

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA  
UNSTARRED QUESTION NO. 2115  
ANSWERED ON TUESDAY, AUGUST 08, 2023**

**CSR SPENDING TO SUPPORT THE SOCIO-ECONOMIC DEVELOPMENT**

**QUESTION**

**2115. SHRI M. MOHAMED ABDULLA:**

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether most of the Corporate Social Responsibility (CSR) funds are spent to develop the existing infrastructure and whether these money can be spent to support the socio-economic development of the marginalised people; and
- (b) whether the Union Government is considering to regulate the ethical responsibility of CSR activities, so that the marginalised people in the society can be benefited?

**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): 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 items enlisted in the Schedule VII of the Act, are broad-based and intended to cover a wide range of activities. As per Schedule VII, activities such as eradicating hunger, poverty and malnutrition, promoting health care, provisioning of sanitation and safe drinking water, livelihood enhancement projects, measures for reducing inequalities faced by socially and economically backward groups, training to promote rural sports, contribution to any other fund set up by the central government for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women etc. are considered as eligible CSR activities.

(b): The CSR framework is disclosure based and CSR mandated companies are required to file details of CSR activities annually in the MCA21 registry. The corporate governance framework along with the existing legal provisions such as mandatory disclosures, accountability of the CSR Committee and the Board, provisions for statutory audit of accounts of the company etc. provide safeguards in this regard. Whenever any violation of CSR provisions is reported, action against such non-compliant companies are initiated as per provisions of the Companies Act, 2013 and rules made thereunder after due examination of records and following due process of law.

\*\*\*\*\*