

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 4237
ANSWERED ON MONDAY, MARCH 22, 2021/
CHAITRA 1, 1943 (SAKA)**

STUDY ON CSR

QUESTION

4237. SHRI RAVINDRA KUSHWAHA:

**Will the Minister of CORPORATE AFFAIRS
be pleased to state:**

कारपोरेट कार्य मंत्री

- (a) whether the Government has conducted any study to assess proper implementation of Corporate Social Responsibility (CSR) of corporate houses in the country;**
- (b) if so, the details thereof;**
- (c) if not, whether the Government proposes to undertake such a study and if so, the details thereof;**
- (d) whether the Government has received any complaint regarding misuse of CSR funds/ projects by corporate houses in the country; and**
- (e) if so, the details thereof?**

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) to (c): As per input provided by the Indian Institute of Corporate Affairs (IICA), following studies have been conducted :

- (i) Formative research on Corporate Social Responsibility (CSR) implementation under Section 135 of Companies Act, 2013: Coverage and emerging issues; and**
- (ii) Study on CSR expenditure in 100 tribal and backwards districts of the country.**

(d) & (e): CSR is a Board driven process and the Board of the company is empowered to plan, decide, execute and monitor the CSR activities of the company based on the recommendation of its CSR Committee. The CSR architecture is disclosure based and CSR mandated companies are required to file details of CSR expenditure annually in MCA21 registry. 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. 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. All CSR related defaults are compoundable. So far, sanction for prosecution has been accorded in 366 cases. Of these, 148 applications for compounding have been made and 75 cases have been compounded.