GOVERNMENT OF INDIA MINISTRY OF CORPORATE AFFAIRS

LOK SABHA STARRED QUESTION NO. 152 ANSWERED ON FRIDAY THE 27th JULY, 2018/ SHRAVANA 5, 1940 (SAKA)

CORPORATE SOCIAL RESPONSIBILITY

QUESTION

*152. SHRI GODSE HEMANT TUKARAM: SHRI KRUPAL BALAJI TUMANE:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

कारपोरेट कार्य मंत्री

- (a) whether the Government has details of those companies which spend funds on education and health facilities earmarked under Corporate Social Responsibility (CSR);
- (b) if so, the details thereof including the number of Public Sector Undertakings (PSUs) and private companies along with the total CSR funds incurred by them on health and education activities as well as other activities during the last three years and if not, the reasons therefor;
- (c) whether the Government intends to make any such provision to institutionalize the utilization of CSR funds by PSUs/private companies, if so, the details thereof and if not, the reasons therefor;
- (d) whether the Government has received complaints regarding misuse or no expenditure of CSR funds by PSUs/private companies/institutions and if so, the details thereof along with the action taken by the Government against them; and
- (e) whether the Government is also considering to set up a Regulatory and Monitoring Authority for CSR or an empowered Committee to ensure proper utilization of funds/monitoring the activities under CSR by PSUs/ private companies, if so, the details thereof and if not, the reasons therefor?

ANSWER

THE MINISTER OF CORPORATE AFFAIRS

(SHRI PIYUSH GOYAL)

कारपोरेट कार्य मंत्री

(श्री पीयुष गोयल)

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

STATEMENT REFFERED TO IN ANSWER TO PART (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 152* FOR 27TH JULY, 2018 REGARDING CORPORATE SOCIAL RESPONSIBILITY.

- (a) & (b): Every company having networth 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 shall ensure that company spends, in every financial year, atleast 2% of the average net profits of the company made during the three immediately financial years on Corporate Social Responsibility (CSR) activities in areas or subjects specified in Schedule VII of the Companies Act, 2013 ('Act'). The details of such companies which spend funds on education and health facilities including other activities under CSR is as per Annexure.
- (c) to (e): As per section 135 of the Act, every eligible company including PSUs is required to undertake CSR activities and the Board of the company is empowered to monitor CSR activities. There is no proposal before the government for setting up a Regulatory and Monitoring Authority. As per second proviso to section 135 (5) of the Act, if the company fails to spend the prescribed amount, the Board of a company shall specify the reasons for not spending the amount and disclose the same in the Board's Report. Further, the Ministry receives various queries and complaints on compliance of CSR by companies and whenever, violation of CSR provision is reported, the Registrar of Companies initiates action against such non-compliant companies after due examination of records. For the FY 2014-15, prosecution against 254 companies were sanctioned out of which 33 companies have filed application for compounding. In addition to this, Ministry has established Centralized Scrutiny and Prosecution Mechanism in April, 2018 for the financial year 2015-16 onwards on pilot basis for enforcement of CSR provisions.

ANNEXURE REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 152* Details of CSR Expenditure on Education and Health related activities

SI. No.	Financial Years	Education/ Differently Abled/ Livelihood (Rs. In Crores)	Health/ Eradicating Hunger/ Poverty and malnutrition/ Safe drinking water / Sanitation (Rs. In Crores)
1	2014-15	3,021.47	2,382.27
2	2015-16	4,689.81	4,330.21
3	2016-17*	1,605.05	1,201.37

^{*}Filings up to 30.11.2017 have been factored

Details of CSR Expenditure PSUs and Non-PSUs

Financial Years		2014-15		2015-16		2016-17*	
SI. No.	Company Type	No. of companies reported for CSR	CSR Expenditure (in Rs. Crore)	No. of companies reported for CSR	CSR Expenditure (in Rs. Crore)	No. of companies reported for CSR	CSR Expenditure (in Rs. Crore)
1	PSUs	315	2673.85	397	4163.09	132	1325.83
2	Other Companies	14629	6890.92	18787	9664.77	6154	3393.17
	Total	14944	9564.77	19184	13827.86	6286	4719.00

^{*}Filings up to 30.11.2017 have been factored

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

^{**}Filings up to 30.11.2017 have been factored