GOVERNMENT OF INDIA MINISTRY OF CORPORATE AFFAIRS

LOK SABHA UNSTARRED QUESTION NO. 1966 ANSWERED ON MONDAY, MARCH 14, 2022/ PHALGUNA 23, 1943 (SAKA)

MONITORING MECHANISM FOR CSR MANAGEMENT

QUESTION

1966. SHRI VIJAY BAGHEL: SHRI CHANDRA PRAKASH JOSHI: SHRI SANGAM LAL GUPTA: SHRI SUNIL KUMAR SONI: SHRI ARUN SAO: SHRI MOHANBHAI KALYANJI KUNDARIYA: SHRI BRIJBHUSHAN SHARAN SINGH: SHRI PRATAP CHANDRA SARANGI: SHRI RAJESHBHAI CHUDASAMA:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether there is any monitoring mechanism for Corporate Social Responsibility (CSR) management for social welfare across the country and if so, the details thereof and if not, the reasons therefor;

(b) whether there is any provision to establish common CSR activities management group/committee and if so, the details thereof;

(c) the details of the list of activities and amount under CSR spent by various Corporates and PSUs during each of the last three years in the country, State-wise including Odisha and Uttar Pradesh; and

(d) the details of the impact and outcome of such activities for the benefit of the people?

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) to (c): The broad framework for Corporate Social Responsibility (CSR) has been provided under Section 135 of the Companies Act, 2013 ('Act'), Schedule VII of the Act and Companies (CSR Policy) Rules, 2014. 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 based on the recommendations of its CSR Committee. The CSR framework is disclosure based and CSR mandated companies are required to file details of CSR activities annually in the MCA21 registry. The corporate governance framework along with 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 safeguards in this regard. Whenever any violation of CSR provisions is reported, action against such non-compliant Companies is initiated as per provisions of the Act after due examination of records and following due process of law. Now, the non-compliance of CSR provisions has been converted as a civil wrong w. e. f. 22nd January, 2021.

All data related to CSR filed by companies in MCA21 registry is available in public domain at <u>www.csr.gov.in</u>. On the basis of the filings made by the companies in the MCA 21 registry, details of CSR funds spent by all the companies including Public Sector Undertakings (PSUs), in different States/Union Territories(UTs) (including Odisha and Uttar Pradesh) for the financial years 2018-19, 2019-20 and 2020-21 is at Annexure.

Regarding CSR data for financial year 2020-21, it is informed that the companies are required to hold Annual General Meeting (AGM) within six months from the end of financial year. Thereafter, financial statements and board reports containing disclosures about CSR, are to be filed in MCA21 within 30 days of the AGM. In view of the disruption caused by COVID-19 pandemic, Registrars of Companies have accorded extension of time till 30th November, 2021 for conduct of AGMs by companies. The Ministry vide General Circular No. 01/2022 dated 14.02.2022 has relaxed the levy of additional fees till 15.03.2022 for filing of financial statement in respect of the financial year 2020-21.

(d): The philosophy of CSR is to engage corporates as partners in the socio-economic development of the country by leveraging their managerial efficiency, best practices, technology and innovation in the delivery of public good and services. Since the enactment of CSR provision w.e.f. April 2014, companies are responding positively and have shown encouraging signs in adopting the culture of being responsible towards society. This is manifested through the increase in CSR spent by the companies during the period 2014-15 to 2020-21. During this period, companies have spent around Rs.1.22 lakh crores in different activities such as health, education, poverty eradication, hunger, women empowerment, welfare of armed forces veterans, environment, sports, rural development, slum development, welfare of weaker sections, disaster management, research and development in the field of science, technology, engineering and medicine etc.

ANNEXURE REFERRED TO IN REPLY TO LOK SABHA UNSTARRED QUESTION NO. 1966 FOR 14.03.2022

States/UT-wise	COD	Evnanditura	/im		1
States/UI-wise	COR	Expenditure	un	RS. UL	

	otates/01-wi	se CSR Expenditure		
S.No.	States/UTs	FY 2018-19	FY 2019-20	FY 2020-21
1	Andaman And Nicobar	0.82	1.29	2.26
2	Andhra Pradesh	668.72	720.62	588.67
3	Arunachal Pradesh	24.56	18.02	6.42
4	Assam	210.22	288.49	160.78
5	Bihar	140.14	144.16	56.29
6	Chandigarh	11.95	15.72	7.20
7	Chhattisgarh	150.30	261.61	283.14
8	Dadra And Nagar Haveli	13.48	19.12	7.02
9	Daman And Diu	6.25	9.69	3.13
10	Delhi	815.20	936.04	839.65
11	Goa	49.46	48.53	32.53
12	Gujarat	1,091.79	995.60	1,168.19
13	Haryana	381.41	528.81	398.45
14	Himachal Pradesh	81.25	82.10	98.59
15	Jammu And Kashmir	36.55	25.54	33.82
16	Jharkhand	112.35	156.52	188.35
17	Karnataka	1,280.24	1,483.54	966.62
18	Kerala	444.12	305.04	321.10
19	Lakshadweep	0.39	1.00	-
20	Madhya Pradesh	255.84	216.48	273.88
21	Maharashtra	3,206.84	3,426.79	2,646.46
22	Manipur	7.81	14.21	6.28
23	Meghalaya	18.12	19.74	8.71
24	Mizoram	0.11	0.25	0.49
25	Nagaland	2.14	5.10	2.98
26	Odisha	690.77	752.43	495.72
27	Puducherry	9.15	11.40	10.44
28	Punjab	167.86	192.05	95.16
29	Rajasthan	603.84	735.05	454.08
30	Sikkim	5.87	12.72	13.85
31	Tamil Nadu	900.36	1,110.15	749.03
32	Telangana	440.07	451.92	343.38
33	Tripura	23.06	9.40	8.20
34	Uttar Pradesh	524.46	584.59	680.24
35	Uttarakhand	178.19	128.64	113.10
36	West Bengal	386.69	454.87	316.98
37	NEC/ Not mentioned *	4.74	31.66	176.71
38	PAN India **	7,218.07	10,664.97	8,802.30
	Grand Total (in Cr.)	20,163.18	24,863.84	20,360.25***

(Data upto 31.12.2021) [Source: National CSR Data Portal]

*Companies did not specify the names of States where projects were undertaken.

** Companies indicated more than one State where projects were undertaken.

*** Data for FY 2020-21 is subject to change as the levy of additional fees for the late filing has been relaxed till 15.03.2022.