

interpreted, which has resulted in misleading headlines and analyses. Moreover, it is frequently assumed that any assets held by Indian residents in Switzerland are undeclared (so-called 'Black Money').

Further they have said "To analyze Indian residents' deposits held in Switzerland, another data source should be used. This is the so-called "locational banking statistics", which the SNB collects in collaboration with the Bank for International Settlements (BIS)."

The data collected by Swiss National Bank in collaboration with Bank for International Settlements (BIS) shows that the loans and deposits of Indians, other than Banks, in the Swiss banks decreased by 34.5% in the year 2017 as compared to 2016. Further, there has been significant reduction in Swiss non-bank loans and deposits of Indians by 80.2% between 2013 and 2017.

India and Switzerland have a Double Taxation Avoidance Agreement in place which entered into force on 29th December, 1994. A Protocol amending the agreement entered into force on 7th October, 2011. Based on the provisions of Double Taxation Avoidance Agreement, the two countries exchange information on black money covered by the Agreement, on request basis, which is foreseeably relevant to the administration for enforcement of the domestic laws concerning taxes. The information received is utilized to conclude investigations and tax the unaccounted income and assets of the taxpayers, and initiate penalty and prosecution proceedings as applicable.

Information about the black money stashed abroad is received under the relevant provisions of Double Taxation Avoidance Agreements/Tax Information Exchange Agreements/Multilateral Convention on Mutual Administrative Assistance in Tax Matters/ SAARC Multilateral Agreement (in short tax treaties) and the same is utilized to bring the unaccounted income and assets to tax.

The Automatic Exchange of Information based on Common Reporting Standard has also commenced from 2017 with many countries enabling India to receive financial account information of Indian residents. This will also be useful in bringing the unaccounted income and assets to tax.

### **Shortfall in CSR funding**

\*70. PROF. M. V. RAJEEV GOWDA: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) the number of firms found to have not met their Corporate Social Responsibility (CSR) spending requirements since 2014, year-wise;

(b) whether the Ministry has taken steps to ensure that the requisite expenditure is incurred;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF CORPORATE AFFAIRS (SHRI PIYUSH GOYAL): (a) to (d) Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year shall ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years in areas or subject, specified in Schedule VII of Companies Act, 2013 (Act.)

The CSR spend position with respect to financial years 2014-15, 2015-16 & 2016-17 (up to 30.11.2017) is as under:

CSR Spent	No. of Companies		
	2014-15	2015-16	2016-17*
More than Prescribed Amount	1,633	3,380	2,203
Prescribed Amount	477	317	19
Less than Prescribed Amount	4,001	6,268	3,718
Zero Spent	8,833	9,219	346
Total No. of Companies	14,944	19,184	6,286

\*Filings up to 30.11.2017 have been factored.

As per second proviso to section 135(5) of the Act, if the company fails to spend the prescribed amount, the Board of a company shall specify the reasons for not spending the amount and disclose the same in its Board Report.

As per the provisions of law, the Company is required to constitute a Committee of the Board to formulate CSR Policy, recommend projects for approval of the Board and monitor execution thereof.

The Registrar of Companies initiates action against non-compliant companies after due examination of records. For the FY 2014-15 prosecutions against 254 were sanctioned out of which 33 companies have filed applications for compounding. Given the large number of companies for which detailed scrutiny is required, the Government

has set up a Centralized Scrutiny and Prosecution Mechanism (CSPM) in April 2018. CSPM has been tasked to start with examination of records of top 1000 companies obliged to spend on CSR. Based on scrutiny, preliminary notices have been issued to 272 companies. This is a continuous process and prosecution is filed against companies that have not complied with CSR spend requirements and also not furnished any valid reasons for not spending or under spending.

### **Rigorous punishment for adulteration of foodstuffs**

†\*71. SHRI MOTILAL VORA: Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

- (a) whether it is a fact that there has been a ten-fold increase in cases of adulteration during the last three years;
- (b) if so, the number of cases in which adulteration has been found to be unsafe;
- (c) the number of cases of adulteration in which culprits have been punished;
- (d) if not, the reasons therefor;
- (e) whether Government would bring provision of rigorous punishment after declaring the adulteration of foodstuffs as a serious crime; and
- (f) if so, by when and if not, the reasons therefor?

THE MINISTER OF HEALTH AND FAMILY WELFARE (SHRI JAGAT PRAKASH NADDA): (a) to (f) Food Safety and Standards Authority of India (FSSAI) have informed that instances of sale/supply of sub-standard and adulterated foodstuffs have come to their notice through various channels. Since enforcement of provisions of Food Safety and Standards Act, 2006 and Rules, Regulations made thereunder primarily rests with the States/Union Territories, all such cases, complaints are forwarded to Food Safety Commissioners of concerned States/UTs for taking action.

As per the enforcement reports and data received from States/UTs, details of food samples collected, tested, found not conforming and action taken against the defaulting Food Business Operators (FBOS) by food safety officials of the States/UTs for the years 2014-15, 2015-16, 2016-17 and 2017-18 is as under:

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†Original notice of the question was received in Hindi.