

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

UNSTARRED QUESTION NO. 1792

Answered on the 31st July, 2023/Sravana 9, 1945 (Saka)

Funds under CSR by PSBs

1792. SHRI RAVINDRA KUSHWAHA:
SHRI SUBRAT PATHAK:
SHRI RAVI KISHAN:
SHRI KHAGEN MURMU:

Will the Minister of FINANCE be pleased to state:

- (a) whether any criteria has been fixed by the Government to spend funds under Corporate Social Responsibility (CSR) for various Public Sector Banks (PSBs) in the country including Uttar Pradesh and West Bengal;
- (b) if so, the details thereof; and
- (c) whether all PSBs are complying with the said provisions relating to CSR expenditure?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(DR. BHAGWAT KARAD)

(a) to (c): In respect of Corporate Social Responsibility (CSR) activities to be undertaken by Public Sector Banks (PSBs), Reserve Bank of India has issued guidelines for Scheduled Commercial Banks, including PSBs, on Corporate Social Responsibility, Sustainable Development and Non-Financial Reporting – Role of Banks. Accordingly, PSBs have in place comprehensive CSR policy duly approved by their respective bank Boards. However, as PSBs are not incorporated under the Companies Act, 2013, CSR policy related provisions of the Companies Act are not applicable to these banks.

The CSR spending by PSBs includes expenditure on various activities that are not attributable to specific locations and are spread across the country with multiple organisations supporting pan-India projects, such as Swachh Bharat Kosh, National Sports Development Fund, Clean Ganga Fund, PM's National Relief Fund, etc. and therefore, the exact details with regard to CSR expenditure cannot be apportioned to a specific location of the country.

The major CSR activities on which the PSBs have spent funds across the country include, *inter alia*, the following:

- (i) Rural and slum development;
- (ii) Providing safe drinking water, sanitation, etc.;

- (iii) Enabling employment enhancing vocational skills through Rural Self Employment Training Institutes, vocational centres etc.;
- (iv) Healthcare- welfare of physically/mentally challenged persons, providing ambulances and critical care medical equipment to hospitals/health-centres, etc.;
- (v) Education- granting scholarships to students, improving the infrastructure at schools, etc.
- (vi) Ensuring environmental sustainability by initiating/supporting programmes for afforestation, rainwater harvesting, protecting forest cover; and
- (vii) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.

PSBs have informed that the CSR expenditure are put up to the concerned Committee of the Board for review. Further, the expenditure, including expenditure on CSR related activities, incurred by the bank is audited by statutory auditors appointed by the banks.
