GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION NO. 663
ANSWERED ON TUESDAY, FEBRUARY 8, 2022

ALLOCATION AND DISTRIBUTION OF CSR FUNDS

QUESTION

663. SHRI P. WILSON:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) details of distribution of Corporate Social Responsibility (CSR) funds for 2019-2021 State-wise including Tamil Nadu;

(b) guidelines relating to distribution of CSR funds and how the utilization of these funds is monitored/audited;

(c) whether Government has any response to the objections raised that local funds are not available for NGOs in Tamil Nadu as most of the CSR goes to Central Government oriented projects;

(d) steps to encourage and fund NGOs through CSR as there has been a 90 per cent drop in donations from abroad for NGOs from 2017–2021; and

(e) if so, details thereof and, if not, reasons therefor?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS

[RAO INDERJIT SINGH]

(a) & (b): The Government provides the broad framework of Corporate Social Responsibility (CSR) through Section 135 of the Companies Act, 2013 ('Act'), Schedule VII of the Act and Companies (CSR Policy) Rules, 2014. The CSR framework is disclosure based and companies are required to file details of CSR activities annually in the MCA21 registry, as part of their Profit & Loss Account and the same is required to be audited by the statutory auditors of the company. Further, the Board of the company is also required to disclose the CSR Policy implemented by the company in its Board report. Thus, the corporate governance framework along with the existing legal provisions such as mandatory disclosures, accountability of the CSR Committee and the Board, provisions for statutory audit of accounts of the company etc. provide adequate safeguards in this regard.

On the basis of the filings made by the companies in the MCA 21 registry, details of CSR funds spent by the companies, in different States /Union Territories (UTs) (including Tamil Nadu) for financial years 2019-2020 and 2020-21 is at Annexure.

Contd…..2/

Regarding CSR data for the financial year 2020-21, it is informed that the companies are required to hold Annual General Meeting (AGM) within six months from the end of financial year. Thereafter, financial statements and board report containing disclosure about CSR, are to be filed in MCA21 within 30 days of the AGM. In view of the disruption caused by COVID-19 pandemic, Registrars of Companies had accorded extension of time till 30th November, 2021 for conduct of AGMs by companies. The Ministry vide General Circular No. 22/2021 dated 29.12.2021 has relaxed the levy of additional fees till 15.02.2022 for filing of financial statement in respect of the financial year 2020-21.

(c) to (e) : In the CSR legal framework, the word 'Non-governmental Organisations (NGO)' has nowhere been defined. Section 135 of the Act read with Rule 4 of the Companies (CSR Policy) Rules, 2014 prescribes that the Board of the company is empowered to undertake CSR activities either by itself or through engaging an Implementing Agency as mentioned in the said rule. On the basis of filings made by the companies in the MCA21 registry, companies have spent a cumulative amount of Rs. 70,764.70 Crores during the FY 2017-18 to 2020-21 of which approximately 60% of the CSR expenditure has been spent through engaging implementing agencies. Under the Act, CSR is a Board driven process and the Board of the company is empowered to plan, decide, execute and monitor CSR activities of the company based on the recommendation of its CSR Committee. The Government does not issue any specific direction to the companies to spend in any particular geographical area or activity.

******

Annexure

ANNEXURE REFERRED TO IN REPLY TO RAJYA SABHA UNSTARRED QUESTION NO. 663 FOR 08.02.2022

State/UT-wise CSR Expenditure (in Rs. Cr.)			
S. No.	**States/UTs**	**FY 2019-20**	**FY 2020-21**
1	Andaman And Nicobar	1.29	0.66
2	Andhra Pradesh	714.94	446.86
3	Arunachal Pradesh	18.02	2.13
4	Assam	288.37	52.02
5	Bihar	144.03	27.57
6	Chandigarh	15.72	3.13
7	Chhattisgarh	163.13	102.07
8	Dadra And Nagar Haveli	19.11	0.36
9	Daman And Diu	8.60	0.83
10	Delhi	927.51	122.82
11	Goa	47.87	9.46
12	Gujarat	988.99	582.37
13	Haryana	525.57	228.38
14	Himachal Pradesh	82.10	21.94
15	Jammu And Kashmir	25.53	3.74
16	Jharkhand	156.06	84.62
17	Karnataka	1,480.63	434.69
18	Kerala	303.86	163.50
19	Lakshadweep	1.00	-
20	Madhya Pradesh	212.52	173.04
21	Maharashtra	3,400.48	1,100.59
22	Manipur	14.21	1.37
23	Meghalaya	19.74	2.27
24	Mizoram	0.25	0.34
25	Nagaland	5.10	2.44
26	Odisha	747.21	275.20
27	Puducherry	11.33	8.10
28	Punjab	191.09	21.21
29	Rajasthan	732.62	255.06
30	Sikkim	12.72	2.38
31	Tamil Nadu	1,110.15	277.36
32	Telangana	449.46	130.52
33	Tripura	9.40	0.94
34	Uttar Pradesh	580.80	361.96
35	Uttarakhand	128.03	19.66
36	West Bengal	446.31	84.77
37	NEC/ Not mentioned	40.29	-
38	PAN India*	10,664.65	3,823.75
Grand Total (in Cr.)		**24,688.66**	**8,828.11**** (Please see the note below)

(Data upto 30.09.2021) [Source: National CSR Data Portal]

*Companies either did not specify the names of States or indicated more than one State where projects were undertaken.

** Data for FY 2020-21 is subject to change as the levy of additional fees for the late filing has been relaxed till 15.02.2022.

******