GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 1349
ANSWERED ON MONDAY, JULY 27, 2026/SHRAVANA 5, 1948 (SAKA)

UTILISATION OF CSR FUNDS IN UTTAR PRADESH
QUESTION

†1349. Shri Neeraj Maurya:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the Government is aware that companies are required to spend their Corporate Social Responsibility (CSR) funds in the local areas under Section 135(5) of the Companies Act, 2013 but units like Indian Farmers Fertiliser Cooperative Limited (IFFCO) located in Aonla in Uttar Pradesh violate this provision by utilising the CSR funds outside the local area, if so, the details thereof;

(b) the details of the total funds allocated and the actual expenditure incurred on local healthcare, education, and environmental initiatives by the major corporate units operating in the districts of Bareilly, Budaun and Shahjahanpur in Uttar Pradesh during the last three years, unit wise;

(c) whether the Government proposes to ensure punitive action and special compliance audit against companies found not spending funds in accordance with the prescribed rules in the districts of Bareilly, Budaun and Shahjahanpur, if so, the details thereof; and

(d) whether the Government proposes to direct such companies to set up multidisciplinary skill development centres for local youth through the CSR funds within a specified time-limit and if so, the details thereof?

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): Under the Companies Act 2013, CSR is a Board driven process and the Board of the company is empowered to plan, decide, execute and monitor CSR activities of the company based on the recommendation of its CSR Committee. This Committee formulates and recommends the CSR policy, which outlines the activities to be undertaken by the company in alignment with the areas or subjects specified in Schedule VII of the Act.

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The first proviso to Section 135 (5) of the Act provides that the company shall give preference to the local area and areas around it where it operates. However, the emphasis on local area is only directory and not mandatory in nature. The Government does not issue any direction to the companies to spend in any particular geographical area or for any particular activity.

(b): There is no provision of allocation of funds in CSR legal framework. Based on the annual filings made by companies in the MCA21 registry, Development sector-wise CSR expenditure in the districts of Bareilly, Budaun and Shahjahanpur of Uttar Pradesh for the last three Financial Years (FYs) i.e 2022-23 to 2024-25 is attached at Annexure-I, II and III respectively.

(c): The CSR Policy implemented by the company has to be disclosed by the company in its Board report and the Board 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, 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. 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.

(d): There is no such proposal.

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Annexure-I

Refer to part (b) of Lok Sabha Unstarred Question no. 1349 for 27.07.2026 Development sector-wise CSR expenditure in Bareilly, Uttar Pradesh from FY 2022-23 to FY 2024-25

(Amount in Rupees Crore)

S.No.	Development Sector	FY 2022-23	FY 2023-24	FY 2024-25
1.	Animal Welfare	0.03	0.15	0.10
2.	Armed Forces, Veterans, War Widows/ Dependants	-	0.05	-
3.	Art And Culture	-	0.00	0.01
4.	Conservation of natural resources	-	-	0.01
5.	Education	3.17	4.41	3.96
6.	Environmental Sustainability	0.37	0.85	0.65
7.	Health Care	0.97	4.77	12.08
8.	Livelihood Enhancement Projects	0.14	1.27	0.19
9.	Poverty, Eradicating Hunger, Malnutrition	0.88	0.62	0.81
10.	Rural Development Projects	-	0.08	0.18
11.	Safe Drinking Water	-	0.10	-
12.	Sanitation	-	-	0.01
13.	Senior Citizens Welfare	0.26	-	-
14.	Special Education	-	-	0.03
15.	Training To Promote Sports	0.05	0.05	1.16
16.	Vocational Skills	-	-	0.28
17.	Women Empowerment	0.09	-	0.06
Total		5.96	12.35	19.52

(Updated Data upto 31.03.2026) (Source: Corporate Data Management Cell)

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Annexure-II

Refer to part (b) of Lok Sabha Unstarred Question no. 1349 for 27.07.2026 Development sector-wise CSR expenditure in Budaun, Uttar Pradesh from FY 2022-23 to FY 2024-25

(Amount in Rupees Crore)

S.No.	Development Sector	FY 2022-23	FY 2023-24	FY 2024-25
1.	Agro forestry	0.30	0.40	-
2.	Animal Welfare	0.37	0.43	-
3.	Education	0.27	0.32	0.13
4.	Environmental Sustainability	0.05	-	0.76
5.	Gender Equality	-	0.28	-
6.	Health Care	0.89	0.84	0.46
7.	Rural Development Projects	0.24	0.35	-
8.	Training To Promote Sports	-	-	-
9.	Vocational Skills	0.46	0.81	0.39
10.	Women Empowerment	0.31	-	-
	Total	2.88	3.43	1.74

(Updated Data upto 31.03.2026) (Source: Corporate Data Management Cell)

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Annexure-III

Refer to part (b) of Lok Sabha Unstarred Question no. 1349 for 27.07.2026 Development sector-wise CSR expenditure in Shahjahanpur, Uttar Pradesh from FY 2022-23 to FY 2024-25

(Amount in Rupees Crore)

S.No.	Development Sector	FY 2022-23	FY 2023-24	FY 2024-25
1.	Art And Culture	-	-	0.02
2.	Conservation of natural resources	-	0.06	0.40
3.	Education	1.76	5.67	0.80
4.	Environmental Sustainability	0.04		0.59
5.	Health Care	1.32	2.60	4.77
6.	Livelihood Enhancement Projects	-	0.10	0.52
7.	Poverty, Eradicating Hunger, Malnutrition	0.05	-	0.25
8.	Rural Development Projects	2.23	3.51	2.06
9.	Safe Drinking Water	0.11	0.25	-
10.	Sanitation	-	0.03	0.04
11.	Socio-economic equalities	-	-	0.45
12.	Special Education	0.01	-	-
13.	Vocational Skills	0.10	-	0.27
Total		5.63	12.23	10.16

(Updated Data upto 31.03.2026) (Source: Corporate Data Management Cell)

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