

Findings of CAG on financials of AI

4341. SHRI A.K SELVARAJ: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Air India repudiates the findings of the Comptroller of Auditor General (CAG) of India on financials;

(b) whether it is also a fact that Air India maintains that its accounts are in line with the generally accepted principles; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI JAYANT SINHA): (a) to (c) The major areas where the Air India (AI) had a difference of opinion with Audit was on the non-provision of depreciation amounting to ₹ 306.43 crores on nine B-787 aircraft which were transferred by AI to Current Assets under the head of 'Assets held for Disposal'. Another major area of Audit observation was where the auditors wanted a provision in respect of negative net worth of the subsidiary companies, especially in the case of Hotel Corporation of India Ltd (HCI).

AI is preparing its accounts in line with the generally accepted accounting principles and accounting standards in force issued by the Institute of Chartered Accountants of India. All mandatory provisions which were required to be provided in the books of accounts in terms of the accounting standards have been made in the books of accounts of the respective years. Further, certain discretionary provisions which were disputed were shown as Contingent Liability and cases wherever AI had a different view as compared to that of the Audit, a separate disclosure in the accounts was made justifying the same.

Use of CSR funds for water recycle and harvesting

4342. SHRI SHANKARBHAI N. VEGAD: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether Government has any plan to use the Corporate Social Responsibility (CSR) funds for the water recycling and water harvesting in India and if so, the details thereof; and

(b) whether Government has any data of the ONGC's CSR fund used for water harvesting in Gujarat and if so, the details thereof, district-wise?

THE MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRI ARJUN RAM MEGHWAL): (a) The Ministry of Corporate Affairs does not allocate Corporate Social Responsibility (CSR) funds. Section 135 (3) and (4) of the Companies Act, 2013 empower the Board of the company to take decisions with respect to the allocation of CSR funds for items listed in Schedule VII of the Act. 'Water recycling and water harvesting' are covered under the head "environmental sustainability and ecological balance" or "rural development" as listed in Schedule VII of the Act.

(b) ONGC has spent an amount of ₹ 91.52 lakh and ₹ 6.50 lakh in the years 2009-10 and 2016-2017 respectively for water harvesting in Gujarat from the CSR funds, the details of which are as under:—

- (i) Financial Support for Construction of 09 Nos. Recharge Tubewells in and around operational areas of Mehsana with financial implication of ₹ 91.52 lakh to Gujarat Water Resources Development Corporation Limited, G.T.W. Division, Ahmedabad (Gujarat).
- (ii) Financial Support for Recharge Tubewell at Village Jagudan, Taluk and District Mehsana with financial implication of ₹ 6.50 lakh.

Use of CSR fund on health and education

4343. PROF. M.V. RAJEEV GOWDA: Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether Government has details of companies that spend their mandated Corporate Social Responsibility (CSR) funds on services such as education and health, if so, the total CSR funds that has been spent on health and education;
- (b) if not, the reasons therefor;
- (c) whether Government intends on bringing a mechanism that would institutionalise the use of CSR funds by companies; and
- (d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRI ARJUN RAM MEGHWAL): (a) and (b) The CSR expenditure of companies is compiled development sector-wise as listed in Schedule VII of the Companies Act, 2013. The development sector-wise CSR spend of the companies on education and health for