

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 2769
ANSWERED ON MONDAY, MARCH 21, 2022/
PHALGUNA 30, 1943 (SAKA)**

**STRENGTHENING OF CSR ECOSYSTEM
QUESTION**

**2769. SHRI VIJAY BAGHEL:
SHRI E.T. MOHAMMED BASHEER:
SHRI ARUN SAO:**

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

- (a) the present Corporate Social Responsibility (CSR) policy approved by the Government for Public Sector Undertakings (PSUs);**
- (b) whether the Government has taken any steps to strengthen the CSR ecosystem for improving disclosure and simplifying the CSR compliances by various companies including PSUs; and**
- (c) if so, the details thereof and plan of action in this regard?**

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): 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. These are applicable to all companies including Public Sector Undertakings (PSUs) 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.

Further, as per the inputs provided by Department of Public Enterprises (DPE), it has been issuing guidelines from the financial year 2018-19 to all administrative Ministries and Central Public Sector Enterprises (CPSEs) for adopting a theme-based focussed approach every year on CSR expenditure by the CPSEs. These instructions, inter-alia, provide that CSR expenditure for such thematic programmes should be around 60% of annual CSR expenditure of CPSEs and the aspirational districts as identified by National Institution for Transforming India (NITI) Aayog may be given preference in CSR expenditure.

(b) & (c): Under the Act, 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 framework is disclosure based and CSR mandated companies are required to file details of CSR activities annually in MCA21 registry. All data related to CSR filed by companies in MCA21 registry, including company-wise and PSUs is available in public domain at www.csr.gov.in. Section 135 of 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.
