

(c) if so, the details thereof with name of organization providing fund, to whom fund is being given, purpose, fund allocated during last two financial years; and

(d) whether Government intends to bring strict rules and regulations in distribution of funds under CSR related activities by corporate organizations to their blood relations, family friends, employees and other related firms?

THE MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRIMATI NIRMALA SITHARAMAN): (a) to (c) Under Rules relating to Corporate Social Responsibility (CSR), the Boards of Companies required to implement CSR must include a detailed analysis of activities undertaken in prescribed proforma indicating *inter-alia* item-wise details of location, and amount allotted and spent on such activities. As the relevant provisions have come into force only recently and CSR Policies of companies are in the process of formulation, specific details would be available once Board reports are available after September, 2015.

(d) The issue of amending Rules relating to CSR with a view to plug any loophole can be examined only after some information about the actual implementation is available as indicated above.

Proliferation of illegal collective investment schemes

3560. DR. T. N. SEEMA: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether Government has identified around 35, 000 companies functioning as Non-Banking Financial Companies (NBFC) which are not registered with Reserve Bank of India (RBI);

(b) if so, the details thereof and the steps taken by RBI to prosecute such entities;

(c) whether the Serious Fraud Investigation Office (SFIO) has reported lack of coordination between Government agencies for the proliferation of illegal collective investment scheme across the country where investors have lost their money;

(d) if so, the details thereof; and

(e) the steps taken or being taken by Government to protect the life time savings of small investors?

THE MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRIMATI NIRMALA SITHARAMAN): (a) and (b) Ministry of Corporate Affairs sent a list of 34,754 companies having enabling clauses in their Memorandum of Association for undertaking NBFC like business, to identify companies which were carrying on business on the lines of NBFC without a license from RBI. RBI has commenced the process to ascertain the facts from all the companies which appear to have unauthorisedly accepted public deposits.

(c) and (d) The Serious Fraud Investigation Office (SFIO), during the course of Investigation of the so called chit fund companies, observed that promoters of such companies were taking advantage of multiple legislations like the Prize Chits and Money Circulation Schemes (Banning) Act, 1978 and the Chit Funds Act, 1982, etc. Subsequently, an Inter-Ministerial Group (IMG) was constituted by the Ministry of Finance (Department of Financial Services) with representatives from Ministry of Finance, Ministry of Corporate Affairs, Reserve Bank of India and Securities and Exchange Board of India, for better inter-agency coordination in such matters.

(e) The Ministry has taken following steps to protect the interests of small investors:

- (i) The Ministry organizes investor awareness programmes regularly in association with the three professional institutes—Institute of Chartered Accountants of India (ICAI), Institute of Cost Accountants of India (ICAI) and Institute of Company Secretaries of India (ICSI) in various cities under the aegis of Investor Education and Protection Fund (IEPF). The programmes are held for creating awareness and empowerment amongst investors. Since 2012-13, MCA has also started organizing such programmes in rural areas through CSC e-Governance Services India Ltd., an entity under Department of Electronics and Information Technology. 2897 such programmes were organized during the year 2013-14;
- (ii) Enhanced Disclosure norms for better information to investors, regulators and other stakeholders have been provided under the Companies Act, 2013;
- (iii) Auditors' accountability and independence enhanced under the Companies Act, 2013 which *inter-alia* include rotation of auditors, etc.

Comparative study on CSR spending by private companies and PSUs

3561. SHRI C.M. RAMESH: Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) the details of the amount spent by private companies under Corporate Social Responsibility (CSR) programme during last two years;
- (b) whether Government has undertaken any comparative study about amount spent by private companies and Public Sector Undertakings (PSUs) under CSR;
- (c) if so, the details thereof; and
- (d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRIMATI NIRMALA SITHARAMAN): (a) to (d) The provisions of Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 and Rules made thereunder have come into force only recently, *i.e.*, 1.04.2014. This is the first year of