

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 3227
ANSWERED ON FRIDAY THE 5th AUGUST, 2016 /
SHRAVANA 14, 1938 (SAKA)**

TRAINING INSTITUTIONS

QUESTION

3227. SHRI B.V. NAIK:

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

कारपोरेट कार्य मंत्री

- (a) whether the current rules of the Corporate Social Responsibility (CSR) allow companies to set up professional and training institutions;**
- (b) if so, whether it is also a fact that contrary to above provisions, under the instant rules the industry specific companies cannot set up their domain specific technology institutions on a presumption that the passed out students may join the company;**
- (c) whether the Government has issued any clarification in this regard; and**
- (d) if so, the details thereof and if not, the reasons therefor?**

ANSWER

**THE MINISTER OF STATE IN THE
MINISTRY OF CORPORATE AFFAIRS**

(SHRI ARJUN RAM MEGHWAL)

कारपोरेट कार्य मंत्रालय में राज्य मंत्री

(श्री अर्जुन राम मेघवाल)

(a) to (d): Schedule VII of the Companies Act, 2013 specifies the activities that can be undertaken by the companies under their CSR Policies. Under liberal interpretation of Schedule VII, as clarified in the General Circular dated 18.06.2014 issued by the Ministry of Corporate Affairs (available on the Ministry's website www.mca.gov.in), setting up of professional and training institutes by companies can be considered as CSR activities under the Act, provided all provisions of the Act and Rules made thereof are complied with.

Section 135 of the Act, the Rules made thereof, and Schedule VII read with General Circulars dated 18th June, 2014 and 12th January, 2016 issued by the Ministry of Corporate Affairs, provide the broad contour within which the Boards of the eligible companies are empowered to formulate their CSR policies including the projects / activities to be undertaken.
