

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 2614
ANSWERED ON TUESDAY, AUGUST 12, 2025**

CSR NON-COMPLIANCE AND REGULATORY ACTION

QUESTION

2614 Smt. Ranjeet Ranjan:

Will the Minister of CORPORATE AFFAIRS be pleased to state:-

- a) The number of companies penalized under the Companies Act, 2013 for non-compliance with Corporate Social Responsibility (CSR) obligations in the last three years;
- b) Whether the Ministry has issued any notices or taken enforcement action against companies which have repeatedly failed to comply with CSR provisions and if so, the details thereof; and
- c) Whether the Ministry has evaluated the impact of CSR spending on intended beneficiaries and if any third-party audits or reviews have been made public?

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) & (b): Under the Act, CSR is a Board driven process and the Board of the company is empowered to plan, decide, execute and monitor CSR activities of the company based on the recommendation of its CSR Committee. The Board has to ensure that the approved amount has been spent on the assigned activity(ies). In case any amount remains unspent then such amount shall be transferred in the designated fund(s) of Schedule VII in the prescribed time limit.

Penal action is initiated as per provisions of the Act, following due process of law after examination of records and /or receipt of complaint against the companies and officers-in-default. In the last three Financial Years (FY) i.e 2022-23, 2023-24 and 2024-25, the details of companies who have been penalized and penalty amount imposed on them are at Annexure.

(c): Rule 8 of the Companies (CSR Policy) Rules, 2014 provides that every company having average CSR obligation of 10 crore rupees or more in pursuance of sub-section (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study. The details of CSR activities, Impact Assessment etc. are required to be reported by the companies in the 'Annual Report on CSR' including an annual action plan on CSR which is part of the Company's Board Report.

ANNEXURE REFERRED TO IN REPLY TO RAJYA SABHA UN-STARRED QUESTION NO. 2614 FOR 12.08.2025.

Sr. No.	Financial Year (FY)	No. of Companies penalised	Penalty imposed (Rs. in cr.)
1.	2022-23	06	2.97
2.	2023-24	11	3.32
3.	2024-25	13	13.65
Total		30	19.94