

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 4750
ANSWERED ON FRIDAY THE 23rd MARCH, 2018
CHAITRA 2, 1940 (SAKA)**

ENSURING OF CSR IMPLEMENTATION BY COMPANIES

QUESTION

**4750. SHRI RAHUL SHEWALE:
SHRI BHARTRUHARI MAHTAB:
SHRI SANJAY DHOTRE:**

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

कारपोरेट कार्य मंत्री

- (a) whether the Government has no role to keep a check on spending of requisite profits under Corporate Social Responsibility (CSR) by Public and Private Sector Companies in the country and if so, the details thereof;**
- (b) the manner in which the Government unearthed any clandestine activities adopted by the said companies to get rid of their requisite spending under CSR;**
- (c) the number of companies against which the Government has taken penal action for non-compliance of the provisions of the Companies Act, 2013 pertaining to CSR during each of the last three years and the current year, company-wise; and**
- (d) the other steps taken by the Government to ensure the requisite spending of profits under their CSR by the said companies along with achievements made thereof?**

ANSWER

**THE MINISTER OF STATE FOR LAW AND JUSTICE
AND CORPORATE AFFAIRS**

(SHRI P. P. CHAUDHARY)

विधि और न्याय एवं कारपोरेट कार्य मंत्रालय में राज्य मंत्री

(श्री पी. पी. चौधरी)

- (a) & (b): Section 135 (3) & (4) of the Companies Act, 2013 (the 'Act'), empowers the Board of the company and its CSR Committee to take decisions regarding allocation of CSR funds for items enlisted in Schedule VII of the Act. Whenever violation of compliance of relevant provision of the Act regarding CSR is reported, the penal action under section 134 (8) of the Act is resorted to.**
- (c) : In 221 number of cases prosecutions have been sanctioned against companies for the violations relating to CSR for the financial year 2014-15 only.**
- (d) : The Ministry has organized workshops throughout India in past years to sensitize corporates for effective compliance of CSR provisions. Further, this Ministry has issued clarificatory circular and Frequently Asked Questions (FAQs) dated 18.06.2014 and 12.01.2016 respectively to facilitate the effective implementation of CSR provision by companies and professionals.**
