

Funds spent on CSR activities

2584. SHRI BHUPINDER SINGH: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) the details of the funds spent by Corporate Houses and PSUs, for health, education, sports activities in the country during the last two years as a part of Corporate Social Responsibilities and activities; and

(b) the details thereof, State-wise?

THE MINISTER OF CORPORATE AFFAIRS (SHRI ARUN JAITLEY): (a) and (b) The provisions of Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 and rules made thereunder have come into force with effect from 01.04.2014. The year 2014-15 was the first year of implementation of CSR policies by companies under the legislation. The Board of the company, eligible to comply with the CSR provisions of the Act, is mandated to make annual disclosure on CSR in the Board's report. The companies are still in the process of filing their Annual Reports with the Ministry. Details of companies complying with CSR provisions of the Act for the financial year 2014-15, are expected to be available after requisite filings are made by companies.

Active participation of corporate houses in CSR activities

2585. DR. PRADEEP KUMAR BALMUCHU: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether Government has stressed the need for efficient implementation of Corporate Social Responsibility (CSR) activities by corporate companies in the recently held CSR Compendium organised by India Incorporation, if so, the details thereof; and

(b) the steps being taken by Government to make corporate houses actively take part in their CSR activities for the benefit of society?

THE MINISTER OF CORPORATE AFFAIRS (SHRI ARUN JAITLEY): (a) The intention behind Corporate Social Responsibility (CSR) provision in the Companies Act, 2013 is to exhort eligible corporates to function in a socially responsible manner with the underlying spirit being to ensure use of scarce resources in a judicious manner for the greater good of Society. This intent of the law has been reiterated at various fora represented by Government.

(b) In order to facilitate effective implementation of CSR by companies, the Ministry of Corporate Affairs has (i) amended Schedule VII of the Act to ensure that a

wide range of activities are permissible CSR activities; (ii) issued a clarificatory circular dated 18.06.2014 suggesting, *inter-alia*, liberal interpretation of Schedule VII; and (iii) issued amendments to the Companies (Corporate Social Responsibility Policy) Rules, 2014, to (a) include 'expenditure on administrative overheads' for CSR as permissible CSR expenditure and (b) facilitate pooling of resources by companies to undertake CSR activities. All the above are available on the Ministry's website (www.mca.gov.in).

Defence deals pending for approval

†2586. SHRI HARIVANSH: Will the Minister of DEFENCE be pleased to state:

- (a) the number of defence procurement deals pending so far due to complaints;
- (b) the number of such allegations found false during the last three years;
- (c) whether possibility of manipulations in defence deals could be abolished completely if allegation process is made complex, as crores of rupees are involved in defence deals; and
- (d) the number of defence deals pending due to allegations and how far it is affecting modernization of defence forces?

THE MINISTER OF DEFENCE (SHRI MANOHAR PARRIKAR): (a) to (d) The capital procurement of defence weapons / equipments is carried out as per the provisions of Defence Procurement Procedure (DPP). The objective of DPP-2013 is to ensure expeditious procurement of the approved requirements of the Armed Forces in terms of capabilities sought and time-frame prescribed by optimally utilising the allocated budgetary resources. While achieving the same, it will demonstrate the highest degree of probity and public accountability, transparency in operations, free competition and impartiality.

The complaints received in respect of capital procurements include anonymous / pseudonymous complaints, complaints by public; and complaints by competing vendors. Complaints received were being handled as per the general guidelines of Central Vigilance Commission (CVC) and Department of Personnel & Training (DOP&T) on the subject. However, considering the unique nature of Defence Capital Acquisition cases, a well-defined 'fit-for-purpose' framework has been put in place by notifying guidelines for handling of complaints, to achieve the stated objective of DPP. These Guidelines include provision for taking action against vendors for vexatious or frivolous complaints.

Modernisation of the Defence Forces is a continuous process based on threat

†Original notice of the question was received in Hindi.