

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 2042
ANSWERED ON FRIDAY THE 29th DECEMBER, 2017
PAUSHA 08, 1939 (SAKA)**

CSR PROJECTS

QUESTION

2042. SHRI KAUSHAL KISHORE:

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

कारपोरेट कार्य मंत्री

(a) whether a large number of companies do not assign reasons in their report for not spending the stipulated percentage of their profits on Corporate Social Responsibility (CSR) project; and

(b) if so, the details thereof?

ANSWER

**MINISTER OF STATE FOR LAW AND JUSTICE
AND CORPORATE AFFAIRS**

(SHRI P. P. CHAUDHARY)

विधि और न्याय एवं कारपोरेट कार्य मंत्रालय में राज्य मंत्री

(श्री पी. पी. चौधरी)

(a) & (b): As per the provisions of section 135 of the Companies Act, 2013 ('the Act'), the companies, which have, inter-alia, not made the prescribed expenditure and not disclosed the reasons for not spending are liable for penal action. On the basis of Corporate Social Responsibility (CSR) disclosures made by the companies, Registrar of Companies (RoCs), after due scrutiny issued show-cause notices to 1018 defaulting companies for non - compliance of provisions of section 135 read with section 134(3)(o) of the Act, for the financial year 2014-15. Thereafter, based on the reports submitted by the Regional Director(s) / RoCs, the Ministry has, as on date, accorded permission for initiating penal action under section 134(8) of the Act, for non-compliance of provisions of the aforesaid Sections against 196 companies.
