GOVERNMENT OF INDIA MINISTRY OF CORPORATE AFFAIRS

LOK SABHA

UNSTARRED QUESTION NO. 3154 ANSWERED ON MONDAY THE 15th MARCH, 2021/ PHALGUNA 24, 1942 (SAKA)

USE OF CSR FUND

QUESTION

3154. SHRI GANESH SINGH:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

कारपोरेट कार्य मंत्री

- (a) the sailent features of Apni Dharohar Apni Pehchaan scheme;
- (b) whether national heritage and sports infrastructure falls under Schedule VII of the Companies Act, 2013 and if so, the details of Corporate Social Responsibility (CSR) funds spent on national heritage development and sports infrastructure during the last five years;
- (c) the details of expenditure incurred and unspent fund under CSR by Public Sector Enterprises and private companies during the last five financial years;
- (d) the details of new jobs created under the CSR activity during the said period; and
- (e) whether the Government has formulated any monitoring mechanism on pre and post implementation of programmes under CSR so as to ensure full expenditure of funds by companies under CSR and if so, the details thereof and if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE FOR FINANCE AND CORPORATE AFFAIRS

(SHRI ANURAG SINGH THAKUR)

वित्त एवं कारपोरेट कार्य मंत्रालय में राज्य मंत्री

(श्री अनुराग सिंह ठाकुर)

(a) : As per inputs provided by Ministry of Tourism, Government of India has launched the "Adopt a Heritage: Apni Dharohar, Apni Pehchaan" project which is a collaborative effort by the Ministry of Tourism, Ministry of Culture, Archaeological Survey of India and State/ UTs Government for developing tourism amenities at heritage/ natural/ tourist sites spread across India for making them tourist friendly, in a planned and phased manner. The project aims to encourage companies from public sector, private sector, trusts, NGOs, individuals and other stakeholders to become 'Monument Mitras' and take up the responsibility of developing and upgrading the basic and advanced tourist amenities at these sites as per their interest and viability in terms of a sustainable investment model under Corporate Social Responsibility(CSR). They would also look after the Operation & Maintenance of the same.

(b) to (e) The broad framework for CSR is provided through Section 135 of the Companies Act, 2013 ('Act'), the Companies (CSR Policy) Rules, 2014 and Schedule VII of the Act. The Schedule VII indicates the activities that can be undertaken by the companies as eligible CSR activities. Item no. (v) of Schedule VII covers "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". Similarly, item no. (vii) covers "training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports". Ministry of Corporate Affairs vide General Circular no. 21/2014 dated 18th June, 2014 clarified that items mentioned in Schedule VII are broad based and can be interpreted liberally. The CSR architecture is disclosure based and CSR mandated companies are required to file details of its CSR activities annually in MCA21 registry. On the basis of filings made by the Companies in the MCA21 registry, the CSR spent by all the companies in the areas of Art and Culture and training to promote sports is at Annexure-I. Further, the CSR spent by various public and private sector companies for the last five financial years is at Annexure-II.

Under the Act, CSR is a Board driven process and the Board of the company is empowered to plan, decide, execute and monitor CSR activities of the company based on the recommendation of its CSR Committee. The existing legal provisions such as mandatory disclosures, accountability of the CSR Committee and the Board, provisions for statutory audit of accounts of the company etc. provide sufficient safeguards for implementation of CSR by the companies. Whenever any violation of CSR provisions is reported, action against such non-compliant Companies are initiated as per provisions of the Act after due examination of records and following due process of law.

Annexure-I

ANNEXURE REFERRED TO IN REPLY TO LOK SABHA UNSTARRED QUESTION NO. 3154 FOR 15.03.2021

	FY	FY	FY	FY	FY	
Development Sector	2015-16	2016-17	2017-18	2018-19	2019-20	Grand
	Amount	Amount	Amount	Amount	Amount	Total
	Spent	Spent	Spent	Spent	Sp.ent	(INR Cr.)
	(INR Cr.)					
Art and Culture	119.17	305.57	284.06	189.89	48.08	946.77
Training to Promote	140.12	180.33	227.75	295.10	98.97	942.27
Sports	140.12	100.33	221.15	295.10	90.97	
Grand Total (INR Cr.)	259.29	485.9	511.81	484.99	147.05	1889.04

(Data upto 30.09.2020) [Source: National CSR Data Portal]

Annexure-II

ANNEXURE REFERRED TO IN REPLY TO LOK SABHA UNSTARRED QUESTION NO. 3154 FOR 15.03.2021

Nature of Company	FY 2015-16		FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20	
	Num- ber of compa nies	Amount Spent (INR Cr.)								
Public Sector Under- takings (PSUs)	533	4,214.69	550	3,295.99	535	2,704.32	609	3,835.50	14	438.29
Non- PSUs	17,759	10,302.52	18,999	11,046.05	20,915	11,185.53	24,323	14,819.32	1061	7,384.21
Grand Total	18292	14,517.21	19,549	14,342.04	21,450	13,889.85	24,932	18,654.82	1,075	7,822.50

(Data upto 30.09.2020) [Source: National CSR Data Portal]
