

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 999
ANSWERED ON TUESDAY, THE 3rd MAY, 2016**

ALLOTMENT OF FUNDS UNDER CSR

QUESTION

999. SHRI SHANTARAM NAIK:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether the Government has laid down any guidelines for allotment of funds under Social Responsibility Scheme for corporate/companies;
- (b) the essential features of the scheme and the guidelines laid down; and
- (c) amount disbursed by various companies in the last one year and details thereof?

ANSWER

THE MINISTER OF CORPORATE AFFAIRS

(SHRI ARUN JAITLEY)

(a) & (b): There is no Social Responsibility Scheme. There is a provision of Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013. Schedule VII of the Act enlists the activities, which can be undertaken by the companies under their CSR policies; and Companies (Corporate Social Responsibility Policy) Rules, 2014 provide the manner in which eligible companies can comply with CSR provision of the Act. Section 135, Schedule VII, and Companies (CSR Policy) Rules, 2014 were notified on 27th February, 2014 and came into force from 1st April, 2014. Details of these provisions are available in the public domain on the Ministry's website (<http://www.mca.gov.in>). Essential features of the CSR provision, inter alia, are as follows:

- companies above the specified threshold of turnover or net worth or net profit are required to spend at least two per cent of their average net profits earned during three immediately preceding financial years on CSR activities;
- each such company is required to constitute a CSR committee of the Board;
- the Board of each such company is required to have the company's CSR policy formulated and monitor its implementation;
- Board of such company shall ensure that at least 2% of the average net profit of preceding three financial years is spent on CSR;

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- the Board's report shall include an annual report on CSR containing particulars specified in prescribed format;
- the Board's report shall specify the reasons for not spending the specified amount, if the company fails to spend such amount;

(c): CSR expenditure of 460 listed companies, which have placed annual returns on CSR on their websites is estimated at Rs. 6337 crores during the year 2014-15, as per details placed below:

CSR expenditure during 2014-15 (in Rs. Crore)

Sl. No	Company Type	No. of Companies	Amount Spent	Mandated CSR Expenditure
1	PSUs	51	2386.60	3359.84
2	Private Sector Companies	409	3950.76	4987.63
	Total	460	6337.36	8347.47
