# GOVERNMENT OF INDIA
## MINISTRY OF CORPORATE AFFAIRS

### LOK SABHA
### UNSTARRED QUESTION NO. 1371
### ANSWERED ON MONDAY THE 1st JULY, 2019
### ASHADHA 10, 1941 (SAKA)

### ASSESSMENT OF NGOs IN CSR ACTIVITIES

## QUESTION

†1371. SHRI NARANBHAI KACHHADIYA:

Will the Minister of CORPORATE AFFAIRS                                    कारपोरेट कार्य मंत्री

be pleased to state:

(a) whether the Government proposes to formulate any scheme for undertaking assessment of Non-governmental Organization (NGOs), which have been entrusted with the job of implementation of Corporate Social Responsibilties (CSR) by the companies;

(b) if so, the details thereof and the criteria for undertaking the assessment of such NGOs;

(c) whether the Government proposes to chalk out a plan to display the criteria regarding selection and rating of an NGO in the department to ensure transparency in selection; and

(d) if so, the details thereof?

## ANSWER

**THE MINISTER OF FINANCE**
**AND CORPORATE AFFAIRS**                                    **(Smt. NIRMALA SITHARAMAN)**
वित्त एवं कारपोरेट कार्य मंत्री                                                    (श्रीमती निर्मला सीतारामन)

(a) to (d): No such proposal is under consideration with Government. However, Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, prescribes the specific format of annual disclosure on CSR in their Board's Report, which includes disclosure of implementing Agency i.e. Trust/Society/Section 8 Companies.  Section 135 of Companies Act, 2013 read with Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 prescribes that the Board of the company is empowered to undertake its CSR activities either itself or through a company established under section 8 of the Act or through a registered society or a registered trust established by the company. Further, the onus lies on the Board of the company to formulate its CSR policy, to monitor and to implement its CSR activities.  Whenever, violation of CSR provisions is noticed, action against such non-compliant companies is initiated as per the provisions of the Companies Act, 2013.

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