

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 18
ANSWERED ON MONDAY, NOVEMBER 29, 2021/
AGRAHAYANA 8, 1943 (SAKA)**

ESTABLISHMENT OF CSP MECHANISM

QUESTION

18. SHRI PATEL HASMUKHBHAI SOMABHAI:

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

- (a) whether the Government has recently established Centralized Scrutiny and Prosecution (CSP) mechanism to monitor the CSR utilisation compliance by various companies; and**
- (b) if so, the details thereof?**

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS

[RAO INDERJIT SINGH]

(a) & (b): Ministry established Centralized Scrutiny and Prosecution Mechanism (CSPM) in April 2018 on pilot basis for examining the Corporate Social Responsibility (CSR) compliances of the companies. Subsequently, Section 135 of the Companies Act, 2013 (the 'Act') was amended vide Companies (Amendment) Act, 2019 and Companies (Amendment) Act, 2020. These amendments provided for the transfer of unspent CSR amount and made the non-compliance of CSR provisions a civil wrong w. e. f. 22nd January 2021. Further, Companies (CSR Policy) Rules, 2014 was also amended which have strengthened the CSR eco-system by bringing more objectivity, transparency, entrusting more responsibility on the board and enhancing the disclosures by the companies.
