GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 3572
ANSWERED ON MONDAY THE 16TH MARCH, 2020
PHALGUNA 26, 1941 (SAKA)

CSR SPENDING ON NATIONAL HERITAGE

QUESTION

3572. SHRI CHANDRA SEKHAR SAHU:
       DR. PRITAM GOPINATHRAO MUNDE:
       SHRI SISIR KUMAR ADHIKARI:
Will the Minister of CORPORATE AFFAIRS
be pleased to state:
(a) whether the companies have spent maximum amount of Corporate Social
Responsibility (CSR) funds on the National Heritage than on local development during
the financial years 2016 to 2018;

(b) if so, whether the maximum CSR amount has been spent for construction of the
Statue of Unity in Gujarat during the said period, if so, the details thereof;

(c) whether the companies have cut their CSR spending on the National Heritage by 56
per cent during the financial year 2018-19, if so, the details thereof including the CSR
spending of various companies and the reasons for less CSR spending during each of
the last three years; and

(d) the details of the action taken by the Government against such companies?

ANSWER

THE MINISTER OF STATE FOR FINANCE
AND CORPORATE AFFAIRS
(SHRI ANURAG SINGH THAKUR)

(a) to (d): Section 135 of the Companies Act, 2013 (Act) mandates every company
having net worth 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, to spend
at least two per cent of the average net profits of the company made during the three
immediately preceding financial years, towards Corporate Social Responsibility (CSR)
in any of the eligible activities enlisted in Schedule VII of the Act. CSR is a Board
driven process and the Board of the company is empowered to plan, decide, execute

Contd....2/
and monitor the CSR activities of the company based on the recommendation of its CSR committee. The entire CSR architecture is disclosure based and CSR mandated companies are required to file details of CSR initiatives annually in MCA21 registry. The project wise details of CSR spend by the Company is not maintained separately by the Ministry. Whenever any violation of CSR provisions is reported, action against such non-compliant Companies are initiated as per provisions of Companies Act, 2013 after due examination of records and following due process of law. All data reported in the MCA21 registry by companies on CSR is available on National CSR Data Portal at www.csr.gov.in. ‘National Heritage’ falls under item no. (v) of Schedule VII of the Act which reads as “Protection of national heritage, art and culture including restoration of building and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts.” On the basis of filings made by the companies in MCA 21 registry, the details of the CSR amount spent by various companies in “Art and Culture” under item no. (v) of Schedule VII of the Act for financial years 2015-16, 2016-17 and 2017-18 are given below:

<table>
<thead>
<tr>
<th>Development Sector</th>
<th>FY 2015-16</th>
<th>FY 2016-17</th>
<th>FY 2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Art and Culture</td>
<td>119.17</td>
<td>305.57</td>
<td>283.81</td>
</tr>
<tr>
<td>(in Rs. Crores)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Data upto 30.06.2019) [Source: National CSR Data Portal]