

THE MINISTER OF CORPORATE AFFAIRS (SHRI ARUN JAITLEY): (a) to (e) Yes, Sir. 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). The Ministry of Corporate Affairs is responsible for administering the Companies Act, and ensuring compliance of these provisions by companies. An assessment of CSR expenditure of 460 listed companies, which have hosted CSR data on their websites, indicates that 51 PSUs and 409 private sector companies together spent about ₹ 6337 crores on CSR during 2014-15.

Regulation on capital raising by start up companies

1956. SHRI AMAR SHANKAR SABLE: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether a number of startup companies have received capital through private placements and stake sales;

(b) if so, the details of such transactions over the last three and current year;

(c) whether there is any regulation of such capital raising and ensuring prudent valuations of Startup companies to protect investors and the public;

(d) whether such transactions have taken place at high valuations;

(e) if so, the details thereof; and

(f) if not, the reasons and implications thereof?

THE MINISTER OF CORPORATE AFFAIRS (SHRI ARUN JAITLEY): (a) to (f) The term “Start up” is neither defined in the Companies Act, 2013/1956 nor in the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. However, the number of newly registered companies along with their authorized capital for the last three years and current year upto December, 2015, is given below:

| Year | Number of Newly Registered Companies | Authorized Capital (₹ in crore) |
|-----------------------|--------------------------------------|------------------------------------|
| 2012-13 | 92383 | 57536.61 |
| 2013-14 | 98437 | 38873.83 |
| 2014-15 | 64395 | 31830.72 |
| 2015-16 | 60489 | 11985.97 |
| (as on 31st December) | | |