GOVERNMENT OF INDIA MINISTRY OF CORPORATE AFFAIRS

LOK SABHA UNSTARRED QUESTION NO. 1268 ANSWERED ON MONDAY, JULY 25, 2022/ SRAVANA 03, 1944 (SAKA)

USE OF CSR FUNDS IN KARNAL OF HARYANA

QUESTION

1268. SHRI SANJAY BHATIA:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) the total number of industrial units/companies being covered presently under the provisions of Corporate Social Responsibility (CSR) in the Parliamentary Constituency of Karnal;
- (b) the number of companies covered under the provisions of CSR in the said Constituency which have not utilized any CSR fund during the current financial year; and
- (c) the details of the companies carrying out their duties towards their social responsibility through Non-Governmental Organisations?

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. Section 135 of the Act mandates every company 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, to spend at least two per cent of the average net profits of the company made over immediately preceding three financial years towards CSR as per the CSR Policy of the Company. The CSR framework is disclosure based and CSR mandated companies are required to file details of CSR activities annually in the MCA21 registry. All data related to CSR filed by companies in MCA21 registry are available in public domain and can be accessed at www.csr.gov.in. The Constituency-wise CSR data is not maintained by the Ministry. On the basis of annual filings made by the companies in the MCA21 registry, the total number of companies in the State of Haryana that are covered under the provisions of CSR in financial year 2020-21 was 651. Further, companies are required to file the CSR data for the financial year 2021-22 on or before 31.03.2023. Moreover, filings for financial year 2022-23 are required to be made only after the end of current financial year.
- (c): In the CSR Legal framework, the word 'Non-governmental Organisations (NGOs)' has nowhere been defined. However, Section 135 of the Act read with Rule 4 of the Companies (CSR Policy) Rules, 2014 prescribes that the Board of the company is empowered to undertake its CSR activities either by itself or through Implementing Agencies as mentioned in the said rule. An analysis of CSR filings made by the companies reveals that of the total annual CSR spent, approximately 60% of the CSR expenditure has been done through engaging implementing agencies.
