

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 2398
ANSWERED ON Monday, December 15, 2025/Agrahayana 24, 1947 (Saka)**

Unspent CSR funds by the Companies

QUESTION

2398. Shri Richard Vanlalhmangaiha:

Shri Kuldeep Indora:

Shri

Tapir

Gao:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) the total CSR expenditure in the country so far during FY 2024-25 and the percentage of unspent CSR funds;**
- (b) whether the Government has taken action against the 500+ companies that have repeatedly failed to spend mandatory CSR funds in the last three years, if so, the number of companies penalised and the total amount recovered;**
- (c) the proposed timeline for constituting an independent National CSR Audit and Monitoring Authority or a Joint Parliamentary Committee to examine complaints of CSR misuse or irregularities;**
- (d) whether there is any proposal to allocate CSR funds directly to Members of Parliament similar to MPLADS, if so, the details thereof; and**
- (e) if not, the details of guidelines issued to ensure priority for projects recommended by MPs under CSR contributions of Section-8 companies and PSUs under Companies Act, 2013?**

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 disclosures related to CSR expenditure are reported in the CSR Annual Report to be filed with their annual filing of returns. Vide General Circular No. 06/2025 dated 17.10.2025, Ministry of Corporate Affairs has allowed all companies to complete their annual filings pertaining to FY 2024-25 till 31st December, 2025. Therefore, companies have time to file the details related to their CSR expenditure pertaining to financial year 2024-25 upto 31st December, 2025.

(b): 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. In the last three Financial Years (FY) i.e 2022-23, 2023-24 and 2024-25, the details of companies who have been penalized and penalty amount imposed on them are at Annexure.

(c): No such proposal is under consideration, however, as per the provisions of the Companies Act, 2013, 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

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financial management shall certify to the effect. 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. Thus, the existing framework provides adequate mechanisms to ensure compliance, monitoring, transparency and accountability.

(d) & (e): No, Sir. 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 based on the recommendations of its CSR Committee. The Government does not issue any directions to Corporates to spend in any particular area or activity.

**Annexure referred para (b) to in reply to Lok Sabha Un-Starred Question no. 2398 for
15.12.2025.**

Sr. No.	Financial Year (FY)	No. of Companies penalised	Penalty imposed (Rs. in cr.)
1.	2022-23	06	2.97
2.	2023-24	11	3.32
3.	2024-25	13	13.65
Total		30	19.94
