LOK SABHA
UNSTARRED QUESTION NO. 2258
MONDAY, DECEMBER 9, 2024/AGRAHAYANA 18, 1946 (SAKA)

TRANSPARENCY AND ACCURACY IN CSR FIGURES

QUESTION

2258. **Smt. Aparajita Sarangi:**
      Dr. Shivaji Bandappa Kalge:
      Shri Shankar Lalwani:

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

(a) the measures taken by the Government to promote greater transparency and accuracy in CSR figures;

(b) whether there exists any schemes to facilitate CSR;

(c) if so, the salient features of the schemes along with its present status;

(d) the details of the achievements made under the scheme so far; and

(e) the details of the CSR fund allocated to Health and Education sector by various PSUs like REC, PFC, NTPC, NHPC to Maharashtra State/district-wise?

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): The legal 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.

Under the Act, every CSR mandated company has to constitute a CSR Committee. The Committee shall formulate and recommend the CSR policy and the Board of the company plans, decides, executes and monitors the CSR activities of the company based on its recommendations.

The Board of the company is required to disclose the CSR Policy implemented by the company in its Board report and 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. Further, in case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period. The details of CSR activities, Impact Assessment etc. are required to be reported by the companies in the 'Annual Report on CSR' including annual action plan on CSR which is part of the Company's Board Report. 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. The CSR framework is disclosure based and expenditure on CSR activities is required to be audited by the statutory auditors of the company. 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. The Government does not issue any direction on which activity or area Company shall spend. The companies are required to disclose the contents of its CSR Policy in its report and place it on the company's website.

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. 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.

(b), (c) and (d): There is no such scheme to facilitate CSR.

(e): There is no provision of allocation of CSR funds under the Companies Act, 2013. On the basis of annual filing, district wise CSR expenditure by PSUs on Health and Education Sector in Maharashtra from financial years 2020-21 to 2022-23 is attached at Annexure-I

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ANNEXURE REFERED TO IN REPLY OF LOK SABHA UNSTARRED QUESTION NO. 2258 FOR 09.12.2024

S.No.	District	FY 2020-21	FY 2021-22	FY 2022-23
	District wise CSR expenditure by PSUs on Health & Education Sector in Maharashtra from FY 2020-21 to 2022-23(Amount in Rs. Cr.)			
1.	Ahilyanagar (Ahmednagar)	0.08	0.09	-
2.	Akola	0.16	0.34	-
3.	Amravati	-	-	0.59
4.	Chhatrapati Sambhajinagar (Aurangabad)	-	0.30	0.40
5.	Beed	-	0.56	0.10
6.	Bhandara	0.10	1.07	1.61
7.	Buldhana	0.00	2.04	1.96
8.	Chandrapur	1.14	0.27	0.11
9.	Dharashiv (Osmanabad)	0.46	0.47	0.04
10.	Dhule		0.05	-
11.	Gadchiroli	4.05	11.90	-
12.	Gondia	-	-	-
13.	Hingoli	-	-	-
14.	Jalna	-	1.81	1.33
15.	Kolhapur	0.17	0.10	0.30
16.	Latur	-	0.02	-
17.	Mumbai City	4.15	146.00	161.12
18.	Mumbai Suburban	0.45	-	0.49
19.	Nagpur	0.41	60.91	16.17
20.	Nanded	0.20	-	0.01
21.	Nandurbar	5.34	2.28	1.57
22.	Nashik	4.70	4.37	8.91
23.	Palghar	0.28	0.04	-
24.	Pune	1.23	5.94	2.22
25.	Raigad	12.18	4.60	14.49
26.	Ratnagiri	0.27	0.03	0.40
27.	Sangli	-	0.10	0.21
28.	Satara	0.00	0.09	0.35
29.	Sindhudurg	-	0.55	1.26
30.	Solapur	-	-	0.45
31.	Thane	1.17	16.10	1.87
32.	Wardha	-	2.13	-
33.	Washim	-	0.97	0.52
34.	Yavatmal	-	0.03	0.72
35.	NEC/Not Mentioned*	144.14	12.86	8.59
	Total	180.68	276.04	225.77

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

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

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