GOVERNMENT OF INDIA MINISTRY OF CORPORATE AFFAIRS

RAJYA SABHA UNSTARRED QUESTION NO. 512 ANSWERED ON TUESDAY, THE 1ST MARCH, 2016

POLICY ON CSR

QUESTION

512. DR. SANJAY SINH:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) names of the activities covered under the policy on Corporate Social Responsibility (CSR);
- (b) whether any provision has been made for those companies to work under the Corporate Social Responsibility in the same area, where they are situated; if so, the details thereof;
- (c) the norms being adopted for the selection of works related to public interest at local level; and
- (d) whether the suggestion of the local public representative should not be given priority for the works related to the public interest?

ANSWER

THE MINISTER OF CORPORATE AFFAIRS

(SHRI ARUN JAITLEY)

- (a): Schedule VII of the Companies Act, 2013, enlists the activities that can be undertaken by the Companies under their Corporate Social Responsibilities (CSR) policies. A copy of Schedule VII is at Annexure.
- (b): 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."
- (c) & (d): Selection of programmes/ projects/ activities to be undertaken under CSR, and norms to be adopted thereof, is the discretion of the CSR Committee and the Board of the company as per Section 135(3) & (4) of the Companies Act, 2013.

ANNEXURE REFERRED TO IN THE REPLY TO RAJYA SABHA UNSTARRED QUESTION NO. 512

ACTIVITIES COVERED IN SCHEDULE VII OF THE COMPANIES ACT 2013

Indicative activities which can be undertaken by a company under CSR have been specified in Schedule VII of the Act, as conveyed vide notification dated 27-02-2014, the Schedule VII enlists the following items:

- (i) eradicating hunger, poverty and malnutrition; promoting health care including preventive health care and sanitation and making available safe drinking water;
- (ii) promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- (iii) promoting gender equality and empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
- (v) Protection of national heritage, art and culture including restoration of building and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents;
- (vii) training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- (viii) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- (ix) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- (x) rural development projects.