GOVERNMENT OF INDIA MINISTRY OF CORPORATE AFFAIRS

RAJYA SABHA STARRED QUESTION NO. 146 ANSWERED ON TUESDAY THE 29th NOVEMBER, 2016

PROPER UTILISATION OF CSR FUNDS

QUESTION

*146. SHRI MAHESH PODDAR:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether it is a fact that it is mandatory for public sector undertakings, Government, joint ventures and private industry, manufacturing establishments to spend certain amount from their profit on regional development under CSR;

(b) if so, the amount spent by the establishments situated in Jharkhand in their territories during last three years and available unspent amount from the earmarked amount for that purpose;

(c) whether some establishments spend the amount under CSR on their own employees, transportation, decoration, their schools, hospitals and its facilities and public relation etc.; and

(d) if so, the steps Government plans to take to ensure the proper utilisation of the CSR fund as per rule?

ANSWER

THE MINISTER OF CORPORATE AFFAIRS

(SHRI ARUN JAITLEY)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN ANSWER TO PARTS (a) TO (d) OF RAJYA SABHA STARRED QUESTION NO. 146 FOR 29th NOVEMBER, 2016 REGARDING PROPER UTILISATION OF CSR FUNDS.

(a): Section 135 of the Companies Act 2013, mandates every company above the specified thresholds of turnover, or net worth, or net profit to spend at least two per cent of the average net profits earned during three immediately preceding financial years on Corporate Social Responsibility (CSR) activities specified in Schedule VII of the Act.

Further, the first proviso to Section 135(5) of the Companies Act, 2013 reads "the company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.

(b): An assessment of CSR expenditure of 7334 companies, for which information has been compiled for the year 2014-15, indicates that companies have spent about Rs 86.87 crore on CSR in Jharkhand during 2014-15. State-wise CSR expenditures is at Annexure.

(c): No such issue has come to the notice of this Ministry.

(d): Do not arise.

ANNEXURE REFERRED TO IN REPLY TO RAJYA SABHA STARRED QUESTION NO. 146

Sl. No.	States	Actual CSR expenditure (in Rs. Crore)	S1. No.	States	Actual CSR expenditure (in Rs. Crore)
1	Maharashtra	1101.71	20	Bihar	15.08
2	Gujarat	291.65	21	Kerala	57.25
3	Tamil Nadu	446.98	22	Himachal Pradesh	5.29
4	Karnataka	363.05	23	Goa	24.29
5	Rajasthan	251.98	24	Manipur	1.35
6	Uttar Pradesh	123.14	25	Arunachal Pradesh	10.45
7	Andhra Pradesh	167.85	26	Chandigarh	0.69
8	West Bengal	243.32	27	Meghalaya	1.80
9	Madhya Pradesh	176.41	28	Sikkim	0.41
10	Delhi	139.75	29	Tripura	0.34
11	Haryana	107.62	30	Nagaland	0.08
12	Orissa	214.31	31	Pondicherry	1.10
13	Jammu & Kashmir	74.60	32	Andaman & Nicobar Islands	0.81
14	Chattisgarh	275.37	33	Dadar & Nagar Haveli	1.83
15	Telangana	88.53	34	Daman & Diu	20.04
16	Uttarakhand	24.53	35	Lakshadweep	0.59
17	Punjab	23.71	36	Mizoram	0.16
18	Assam	106.84	37	Others*	4353.17
19	Jharkhand	86.87		Total	8803.00

STATEs/UT-WISE CSR EXPENDITURE DURING FY 2014-15

* Companies did not specify the name of States/UTs in particular, wherein the projects were undertaken.