GOVERNMENT OF INDIA MINISTRY OF CORPORATE AFFAIRS

LOK SABHA STARRED QUESTION NO. 141 ANSWERED ON FRIDAY THE 25th NOVEMBER, 2016/ AGRAHAYANA 4, 1938(SAKA)

CORPORATE SOCIAL RESPONSIBILITY

QUESTION

*141. SHRIMATI KIRRON KHER: SHRI NISHIKANT DUBEY:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

कारपोरेट कार्य मंत्री

- (a) whether companies, both public and private sector are required to spend certain percentage of their profit on welfare/ development activities, as part of Corporate Social Responsibility (CSR) and if so, the details thereof;
- (b) the funds utilised and major activities undertaken by various Public Sector Undertakings (PSUs) and private sector companies under the CSR during the last three years, company type-wise;
- (c) the number of Gram Panchayats provided CSR funds under Sansad Adarsh Gram Yojana, State-wise;
- (d) whether instances of non-compliance of CSR Policy Rules, 2014 guidelines have been reported during the above period, if so, the details thereof and the corrective action taken by the Government thereon; and
- (e) whether the Government has stressed the need for efficient implementation of CSR, and if so, the details thereof?

ANSWER

THE MINISTER OF CORPORATE AFFAIRS (SHRI ARUN JAITLEY) कारपोरेट कार्य मंत्री (श्री अरुण जेटली)

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

STATEMENT REFERRED TO IN ANSWER TO PART (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 141 FOR 25TH NOVEMBER, 2016 REGARDING CORPORATE SOCIAL RESPONSIBILITY.

- (a): Section 135 of the Companies Act 2013, mandates every company above the specified thresholds of turnover, or net worth, or net profit to spend at least two per cent of the average net profits earned during three immediately preceding financial years, in pursuance of Corporate Social Responsibility (CSR).
- (b): An assessment of CSR expenditure of 7334 companies, for which information has been compiled for the year 2014-15, indicates that 142 Public Sector Undertakings (PSUs) and 2997 Private Sector companies together have spent Rs. 8803 crore during 2014-15 as summarised below:

 CSR Expenditure during 2014-15 (in Rs. Crore)

Sr. No.	Company Type	Total companies	No. of Companies with CSR expenditure	No. of Companies with no CSR expenditure	Actual CSR expenditure (in Rs. Crore) (2014-15)
1.	PSUs	226	142	84	2497
2.	Private Sector Companies	7108	2997	4111	6306
	Total	7334	3139	4195	8803

- (c): CSR funds are permitted to be leveraged under various government programmes including the "Saansad Adarsh Gram Yojana". State-wise and Sector-wise CSR expenditures, including that in Rural Development are at Annexures I and II.
- (d): Show cause notices have been issued by Registrars of Companies to 496 companies for non-compliance of section 135 read with section 134 (3) (o) of the Companies Act, 2013, and rules made thereunder.

(e): Yes, Madam. With a view to facilitate implementation of CSR by companies in compliance with provisions of Companies Act, 2013, and rules made thereunder, the Ministry has issued clarificatory circulars and FAQs on 18.06.2014 and 12.01.2016 respectively.

Annex -I

ANNEXURE REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO.141

STATE/UT-WISE CSR PROJECTS UNDERTAKEN DURING FY 2014-15

Sl. No.	States	Actual CSR expenditure (in Rs. Crore)	S1. No.	States	Actual CSR expenditure (in Rs. Crore)
1	Maharashtra	1101.71	20	Bihar	15.08
2	Gujarat	291.65	21	Kerala	57.25
3	Tamil Nadu	446.98	22	Himachal Pradesh	5.29
4	Karnataka	363.05	23	Goa	24.29
5	Rajasthan	251.98	24	Manipur	1.35
6	Uttar Pradesh	123.14	25	Arunachal Pradesh	10.45
7	Andhra Pradesh	167.85	26	Chandigarh	0.69
8	West Bengal	243.32	27	Meghalaya	1.80
9	Madhya Pradesh	176.41	28	Sikkim	0.41
10	Delhi	139.75	29	Tripura	0.34
11	Haryana	107.62	30	Nagaland	0.08
12	Orissa	214.31	31	Pondicherry	1.10
13	Jammu & Kashmir	74.60	32	Andaman & Nicobar Islands	0.81
14	Chattisgarh	275.37	33	Dadar & Nagar Haveli	1.83
15	Telangana	88.53	34	Daman & Diu	20.04
16	Uttarakhand	24.53	35	Lakshadweep	0.59
17	Punjab	23.71	36	Mizoram	0.16
18	Assam	106.84	37	Others*	4353.17
19	Jharkhand	86.87		Total	8803.00

^{*} Companies did not specify the name of State/UTs in particular, wherein the projects were undertaken

Annexure-II

ANNEXURE REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO.141 Development Sector wise CSR expenditure (FY 2014-15)

Sr.	Subject in Schedule VII	CSR Expenditure	
No.		(In ₹ Crores)	
1.	Health / Eradicating Hunger, Poverty & Malnutrition / WASH	2245.58	
2.	Education/ Differently Abled/ Livelihood	2728.11	
3.	Gender Equality / Women Empowerment / Old Age homes / Reducing Inequalities	325.96	
4.	Environment & Animal Welfare	1212.63	
5.	Heritage Art & Culture	157.20	
6.	Encouraging Sports	159.64	
7.	PM National Relief Fund	192.24	
8.	Rural Development	1016.98	
9.	Slum Development	122.75	
10.	Swatch Bharat Kosh	121.47	
11.	Clean Ganga Fund	19.25	
12.	Any other fund	36.31	
13.	Other Sectors of Schedule VII (incl. Technology Incubator and Benefits to armed forces, Adm. Overheads, Contribution to Corpus)	305.50	
14.	Others (*)	159.38	
	Total	8803.00	

^{*} A total of Rs. 159.38 Crore was not accounted for as some companies didn't mention the entire CSR activities undertaken against their Actual CSR Spend.
