

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 990
ANSWERED ON TUESDAY, DECEMBER 7, 2021**

COMPANIES FUNDS UNDER CSR FOR CORONA PANDEMIC

QUESTION

990. SHRI BRIJLAL:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether the public and private companies of corporate sector have fully utilized the funds earmarked under Corporate Social Responsibility (CSR) rules during corona pandemic;
- (b) if so, the amount of funds out of that, spent on the treatment related to corona pandemic and purchase of medical equipments, the details thereof; and
- (c) if not, whether those funds can be utilised for prevention or treatment of Corona or any other pandemic now?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS

[RAO INDERJIT SINGH]

(a) to (c): The broad framework for Corporate Social Responsibility (CSR) has been provided under Section 135 of the Companies Act, 2013 ('Act'), Schedule VII of the Act and Companies (CSR Policy) Rules, 2014. Schedule VII of the Act indicates the activities that can be undertaken by the companies as CSR. The Ministry vide General Circular No. 21/2014 dated 18th June 2014 had clarified that items mentioned in Schedule VII are broad based and can be interpreted liberally. The same has been reiterated in the Frequently Asked Questions (FAQs) on CSR issued vide General Circular no. 14/2021 dated 25.08.2021.

Ministry vide General Circular no.10/2020 dated 23.03.2020 clarified that CSR funds may be spent by the companies for various activities related to COVID-19 under item no. (i) and (xii) promoting healthcare including preventive healthcare and sanitation, and disaster management respectively. Furthermore, vide General Circulars no. 05/2021, 09/2021 and 13/2021 dated 22.04.2021, 05.05.2021 & 30.07.2021 respectively, Ministry had also clarified that spending of CSR funds for setting up makeshift hospitals and temporary COVID care facilities and 'creating health infrastructure for COVID care', 'establishment of medical oxygen generation and storage plants', 'manufacturing and supply of Oxygen concentrators, ventilators, cylinders and other medical equipment for countering COVID-19' and COVID-19 vaccination for persons other than the employees and their families, are eligible CSR activities.

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The CSR framework is disclosure based and CSR mandated companies are required to file details of CSR activities annually in the MCA21 registry which is available in public domain at www.csr.gov.in. On the basis of filings made in the MCA21 registry up to 30.09.2021, both public and private sector companies have spent an amount of Rs. 8,828.11 Crore in FY 2020-21, of which an amount of Rs. 2,559.30 Crore were spent on 'healthcare related activities'.

As per the Act, companies are required to hold Annual General Meeting (AGM) within six months from the end of financial year. Thereafter, financial statements and board report containing disclosure about CSR, are to be filed in MCA21 within 30 days of the AGM. In view of the disruption caused by COVID-19 pandemic, Registrars of Companies have accorded extension of time till 30th November, 2021 for conduct of AGMs by companies. The Ministry vide General Circular No. 17/2021 dated 29.10.2021 has relaxed the levy of additional fees till 31.12.2021 for filing of financial statement in respect of the financial year 2020-21.
