technology. The Corporate grantor shall not expect any deferred monetary rewards such as royalties. However, a company or corporate would be given enough exposure and branding in terms of highlighting the project outcomes with important stakeholders. Any surplus generated out of these projects would be ploughed back to the project and may be used for operations and maintenance as is deemed necessary.

ii. The Copyright and all other Intellectual Property Right (IPR) of all the outcomes of such projects with relation to research and findings would remain with NIPER-A and the funder/corporate will have no right to this howsoever. However, if any tangible assets are created for the implementation of the project for the benefit of community, it will be handed over to the community with an after-maintenance mechanism. The corporate/funder will have no right to any tangible or intangible assets of the CSR project.

iii. The CSR contribution/ grant will be towards the objectives approved by the Government under eligible objectives under CSR. In case of NIPER-A, these are:

   a. For conducting research in pharmaceutical sciences, technology, engineering and medicine aimed at promoting SDGs.

   b. For an incubator promoting scientific/technology businesses and for technology incubation related to SDGs.

c. For supporting/ skilling students for future prospects in pharmaceutical sciences, technology, engineering and medicine
d. For encouragement and promotion of education, science, technology, engineering and medicine
e. For establishment of infrastructures like auditorium, hostel facility etc.

4. Modalities for project execution

In order to encourage many more projects funded by CSR being run at NIPER-A, 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, NIPER-A 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 Projects shall be provided funds in only "Non-recurring" and "Recurring" Heads (unless required by the contributor/grantor/ donor) to allow flexibility in mid-course corrections, rephasing 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 to maximize productivity and effective utilization of funds. This is subject to observing economy and efficiency in view of Ministry of Finance, Govt. of India, 0ffice Memorandum, dated 31-12-2018. The booking should be done only through authorized travel agents as approved by Govt. of India or website of airlines.
v. The Project Leader may engage Project Staff and Consultants/ Experts as needed within the provisioned budget allocations.
vi. The engagement of Project Staff should be done as per the existing rules of NIPER-A. The engagement of consultant may he done after following the due procedure as per GFR 2017.

vii. In CSR Projects, as such there is no upper limit to be considered when selecting any project. However, the competent authority has final rights to modify the same as and when required.

viii. The Project Agreement shall outline the objectives, scope, work plan, budget, timelines and deliverables with clear terms of reference and obligations of NIPER-A and the donor/ corporate.

5. Project costing

The CSR committee 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 CSR committee may wish to consider the direct costs under the following heads:

A. Non-recurring costs
    - Land and building
    - Works/ renovations
    - Fittings, furnishings, furniture
    - Scientific and engineering equipment
    - Office equipment
    - Any other

B. Recurring costs
    - Cost of temporary project staff deployed
    - Cost of consumables/raw materials/components
    - TA/DA
    - Event organization costs
    - Publicity, advertising and visibility
    - External payments and services
    - Contingencies
    - Any other

The funding requested from the contributor/ donor/ grantor shall be equal to the project's direct cost.

6. Approval authority and process

The Competent Authority for approval of projects shall be the Director, NIPER-A.

The project proposals shall be placed before the Competent Authority for consideration and approval in the prescribed proforma (Annexure-I)

The Approval Authority shall review the proposal considering the document "Policy on donations and CSR grants from corporates" and provide his/her approval for accepting the CSR funding support in the context of the above policy.

7. Authorized Signatories to Contracts

The authorized signatories for all contracts/ agreements are to be designated by the Competent Authority, if required. Otherwise, Director, NIPER-A would be the Authorized Signatories to all the Contracts.

8. Issuance of receipts

NIPER-A shall issue contribution/ donation/ grant receipts and yearly utilization by the laboratory to the donor/ grantor within 30 days of completion of each calendar year so that the donor/ grantor can take advantage of tax benefits allowed or obligations to be fulfilled under the law. The receipts can have reference to sections of the Companies Act under which NIPER-A qualifies for accepting CSR contributions/ donations/ grants and those under which the CSR contributions/ donations/ grants qualify for tax benefits for the contributor/ donor/ grantor.

9. Foreclosure of Projects

In the event a project requires foreclosure, the CSR committee shall submit a comprehensive proposal stating the reasons for foreclosure to the Competent Authority.

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 comprising a Dean, a senior level Professor, Registrar and Finance & Account Officer. The committee recommendations with regard to either discontinuation of the project or alternate sources of CSR funding shall be placed before the Competent Authority for approval.

10. 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 NIPER-A 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.

Annexure - 1

PROFORMA FOR APPROVAL OF CSR GRANT PROJECT

A. Basic Information

1	Title	
2	Name of grantor/ donor	
3	Contact person and information	
4	Proposed Point of Contact at NIPER-A	
5	Contact information of Proposed Point of Contact at NIPER-A	

B. The Project

Sr. No.	Criteria	Information for consideration of proposal
1	Objective	Please refer Para #2/3 of Guidelines
2	Eligible purpose under CSR	Please refer Para #2/3 of Guidelines
3	Type	Please refer Para #3 of Guidelines
4	Relevant UN SDGs	Select SDGs from Annexure-2
5	Duration	
6	SMART Goals (SMART: Specific, Measurable, Achievable, Realistic, Timely)	
7	Work plan with deliverables	
8	Targets to be met at each milestone	T0: Signing of agreement, receipt of funds and initiation of project ➢ T1: ➢ T2: T(Final): Completion of project. Submission of final report.

9	Timelines	T0: 0 months ➢ T1: ➢ T2: T(Final):

C. Funding Arrangements

Levels:

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

Phasing:

Time line from start	Target to be met	Non-recurring (Rs)	Recurring (Rs)	Total (Rs)
0 month	Target 1			
3 months	Target 2			
6 months	Target final			

D. Agreement and other information

The following documents are being attached for review by the CSR 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. CSR Committee's Comment(s)

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.

Chairperson, CSR Committee (Name & Sign with date)	Member Secretary, CSR Committee (Name & Sign with date)
Member, CSR Committee (Name & Sign with date)	Member, CSR Committee (Name & Sign with date)

F. Decision of Competent Authority

The proposal is recommended for implementation under the Scheme "CSR Contribution/ Grant/ Donation Projects at NIPER-A".

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

Director, NIPER-A
(Sign with Date)

Annexure 2

United Nations (UN) Sustainability Development Goals (SDG)

Goal 1. End poverty in all its forms everywhere

Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable

Goal 3. Ensure healthy lives and promote well-being for all at all ages

Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Goal 5. Achieve gender equality and empower all women and girls

Goal 6. Ensure availability and sustainable management of water and sanitation for all

Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all

Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Goal 10. Reduce inequality within and among countries

Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable

Goal 12. Ensure sustainable consumption and production patterns

Goal 13. Take urgent action to combat climate change and its impacts* (*Acknowledging that the United Nations Framework Convention on Climate Change is the primary international, intergovernmental forum for negotiating the global response to climate change.)

Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development

Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Goal 17. Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development