## GOVERNMENT OF INDIA MINISTRY OF CORPORATE AFFAIRS

## RAJYA SABHA STARRED QUESTION NO. 63 ANSWERED ON TUESDAY, THE 13<sup>TH</sup> DECEMBER, 2022

## USE OF CSR FUNDS FOR SUPPORTING TERTIARY EDUCATION SECTOR

#### **QUESTION**

### \*63. SHRI R. GIRIRAJAN:

Will the Minister of Corporate Affairs be pleased to state:

- (a) whether it is a fact that Corporate Social Responsibility (CSR) funds can be used to meaningfully support the tertiary education sector in different ways, if so, the details thereof;
- (b) whether any measures have been taken by Government in this regard, if so, the details thereof;
- (c) whether Government has taken any steps to create a robust mechanism to connect CSR Department of corporate companies to Members of Parliament, if so, the details thereof; and
- (d) whether Government has any proposal to introduce a minimal CSR fund target for every constituency, if so, the details thereof?

#### ANSWER

THE MINISTER OF FINANCE AND CORPORATE AFFAIRS

(SHRIMATI NIRMALA SITHARAMAN)

(a) to (d): A Statement is laid on the Table of the House.

\*\*\*\*\*\*

# STATEMENT REFERRED TO IN REPLY TO PART (a) TO (d) OF RAJYA SABHA STARRED QUESTION NO. 63 FOR 13<sup>TH</sup> DECEMBER, 2022 REGARDING USE OF CSR FUNDS FOR SUPPORTING TERTIARY EDUCATION SECTOR

(a) & (b): 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 eligible list of activities that can be undertaken by the companies as CSR. The Ministry vide General Circular no. 21/2014 dated 18th June, 2014 and no. 14/2021 dated 25th August, 2021 had clarified that items mentioned in Schedule VII are broad based and can be interpreted liberally. Item no. (ii) of Schedule VII, inter alia, covers "education, special education and vocational skills" as eligible CSR activities. Accordingly, 'tertiary education' is an eligible CSR activity under item no. (ii) of Schedule VII.

The CSR framework is disclosure based and CSR mandated companies are required to file details of CSR activities annually in the MCA21 registry. All data related to CSR filed by companies in MCA21 registry is available in public domain and can be accessed at <u>www.csr.gov.in</u>. On the basis of the filings made by the companies in the MCA21 registry, the CSR spent by all the companies in education, special education and vocational skills during last three Financial Years (FY) 2018-19, 2019-20 and 2020-21 respectively are given below:

CSR Expenditure in education, special education and vocational skill sector			
(In Rs. Crore)			
Development Sector	FY 2018-19	FY 2019-20	FY 2020-21
Education	6,102.18	7,175.85	6,607.64
Special Education	186.13	196.88	207.61
Vocational Skills	798.36	1,181.13	640.43
Grand Total	7,086.67	8,553.87	7,455.68

(Data up to 30.09.2022) [Source: National CSR Data Portal]

(c): Under the Act, CSR is a Board driven process and the Board of the company is empowered to plan, decide, execute and monitor the CSR activities based on the recommendations of its CSR Committee. The CSR mandated companies can undertake any of the activities mentioned in Schedule VII subject to fulfillment of provisions as contained in the Act and Companies (CSR Policy) Rules, 2014. The Government does not issue any direction in this regard.

(d): No such proposal is under consideration of the Ministry.

\*\*\*\*\*