

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 197
ANSWERED ON MONDAY, NOVEMBER 25, 2024/ 4 AGRAHAYANA, 1946
(SAKA)**

UTILISATION OF CSR FUNDS

QUESTION

197. SHRI Y S AVINASH REDDY:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) the details of the funds utilised and unutilised along with the major activities/ programmes undertaken by various public sector and private sector companies under Corporate Social Responsibility (CSR) during the last three years in the country, State/UT-wise including Andhra Pradesh;**
- (b) whether some companies utilise CSR funds for their employees, transport facilities, beautification of the area, providing better facilities in schools and hospitals and maintaining public relations;**
- (c) if so, the details thereof; and**
- (d) the steps taken/proposed to be taken by the Government to ensure proper utilisation of CSR funds as per rules?**

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

[SHRI HARSH MALHOTRA]

(a) : On the basis of annual filings made by Companies in the MCA21 registry, sector-wise & state-wise Corporate Social Responsibility (CSR) spent by all public as well as private sector companies during the last three financial years (FY) i.e 2020-21, 2021-22 & 2022-23 is attached as Annexure-I & Annexure-II respectively. Further, w.r.t unutilised CSR obligation the Ministry has notified the Companies (Auditor's Report) Order, 2020, ("CARO, 2020") applicable from FY 2021-22 which requires auditors to state details of any unspent CSR amount.

(b) & (c): Rule 2 (1) (d) (iv) of the Companies (CSR Policy) Rules, 2014 prescribes that CSR projects/ programmes/ activities that benefit only the employees of a company shall not be considered as CSR activities. The legal framework for CSR has been provided under Section 135 of the Companies Act, 2013 ('Act'), Schedule VII of the Act and Companies (CSR Policy) Rules, 2014. Schedule VII of Companies Act, 2013 (Act) enlists areas or activities that may be undertaken by a company as CSR.

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(d) : Every eligible company has to constitute a CSR Committee comprising three or more directors. The Committee shall formulate and recommend the CSR policy which indicates the activities to be undertaken by the company in area or subject specified in Schedule VII. The Board of the company plans, decides, executes and monitors the CSR activities of the company based on the recommendation of its CSR Committee. The Board of the company is also required to disclose the CSR Policy implemented by the company in its Board report. Under Rule 4(5) of the Companies (CSR Policy) Rules, 2014, the Board of the company has to satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it, and the Chief Financial Officer or the person responsible for financial management shall certify to the effect. The details of CSR activities, Impact Assessment etc. are required to be reported by all the companies in the 'Annual Report on CSR' including annual action plan on CSR which is part of the Company's Board Report. The Board's Report including Annual Report on CSR is an important tool of communication by the Board of a company to its shareholders. Further, those companies who have their websites are required to make disclosures such as composition of CSR Committee, CSR Policy and CSR projects approved by Board on their website for public access and transparency.

Thus, 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 adequate safeguards for CSR activities implemented by the companies. The CSR framework is disclosure based and expenditure on CSR activities is required to be audited by the statutory auditors of the company. The CSR related disclosures are filed by the companies in the MCA 21 portal. Whenever 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.

Annexure-I**ANNEXURE REFERED TO IN REPLY OF LOK SABHA UNSTARRED QUESTION NO. 197 FOR
25.11.2024**

Sector-wise CSR expenditure from 2020-21 to 2022-23				
(Amount in Rs. in crores)				
S. No.	Development Sector	FY 2020-21	FY 2021-22	FY 2022-23
1	Agro forestry	20.90	34.27	65.07
2	Animal welfare	193.55	168.79	315.98
3	Armed Forces, Veterans, War Widows/ Dependants	84.05	47.22	62.27
4	Art And Culture	493.13	248.34	441.02
5	Conservation of natural resources	92.00	273.82	580.37
6	Education	6,693.25	6,569.82	10,085.78
7	Environmental Sustainability	1,030.16	2,433.24	1,960.13
8	Gender Equality	43.83	104.67	119.83
9	Health Care	7,325.83	7,816.29	6,830.60
10	Livelihood Enhancement Projects	938.91	854.78	1,654.39
11	Other Central Government Funds	3,491.30	1,620.09	1,091.86
12	Poverty, Eradicating Hunger, Malnutrition	1,407.58	1,896.95	1,232.62
13	Rural development projects	1,850.71	1,833.76	2,005.37
14	Safe drinking water	203.13	182.68	246.36
15	Sanitation	338.97	313.26	429.91
16	Senior citizens welfare	56.47	79.58	132.87
17	Setting up homes and hostels for women	44.52	100.92	48.53
18	Setting up orphanage	21.88	27.52	41.24
19	Slum area development	88.95	58.38	93.84
20	Socio-economic inequalities	149.81	164.90	154.01
21	Special education	209.24	190.52	305.67
22	Technology incubators	62.62	8.57	1.38
23	Training To Promote Sports	243.39	291.85	526.14
24	Vocational skills	717.65	1,034.18	1,164.19
25	Women Empowerment	206.00	261.34	396.99
26	NEC (Not Elsewhere Covered)/Not Mentioned *	203.14	0.59	1.50
	Total	26,210.95	26,616.30	29,987.92

(Data upto 31.03.2024) (Source: Corporate Data Management Cell)

* Companies either did not specify the names of sector or indicated more than one Sector where projects were undertaken.

Annexure-II**ANNEXURE REFERED TO IN REPLY OF LOK SABHA UNSTARRED QUESTION NO. 197 FOR
25.11.2024**

state-wise CSR expenditure from 2020-21 to 2022-23				
(Amount in Rs. in crores)				
S. No.	State/UT	FY 2020-21	FY 2021-22	FY 2022-23
1	Andaman And Nicobar	2.86	9.71	2.53
2	Andhra Pradesh	719.81	656.79	954.65
3	Arunachal Pradesh	10.58	119.42	13.35
4	Assam	180.23	406.17	470.25
5	Bihar	89.89	165.97	235.37
6	Chandigarh	13.40	50.88	18.63
7	Chhattisgarh	325.63	305.29	596.11
8	Dadra And Nagar Haveli	21.98	14.11	13.71
9	Daman And Diu	5.25	4.13	9.40
10	Delhi	724.59	1,196.34	1,483.91
11	Goa	41.92	45.43	58.16
12	Gujarat	1,461.60	1,604.26	2,008.42
13	Haryana	550.86	683.95	701.07
14	Himachal Pradesh	106.31	140.22	138.63
15	Jammu and Kashmir	35.56	50.68	71.22
16	Jharkhand	226.54	193.33	388.35
17	Karnataka	1,277.81	1,839.73	1,985.82
18	Kerala	290.67	239.73	351.60
19	Lakshadweep	0.01	0.45	0.02
20	Leh & Ladakh	-	14.84	11.72
21	Madhya Pradesh	375.51	427.68	656.42
22	Maharashtra	3,464.81	5,380.41	5,497.32
23	Manipur	10.39	15.62	53.45
24	Meghalaya	17.63	19.63	21.73
25	Mizoram	0.97	6.94	10.99
26	Nagaland	3.57	12.46	13.57
27	Odisha	578.16	670.32	987.70
28	Puducherry	12.43	9.31	12.55
29	Punjab	158.46	184.89	247.57
30	Rajasthan	670.00	711.82	1,102.37
31	Sikkim	17.28	28.24	36.18
32	Tamil Nadu	1,174.07	1,432.06	1,562.48
33	Telangana	627.71	685.87	1,007.54
34	Tripura	9.29	15.91	19.26
35	Uttar Pradesh	907.32	1,339.18	1,152.57
36	Uttarakhand	160.58	228.08	301.11
37	West Bengal	471.48	567.21	762.29
38	PAN India *	7,805.03	5,525.16	6,060.98
39	PAN India (Other Centralized Funds)	3,491.30	1,613.57	948.81
40	NEC (Not Elsewhere Covered)/Not Mentioned *	169.47	0.52	20.12
	Total	26,210.95	26,616.30	29,987.92

(Data upto 31.03.2024) (Source: Corporate Data Management Cell)

* Companies either did not specify the names of state or indicated more than one state where projects were undertaken.
