

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA  
UNSTARRED QUESTION NO. 1255  
ANSWERED ON MONDAY, THE 19<sup>th</sup> AUGUST, 2013**

**TRANSPARENCY IN CSR INITIATIVES**

**QUESTION**

1255. SHRI PIYUSH GOYAL:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) Whether Government proposes to bring in transparency in Corporate Social Responsibility (CSR) initiatives undertaken by the companies and if so, the details thereof;
- (b) Whether the money donated by corporates to eligible NGOs could be treated as their CSR initiatives and if so, the guidelines or rules thereof;
- (c) Whether Government proposes to constitute a Board to regulate the utilization of funds under CSR and if so, the details thereof; and
- (d) Whether Government also proposes to mandate companies to publicize utilization of funds under CSR and, if so, the details thereof?

**ANSWER**

THE MINISTER OF STATE  
(INDEPENDENT CHARGE)  
IN THE MINISTRY OF CORPORATE AFFAIRS

(SHRI SACHIN PILOT)

(a) to (d) The Companies Bill, 2013 as passed by the Parliament has a provision in Clause 135 that every company having net worth of Rs. 500 crores or more, or turnover of Rs. 1000 crores or more or net profit of rupees five crores or more during any financial year, shall constitute a CSR Committee to recommend its activities for discharging CSR in such a manner that the company would spend at least 2 per cent of its average net profits of the previous three year on CSR activities. The companies will have latitude in designing project based CSR interventions within the framework of Schedule VII of the Bill and the CSR policy of the company.

Draft rules including reporting requirements under the Bill will be prepared in consultation with all stakeholders.

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