

PIC SOCIAL INNOVATION HUB ·
MASTERCLASS 2026

CSR Proposal Requirements

Compliance, Documents and the Effective Way to Approach Companies for CSR Funding

Soujanya Veguru

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Introduction and Agenda



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01

The Funding Landscape

Where CSR fits — and where it doesn't

Sources of Funding for NGOs & Social Enterprises

A diversified funding strategy is a resilient funding strategy

Government Grants

Central and state government schemes — NRLM, PM-POSHAN, MGNREGS, NMSA and sector-specific ministries. PSUs also have CSR obligations.

Corporate CSR

Mandatory under Section 135. Significant but competitive. Best accessed through relationships, not cold applications.

Indian Foundations & Trusts

Tata Trusts, Azim Premji Philanthropic Initiatives, Infosys Foundation, Wipro Foundation and hundreds of smaller family foundations.

Foreign Funding (FCRA)

International foundations, bilateral aid, UN agencies. Requires FCRA registration. Strong compliance requirements.

Crowdfunding & Individual Donors

GiveIndia, Milaap, Ketto, Razorpay. Good for small, targeted campaigns. Builds a donor base over time.

Fee for Service / Earned Income

Charging for training, consulting, products, or services. Most sustainable long-term model. Reduces dependency on grants.

Building a Diversified Funding Strategy

Don't put all your eggs in the CSR basket

CSR funding is competitive, relationship-dependent, and tied to a company's financial performance. A strong NGO builds multiple revenue streams so that the loss of one funder does not threaten the organisation's existence.

What early-stage organisations should prioritise:

Start with government grants —	Easier to access than CSR. Builds credibility and track record that CSR funders look for.
Build your compliance infrastructure first —	12A, 80G, Darpan, audited financials. Without these, CSR doors are closed regardless of how good your work is.
Approach CSR only when you are ready —	Companies do thorough due diligence. Approaching without documentation wastes relationships.
Develop earned income in parallel —	Training, consulting, or fee-based services reduce grant dependency and strengthen your financial position.
CSR is a relationship, not a transaction —	The best CSR partnerships develop over time. Build relationships before you need money.

India's Social Sector — The Scale of the Challenge

Source: Bain & Dasra India Philanthropy Report 2025

**₹25 Lakh
Crore**

Total social sector funding in
FY 2024 (~8.3% of GDP)

**₹14 Lakh
Crore**

Annual funding gap —
shortfall vs NITI Aayog
estimates

95%

Of funding comes from
government spending

5%

Of funding comes from
private sources including
CSR

Private spending — which includes CSR, foundations, and individual philanthropy — contributes only 5% of India's total social sector funding. Yet that 5% is often the most flexible, targeted, and innovation-enabling capital available to NGOs. Every rupee matters.

What this means for your organisation:

- The funding gap is not closing — it is growing. By FY 2029 the shortfall is projected to reach ₹16 lakh crore.
- Government funding alone cannot solve India's development challenges. NGOs that can attract private capital — including CSR — play a disproportionately important role.
- Private funding is growing at 10–12% annually — faster than government spending. This is the opportunity for well-positioned NGOs.
- Being CSR-ready is not just about compliance — it is about being competitive in a growing but still very selective private funding market.

Family Philanthropy — A Growing and Distinct Opportunity

Source: Bain & Dasra India Philanthropy Report 2025

Separate from Corporate CSR — and increasingly significant

Family giving = 40%

of all private philanthropy in India. Distinct from corporate CSR — often more flexible, longer-term, and values-driven.

Family-owned firms = 65–70%

of all corporate CSR spending annually — approximately ₹18,000 Crore. The top 2% of these firms contribute over 50% of that total.

300 family offices in 2024

Up from just 45 in 2018. Family offices are becoming structured, professional philanthropic entities — a new channel for NGOs.

55% women-led philanthropy

among families surveyed. Gender equity, climate action, and ecosystem strengthening are priority areas for family philanthropists.

65% have dedicated staff

managing their philanthropy. This means many family philanthropists are actively looking for credible NGO partners — not just waiting to be approached.

Key insight: Knowing who owns the company you are approaching matters. A family-owned business may have both a corporate CSR budget AND a separate family philanthropy channel — two opportunities, not one.

What Gets Funded — and What Doesn't

Understanding where the money flows helps you position better

Where Corporate CSR concentrates:

Education & Skill Development

Consistently the largest CSR category. Schools, vocational training, scholarships.

Health & Sanitation

Hospitals, primary health centres, maternal health, WASH programmes.

Rural Development

Village infrastructure, water, agriculture, livelihoods.

Environment

Growing rapidly — tree plantation, waste management, clean energy.

Underfunded — but growing through family philanthropy:

Gender Equity & GEDI

40% of philanthropic families now support GEDI — but corporate CSR here is still thin.

Climate Action

29% of families support climate — but most corporate CSR climate spend is tokenistic.

Ecosystem Strengthening

Capacity building for NGOs, sector infrastructure, collaborative platforms.

Mental Health

Almost entirely absent from corporate CSR. A gap with massive need.

If your work is in an underfunded area — family philanthropy and international foundations may be better sources than corporate CSR. Know where your work fits before deciding who to approach.

02

Understanding the CSR Landscape

What companies want — and why they fund what they fund

What is Section 135?

The law that created India's mandatory CSR regime

Section 135 of the Companies Act, 2013 mandates that companies meeting any ONE of three criteria must spend 2% of their average net profit of the preceding three financial years on CSR activities.

Net Worth

≥ ₹500 Crore

ANY ONE TRIGGERS MANDATE

Turnover

≥ ₹1,000 Crore

ANY ONE TRIGGERS MANDATE

Net Profit

≥ ₹5 Crore

ANY ONE TRIGGERS MANDATE

What this means for NGOs:

- Over 26,000 companies are currently mandated — a large and growing pool of potential funders
- ₹3,223 Crore in CSR funds was transferred to Unspent CSR Accounts in FY 2024–25 — companies that couldn't deploy funds
- New companies cross the threshold every year — often for the first time, with no NGO partners in place
- The 5% administrative cost cap means companies scrutinise overhead carefully

What Companies Are Actually Looking For

Compliance readiness

Non-negotiable

12A, 80G, Darpan, CSR-1. Without these you will not pass the first filter.

Geographic alignment

Very important

Most companies prefer to fund in areas where they operate or have employees. Location matters enormously.

Sector alignment

Very important

Your work must align with their CSR focus areas under Schedule VII. Generic proposals get rejected.

Track record

Important

Even 1–2 years of documented, audited work with measurable outcomes. Photos, data, beneficiary stories.

Implementation capacity

Important

Can you actually deliver? Do you have the team, systems, and field presence?

Reporting discipline

Important

Utilisation certificates, quarterly reports, geotagged photos. Companies are accountable to their Board.

Common Misconceptions NGOs Have About CSR

Let's clear these up before we go further

X CSR is easy money

→ CSR is competitive, compliance-heavy, and relationship-dependent. Companies do thorough due diligence.

X Any NGO can apply to any company

→ Companies fund in their sectors and geographies. Misaligned proposals are ignored, not rejected.

X A good proposal is enough

→ Relationships matter enormously. Most CSR partnerships are initiated through referrals or existing networks.

X Companies fund new organisations easily

→ Track record is critical. Most companies prefer NGOs with at least 2–3 years of audited operations.

X CSR is the same as a government grant

→ CSR is a business relationship. Companies want partnership, impact reporting, and accountability — not just a receipt.

X Once funded, you're set

→ CSR funding is usually annual. You must demonstrate impact every year to retain the partnership.

03

Compliance & Documentation

What you need before you can approach any company

The Non-Negotiables — Get These First

Without these, no corporate CSR team will engage with you

12A Registration

Income tax exemption for the NGO. Required to receive grants and donations without paying tax on them. Apply to your jurisdictional Income Tax Officer.

Income Tax Act

80G Registration

Allows donors and companies to claim tax deduction on their contribution. Critical for CSR — companies need 80G to claim their CSR spend.

Income Tax Act

Darpan Registration

Unique ID for NGOs — mandatory for receiving government grants and many CSR contributions. Register at ngodarpan.gov.in.

NITI Aayog

CSR-1 Registration

Mandatory for NGOs receiving CSR funds from companies. Register on the MCA21 portal. Companies cannot legally fund an NGO without a valid CSR-1.

MCA / Companies Act

FCRA Registration

Required ONLY if receiving foreign funds. Apply to Ministry of Home Affairs. Takes 6–12 months. Get domestic compliance right first.

MHA — If needed

Documents a Company Will Ask For

Be ready before you reach out — not after

Legal & Compliance Documents

- ✓ Registration certificate (Trust/Society/Section 8)
- ✓ 12A registration certificate
- ✓ 80G registration certificate
- ✓ Darpan registration certificate
- ✓ CSR-1 registration (MCA portal)
- ✓ PAN card of the organisation
- ✓ FCRA certificate (if applicable)

Financial & Operational Documents

- ✓ Last 3 years audited financial statements
- ✓ Last 3 years annual reports
- ✓ Board of Trustees / Governing Body list
- ✓ Organisation profile / brochure
- ✓ Past project reports with outcomes data
- ✓ Utilisation certificates from previous funders
- ✓ Bank account details and cancelled cheque

Pro tip: Create a digital CSR-ready folder with all documents. Share a Google Drive link with companies — it signals professionalism and saves time.

Red Flags That Get NGOs Rejected

Avoid these — they disqualify you before the proposal is read

- X No CSR-1 registration — the company legally cannot fund you
- X No 80G — the company cannot claim tax benefit on the contribution
- X No audited financials — signals weak governance and financial management
- X Generic proposal not aligned to the company's focus areas
- X No prior track record or documented impact
- X Governance issues — trustee conflicts, pending legal cases, IT notices
- X Mismatch between stated beneficiaries and actual geography of operations

CSR-Readiness Checklist

Where do you stand right now?

- ✓ 12A registration in place
- ✓ 80G registration in place
- ✓ Darpan registration completed
- ✓ CSR-1 registration on MCA portal
- ✓ Last 3 years of audited financials available
- ✓ At least 1–2 years of documented programme outcomes
- ✓ Organisational profile / brochure ready
- ✓ Clear theory of change for your programme
- ✓ Identified 3–5 target companies with aligned focus areas
- A named contact at each target company

If you cannot tick most of these — build compliance before building relationships.

04 Building a Compelling CSR Proposal

How to write one that gets read — and funded

A CSR Proposal is NOT a Grant Application

The most important distinction early-stage NGOs miss

Grant Application	CSR Proposal
Written for a donor or government body	Written for a Board and CSR Committee
Focuses on need and your organisation's capacity	Focuses on impact, alignment, and accountability
Assessed by programme officers	Assessed by a CSR Head, CFO, or MD
Long, detailed, narrative-heavy	Concise, outcome-focused, data-backed
Budget justification is primary	Impact measurement is primary
Relationship is transactional	Relationship is a partnership

Align to Schedule VII Focus Areas

Your programme MUST fall under one of these categories

Eradicating hunger, poverty and malnutrition

Promoting education and skill development

Promoting gender equality and women empowerment

Ensuring environmental sustainability

Protection of national heritage, art and culture

Measures for the benefit of armed forces veterans

Training to promote rural, nationally recognised sports

Contribution to PM's relief funds and similar

Technology incubators in academic institutions

Rural development projects

Slum area development

Disaster management and rehabilitation

Your proposal must explicitly state which Schedule VII area your programme addresses. Vague alignment gets rejected.

Start with a Concept Note — Not the Full Proposal

Test the relationship before investing in a full proposal

The Concept Note

One page. Sent first. Tests alignment before you invest in a full proposal.

- ✓ Who you are — 2–3 lines
- ✓ The problem you solve — with data
- ✓ Your proposed programme — 3–4 lines
- ✓ Beneficiaries — who, where, how many
- ✓ Schedule VII alignment
- ✓ Budget ask — approximate
- ✓ Your key outcomes and how you'll measure them

The Full Proposal

Sent only after the company has expressed interest in your concept note.

- ✓ Detailed organisation profile
- ✓ Problem statement with secondary data
- ✓ Theory of change
- ✓ Detailed programme design and activities
- ✓ Implementation timeline
- ✓ Detailed budget with line items
- ✓ Team and implementation capacity
- ✓ Monitoring and evaluation framework
- ✓ Previous impact and references
- ✓ Compliance documents attached

Writing for a Board and CSR Committee

What gets funded — and what gets filed away

Lead with impact, not need

Companies fund outcomes, not problems. Open with what will change for beneficiaries — not how bad the situation is.

Use data — but make it human

Numbers give credibility. Stories give meaning. Combine both. '2,400 children will receive nutritious meals' is better than 'malnutrition is a serious problem.'

Be specific about geography

Name the villages, districts, or areas. Companies want to know exactly where their money goes.

Explain your measurement approach

What will you track? How? How often? Who will verify? A weak M&E plan kills proposals.

Keep the budget honest

No inflated line items. No hidden admin costs. Be transparent about what goes to programme vs overhead.

Show you can be a long-term partner

Companies want relationships, not one-off projects. Show your sustainability plan.

CSR Proposal Completeness Checklist

Before you send — run through this

Content Checklist

- ✓ Organisation profile and registration details
- ✓ Clear problem statement with secondary data
- ✓ Programme design — activities, timeline, beneficiaries
- ✓ Alignment to Schedule VII explicitly stated
- ✓ Budget — detailed, justified, admin cost transparent

Before You Send

- ✓ Team credentials and implementation capacity
- ✓ Past impact data or proof of concept
- ✓ Monitoring and evaluation framework
- ✓ Utilisation certificate process explained
- ✓ All compliance documents attached

If any of these are missing — do not send yet.

05

Approaching Companies Effectively

The right way to make your ask

Finding the Right Companies to Approach

Quality over quantity — 5 right targets beat 50 wrong ones

How to identify companies that are right for you:

Geographic proximity —

Companies prefer to fund where they operate. Start with companies in your district or state.

Sector alignment —

Match your programme to their Schedule VII focus areas. Check their website and annual report CSR section.

MCA21 portal —

Every mandated company files a CSR-2 disclosure. You can see their focus areas, implementing NGOs, and spend. Free and public.

Annual reports —

The CSR chapter in annual reports tells you exactly what they fund, who they fund, and what they don't fund.

Industry associations —

CII, FICCI, MCCIA, sector associations — events and forums are where CSR heads are. Be present.

Your existing network —

Board members, volunteers, trustees — who do they know? Warm introductions are the most effective route.

Who to Reach — and How

The right person at the right time changes everything

CSR Head / Manager	<p>When: Primary contact for programme discussions. Knows the focus areas, budget cycles, and partner requirements.</p> <p><i>How: LinkedIn, industry events, MCCA/CII forums, warm introductions.</i></p>
Company Secretary	<p>When: For compliance-related matters. Knows the CSR-2 filings and regulatory requirements. Useful for first contact.</p> <p><i>How: MCA21 portal lists the CS for every mandated company.</i></p>
CFO	<p>When: For budget decisions and larger engagements. Often involved when the CSR budget is significant.</p> <p><i>How: Rarely cold — usually through the CSR Head or a board connection.</i></p>
MD / CEO	<p>When: For strategic partnerships or large-scale multi-year engagements. Not for first contact.</p> <p><i>How: Never cold. Always through a warm introduction or after relationship is established.</i></p>

What NOT to Do — The Most Common Mistakes

Avoid these and you're already ahead of most NGOs

X Send a generic proposal to 50 companies

→ CSR heads can tell immediately. It signals you haven't done your research. Personalise every approach.

X Lead with how much money you need

→ Lead with impact. The ask comes after the relationship is established.

X Call without a warm introduction

→ Cold calls to CSR heads are rarely productive. Build the relationship first through events and networks.

X Misrepresent your organisation

→ If you don't have 12A yet — say so. Honesty builds trust. Misrepresentation ends relationships permanently.

X Follow up too aggressively

→ One follow-up email after a week is appropriate. Three calls in three days is not.

X Disappear after funding is received

→ Companies want ongoing updates. Silence after funding signals poor accountability and kills future funding.

X Apply to companies whose focus areas don't match

→ This wastes everyone's time. Align before you apply.

Before You Approach — Checklist

Run through this before reaching out to any company

- ✓ Company is mandated under Section 135
- ✓ Their CSR focus areas align with your programme
- ✓ You have checked their previous CSR partners (MCA21 / annual report)
- ✓ You have identified the right contact person by name
- ✓ All compliance documents are ready (12A, 80G, Darpan, CSR-1)
- ✓ You have a one-page concept note ready
- ✓ You have a warm introduction or a relevant connection
- ✓ You know their CSR budget cycle (usually April–March)
- ✓ You have prepared a tailored opening message — not a generic one
- ✓ You have a follow-up plan if they don't respond

If you can tick all of these — you are ready to reach out.

Key Takeaways

What to do when you leave this session today

Build compliance first

Get your 12A, 80G, Darpan, and CSR-1 in place before anything else. Without these, no CSR door will open.

Research before you reach

Know the company's focus areas, previous partners, and budget cycle before you make contact.

Build relationships, not transactions

The best CSR partnerships take time. Be present at industry forums. Get introduced. Follow up consistently.

Diversify your funding

CSR is one channel. Government grants, foundations, and earned income must all be part of your strategy.

Start with a concept note

One page. Test alignment. Build the relationship before you invest in a full proposal.

Report like your funding depends on it

Because it does. Quarterly updates, photos, outcome data, and utilisation certificates keep partners engaged.

Questions & Discussion

30 minutes — ask anything

Useful resources to explore:

- MCA21 portal — mca.gov.in — CSR-2 disclosures, CSR-1 registration, company filings
- Darpan portal — ngodarpan.gov.in — NGO registration and directory
- Ministry of Home Affairs — mha.gov.in — FCRA registration
- Income Tax portal — incometaxindiaefiling.gov.in — 12A and 80G applications
- CSRBox — csrbox.org — CSR fund database and NGO listings