

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO. 2443
ANSWER ON TUESDAY, DECEMBER 17, 2024
EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY
QUESTION

2443 Dr. John Brittas:

Will the Minister of Corporate Affairs be pleased to state:

- (a) the details of the amounts spent towards CSR activities by companies during the last five years, State-wise;
- (b) whether Government will introduce guidelines to ensure parity among States for CSR;
- (c) whether Government will make CSR audit mandatory for companies spending more than Rupees five crores for CSR and make it a part of annual report;
- (d) whether Government will exert greater direct monitoring over CSR instead of merely relying on voluntary disclosures by companies;
- (e) the instances of companies not specifying names of States where projects were undertaken; and
- (f) whether Government will empower States to monitor CSR activities of companies?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

[SHRI HARSH MALHOTRA]

(a): On the basis of annual filings, the details of the State-wise CSR expenditure by the companies for the last five financial years (FY) i.e. 2018-19 to 2022-23 is attached at Annexure-I.

(b): The legal 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 under CSR. 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. As CSR activity is undertaken, managed and monitored by a Corporate, the Government does not issue specific directives to the companies regarding spending in any particular geographical area or activity.

(c) & (d): Section 135 of the Act mandates every company having net worth of Rs. 500 crore or more, or turnover of Rs. 1000 crore or more, or net profit of Rs. 5 crore or more during the immediately preceding financial year, to spend at least two per cent of the average net profits of the company made over immediately preceding three financial years towards CSR as per the CSR Policy of the Company. The legal 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. Under

the Act, every CSR mandated company has to constitute a CSR Committee. The Committee formulates and recommends the CSR policy and the Board of the company plans, decides, executes and monitors the CSR activities of the company based on its recommendations. The Board of the company is required to disclose the CSR Policy implemented by the company in its Board report and the Board of the company has to satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it, and the Chief Financial Officer or the person responsible for financial management shall certify to the effect. The CSR framework is disclosure based and expenditure on CSR activities is required to be audited by the statutory auditors of the company. The Ministry has notified the Companies (Auditor's Report) Order, 2020, ("CARO, 2020") applicable from FY 2021-22 which requires auditors to state details of any unspent CSR amount. The Government does not issue any direction on which activity or area Company shall spend.

Thus, 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 adequate mechanisms for monitoring, transparency and accountability for CSR activities implemented by the companies.

(e) & (f): The CSR disclosures with State classified under Not Elsewhere Covered (NEC)/Not mentioned is at Annexure-II. The Government does not issue any direction on which activity or area Company shall spend.

ANNEXURE REFERRED TO IN REPLY TO RAJYA SABHA UNSTARRED QUESTION NO. 2443 FOR 17.12.2024.

State-wise CSR expenditure from FY 2018-19 to 2022-23 (Amount in Cr.)						
Sr. No.	State/UT	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
1	Andaman And Nicobar	0.82	1.29	2.86	9.71	2.53
2	Andhra Pradesh	665.97	710.23	719.81	656.79	954.63
3	Arunachal Pradesh	24.56	18.02	10.58	119.42	13.35
4	Assam	210.00	285.00	180.23	406.17	470.24
5	Bihar	137.95	110.48	89.89	165.97	235.36
6	Chandigarh	11.46	15.58	13.40	50.88	18.06
7	Chhattisgarh	149.35	269.68	325.63	305.29	596.11
8	Dadra And Nagar Haveli	13.48	18.34	21.98	14.11	13.71
9	Daman And Diu	6.25	9.53	5.25	4.13	9.40
10	Delhi	750.85	830.00	724.59	1193.93	1462.66
11	Goa	46.77	43.91	41.92	45.43	58.11
12	Gujarat	1082.18	984.37	1461.60	1603.93	1982.26
13	Haryana	378.11	537.91	550.86	683.95	700.16
14	Himachal Pradesh	78.79	78.78	106.31	140.22	138.52
15	Jammu and Kashmir	36.44	25.27	35.56	50.68	71.22
16	Jharkhand	109.80	155.21	226.54	193.33	388.13
17	Karnataka	1257.69	1448.16	1277.81	1839.73	1985.23
18	Kerala	354.78	298.56	290.67	239.73	351.60
19	Lakshadweep	0.39	-	0.01	0.45	0.02
20	Leh & Ladakh	-	-	-	14.84	11.72
21	Madhya Pradesh	243.55	220.46	375.51	427.10	655.86
22	Maharashtra	3147.72	3353.24	3464.81	5380.07	5494.77
23	Manipur	7.81	14.21	10.39	15.62	53.45
24	Meghalaya	16.54	17.65	17.63	19.63	21.73
25	Mizoram	0.11	0.25	0.97	6.94	10.99
26	Nagaland	2.12	5.10	3.57	12.46	13.57
27	Odisha	697.91	717.39	578.16	670.32	987.70
28	Puducherry	9.15	11.32	12.43	9.31	12.55
29	Punjab	166.85	189.44	158.46	184.89	247.47
30	Rajasthan	595.49	734.12	670.00	711.82	1102.16
31	Sikkim	5.87	10.99	17.28	28.24	36.18
32	Tamil Nadu	877.08	1072.26	1174.07	1432.06	1558.66
33	Telangana	428.06	445.80	627.71	685.87	1006.63
34	Tripura	23.06	9.40	9.29	15.91	19.26
35	Uttar Pradesh	521.32	577.98	907.32	1339.18	1152.43
36	Uttarakhand	172.31	124.70	160.58	228.08	301.11
37	West Bengal	382.23	423.85	471.48	567.21	759.51
38	PAN India*	6443.53	9385.66	7805.03	5522.74	5988.91
39	Other Centralized Funds	1156.86	1790.69	3491.30	1620.09	1091.86
40	NEC/Not Mentioned*	4.44	20.97	169.47	0.09	10.12
Total		20217.65	24965.82	26210.95	26616.30	29987.92

(Data upto 31.03.2024) (Source: Corporate Data Management Cell)

* Not Elsewhere Covered (NEC)

*Companies either did not specify the names of States or indicated more than one State where projects were undertaken.

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Particulars	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
The CSR disclosures with State classified under Not Elsewhere Covered (NEC)/Not mentioned	23	9	5	4	127

(Data upto 31.03.2024) (Source: Corporate Data Management Cell)