

**GOVERNMENT OF INDIA  
CORPORATE AFFAIRS  
LOK SABHA**

UNSTARRED QUESTION NO:1039

ANSWERED ON:29.11.2012

CSR

Ajay Kumar SHRI ;Bhagora Shri Tarachand;Mani Shri Jose K.;Singh Shri Dhananjay ;Tandon Annu;Venugopal Shri P.

**Will the Minister of CORPORATE AFFAIRS be pleased to state:**

- (a) whether the proposed amendments to the Companies Bill, 2011 makes it mandatory for companies to spend two per cent of their average profits on Corporate Social Responsibility (CSR) Schemes;
- (b) if so, the details thereof along with the details of the manner in which this mandatory expenditure is proposed to be ensured;
- (c) the details of various activities which constitute CSR;
- (d) the details of various CSR initiatives undertaken by the companies in the country during the last three years; and
- (e) the total amount of funds spent in 2011-12 on CSR initiatives by companies?

**Answer**

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF CORPORATE AFFAIRS (SHRI SACHIN PILOT)

(a) to (c):- Clause 135 of the Companies Bill, 2011, inter alia, provides for the specified companies to spend at least 2% of the average net profits (of last 3 years) in pursuance of the company's Corporate Social Responsibility (CSR) policy and in case of failure, to specify the reasons for not spending such amount in the Board's Report. In case the disclosure about such reasons in the Board's report is not made, the specified class of companies shall be liable for action under the provisions of the Companies Bill, 2011 which require disclosures to be made in the Board's report. CSR policy to be undertaken by the companies as specified in schedule VII of the Companies Bill, 2011.

(d) & (e):- CSR being proposed for the first time in the Companies Bill, 2011 thus no such information is maintained under the Companies Act, 1956.