## GOVERNMENT OF INDIA MINISTRY OF CORPORATE AFFAIRS

# LOK SABHA UNSTARRED QUESTION NO. 740 ANSWERED ON MONDAY, FEBRUARY 7, 2022/ MAGHA 18, 1943 (SAKA)

#### **CSR SPENT IN TAMIL NADU**

#### **QUESTION**

### 740. DR. KALANIDHI VEERASWAMY:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) the details of the number of companies public/ private that come under the ambit of CSR within Tamil Nadu;
- (b) the details of the amount spent by these companies under CSR activity within North Chennai of Tamil Nadu during the last ten years;
- (c) whether any guidelines regarding utilisation of CSR funds for the development of local areas as part of social responsibility have been made by the Government;
- (d) if so, the details thereof;
- (e) whether any case of using CSR funds into other States instead of using it in their local areas have come to the knowledge of the Government; and
- (f) if so, the details thereof along with the action taken by the Government 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) & (b): 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 which came into effect from 01.04.2014. The CSR framework is disclosure based and CSR mandated companies are required to file details of CSR activities annually in the MCA21 registry. On the basis of the filings made by the companies in the MCA 21 registry, the number of companies public/ private that comes under the ambit of CSR within Tamil Nadu are given below:

Financial Year	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
No. of Companies	1599	1719	1821	1978	2376	2082	178

(Data upto 30.09.2021) [Source: National CSR Data Portal]

The CSR spent by the public/private companies in Tamil Nadu (including North Chennai) during the financial years 2014-15 to 2020-21 are given below:

Financial Year	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
CSR Spent (in Cr.)	50.85	142.86	117.74	96.00	140.83	249.41	34.95

(Data upto 30.09.2021) [Source: National CSR Data Portal]

All data related to CSR filed by companies in MCA21 registry is available in public domain at <a href="www.csr.gov.in">www.csr.gov.in</a>. Regarding CSR data for the 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 report containing disclosure 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 had accorded extension of time till 30th November, 2021 for conduct of AGMs by companies. The Ministry vide General Circular No. 22/2021 dated 29.12.2021 has relaxed the levy of additional fees till 15.02.2022 for filing of financial statement in respect of the financial year 2020-21.

(c) to (f): Section 135 (5) of the Act provides that the company shall give preference to the local area and areas around it where it operates. However, the emphasis on local area is only directory and not mandatory in nature and companies need to balance local area preference with national priorities. The same has also been clarified through Frequently Asked Questions (FAQs) on CSR issued vide General Circular no. 14/2021 dated 25.08.2021. 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 Government does not issue any specific direction to the companies to spend in any particular geographical area or activity.

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