

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA  
UNSTARRED QUESTION NO. 525  
ANSWERED ON TUESDAY, THE 7<sup>th</sup> FEBRUARY, 2023  
STUDY AND SURVEY ON EXPENDITURE INCURRED ON CSR**

**QUESTION**

**525. SHRI AKHILESH PRASAD SINGH:**

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether Government has conducted a detailed study and survey on expenditure incurred on Corporate Social Responsibility (CSR) by 100 companies in tribal and backward districts of the country, through the Indian Institute of Corporate Affairs (IICA);
- (b) if so, the details of the outcome of the above study and survey and action taken based on it in respect of companies working in the country;
- (c) whether there is obligation for CSR fund to be spent on the agency, trust or scheme designated by the State Government; and
- (d) whether Government can also give such directions, if so, the details thereof?

**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) & (b): Yes Sir. Indian Institute of Corporate Affairs (IICA) had conducted a study on the impact of Corporate Social Responsibility (CSR) expenditure by 100 companies over a span of three financial years i.e. from 2014-15 to 2016-17 in the tribal and backward areas. The study covers 27 districts in five States namely Chhattisgarh, Jharkhand, Odisha, Gujarat & Rajasthan and primarily focused on six thematic project areas viz., Education, Health, Water and Sanitation, Sustainable Livelihood, Rural Development, and Environment and Sustainability. The findings of the study reveals that CSR activities by companies have supplemented the Government efforts by improving the quality of education, improvement in the ability of tribal and marginalized community members to be involved in income generating activities and have showed significant improvement in their incomes. Further, the CSR activities have also helped improving the accessibility, connectivity of tribal areas and Mobile Medical Units (MMUs) provided under CSR resulted in improved access of the tribal community to healthcare facilities.

(c) & (d): CSR is a Board driven process and the Board of the company is empowered to plan, decide, execute and monitor the CSR activities of the company based on the recommendation of its CSR Committee in the areas or activities as mentioned in Schedule VII of the Companies Act, 2013 ('Act').

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Section 135 of the Act read with Rule 4 of the Companies (CSR Policy) Rules, 2014 prescribes that the Board of the company is empowered to undertake its CSR activities either by itself or through implementing agencies, namely:

- i). a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company; or
- ii). a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- iii). any entity established under an Act of Parliament or a State legislature; or
- iv). a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

Therefore, there is no obligation on the Board of the company to spend CSR fund through an agency, trust or scheme designated by the Central Government or a State Government.

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