GOVERNMENT OF INDIA MINISTRY OF CORPORATE AFFAIRS

LOK SABHA

UNSTARRED QUESTION NO. 1207 ANSWERED ON FRIDAY THE 09th FEBRUARY, 2018/ MAGHA 20, 1939 (SAKA)

ACTIVITIES BY COMPANIES UNDER CSR

QUESTION

1207. SHRI BHEEMRAO B. PATIL:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

कारपोरेट कार्य मंत्री

- (a) whether the Government has notified Corporate Social Responsibility (CSR) policy norms under the Companies Act, 2013, if so, the details and salient features thereof;
- (b) the details of expenditure incurred and work done by the public sector undertakings (PSUs) and private companies since the inception of the Companies Act, 2013, company-wise and State/UT-wise;
- (c) whether any irregularities have come to the notice of the Government with regard to execution of CSR, if so, the details thereof along with the action taken by the Government against those companies;
- (d) whether the Government has set up any monitoring mechanism to monitor the activities and utilisation of funds by the companies under CSR, if so, the details thereof; and
- (e) whether the Government has taken note that the assistance of public representatives is not sought while selecting activities by companies under CSR, if so, the details thereof and corrective measures taken by the Government in this regard?

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): The provisions of Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 (the 'Act') and rules made thereunder have been notified on 27.02.2014. These notifications are available on the Ministry's website (www.mca.gov.in). The salient features of CSR provision inter-alia, are as follows:
 - mandates every company that is above a specified threshold 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 on CSR activities as specified in Schedule VII of the Act;

- each such company is required to constitute a CSR committee of the Board;
- the Board of each such company is required to have the company's
 CSR policy formulated and monitor its implementation;
- the Board's report shall include an annual report on CSR containing particulars specified in prescribed format;
- the Board's report shall specify the reasons for not spending the specified amount, if the company fails to spend such amount;
- companies may implement their CSR Policy through (i) registered trusts (ii) registered societies or (iii) a company established under section 8 of the Act.

(b): As per the data culled out from filings made by companies upto 30.11.2017 in the MCA21 registry for the years 2014-15, 2015-16 and 2016-17, the expenditure made by such companies on CSR is given in the Table below and States/UTs-wise CSR expenditure and development sector-wise CSR spend by companies which have reported any CSR expenditure are at Annexure I and Annexure II respectively.

CSR expenditure for the three Financial Years

SI. No.	Company Type	Financial Year 2014-15 (in Rs. crore)	Financial Year 2015-16 (in Rs. crore)	Financial Year 2016-17 (in Rs. crore)
1.	PSUs	2673.85	4163.09	1325.83
2.	Private Sector Companies	6890.92	9664.77	3393.17
	Total	9564.77	13827.86	4719.00

(c) to (e): As per Section 135 (3) & (4) of the Companies Act, 2013 Board of the company is empowered to select programmes/projects/activities to be undertaken and monitor the same. Ministry of Corporate Affairs has no role to play in this regard.

ANNEXURE -I
ANNEXURE REFERRED TO IN REPLY TO LOK SABHA UNSTARED QUESTION NO. 1207
STATE/UT-WISE CSR EXPENDITURE DURING FY 2014-15, FY 2015-16 AND 2016-17

CSR Expenditure (In Rs. Crores)							
SI . No.	State/ UT	2014-15	2015-16	2016-17			
1	Andaman & Nicobar Islands	0.29	0.54	0.07			
2	Andhra Pradesh	403.91	1,220.54	101.69			
3	Arunachal Pradesh	11.03	1.49	7.98			
4	Assam	133.07	166.81	38.28			
5	Bihar	36.20	108.15	36.90			
6	Chandigarh	1.73	5.08	4.17			
7	Chhattisgarh	158.89	236.22	14.85			
8	Dadar & Nagar Haveli	2.54	12.03	1.65			
9	Daman & Diu	20.05	2.13	0.83			
10	Delhi	214.24	468.18	229.87			
11	Goa	26.60	30.25	10.54			
12	Gujarat	296.53	550.98	152.04			
13	Haryana	176.29	364.22	107.87			
14	Himachal Pradesh	9.30	51.71	10.57			
15	Jammu & Kashmir	40.57	103.02	27.83			
16	Jharkhand	75.86	115.70	24.24			
17	Karnataka	382.79	730.64	202.71			
18	Kerala	64.30	129.24	50.94			
19	Lakshadweep	0.00	0.30	0.00			
20	Madhya Pradesh	137.15	178.94	213.48			
21	Maharashtra	1,372.34	1,810.45	702.37			
22	Manipur	1.57	5.93	6.03			
23	Meghalaya	3.52	3.86	2.99			
24	Mizoram	1.03	1.08	0.08			
25	Nagaland	1.11	0.95	0.45			
26	Odisha	249.50	604.26	191.43			
27	Pondicherry	1.81	6.31	3.71			
28	Punjab	53.86	68.17	20.17			
29	Rajasthan	271.36	472.46	84.99			
30	Sikkim	1.03	1.90	2.12			
31	Tamil Nadu	498.89	597.60	202.53			
32	Telangana	94.89	248.57	64.56			
33	Tripura	1.16	1.47	0.60			
34	Uttar Pradesh	138.64	406.93	120.34			
35	Uttarakhand	69.99	71.50	30.74			
36	West Bengal	178.61	399.89	121.12			
37	Pan India*	4,434.12	4,650.39	1,928.26			
	Grand Total	9,564.77	13,827.86	4,719.00			

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

ANNEXURE II

ANNEXURE REFERRED TO IN REPLY TO LOK SABHA UNSTARED QUESTION NO. 1207 SECTOR-WISE CSR EXPENDITURE FOR FY 2014-15, FY 2015-16 AND FY 2016-17

CSR Expenditure (In Rs. Crores)							
SI. No.	Sectors	2014-15	2015-16	2016-17			
1	Health/ Eradicating Hunger/ Poverty and malnutrition/ Safe drinking water / Sanitation	2,382.27	4,330.21	1,201.37			
2	Education/ Differently Abled/ Livelihood	3,021.47	4,689.81	1,605.05			
3	Rural development	1,031.02	1,327.57	628.56			
4	Environment, Animal Welfare, Conservation Of Resources	812.31	901.80	306.68			
5	Swachh Bharat Kosh	94.52	323.24	89.35			
6	Any Other Funds	272.58	322.63	137.70			
7	Gender equality / Women empowerment / Old age homes / Reducing inequalities	172.63	331.50	122.60			
8	Prime Minister's National Relief Fund	211.04	206.08	109.81			
9	Encouraging Sports	53.36	134.76	51.73			
10	Heritage Art and Culture	113.62	114.90	49.64			
11	Slum Area Development	101.07	13.60	1.97			
12	Clean Ganga Fund	4.64	32.52	22.97			
13	Other Sectors (Technology Incubator And Benefits To Armed Forces, Admin Overheads and others*)	1,294.24	1,099.24	391.57			
	Total Amount (in Rs. Crore)	9,564.77	13,827.86	4,719.00			

^{*} not specified
