GOVERNMENT OF INDIA MINES LOK SABHA

UNSTARRED QUESTION NO:6016 ANSWERED ON:03.05.2013 UTILISATION OF CSR FUND Laguri Shri Yashbant Narayan Singh

Will the Minister of MINES be pleased to state:

(a) whether the Government has taken note of under utilisation of Corporate Social Responsibility (CSR) fund by the Mineral Exploration Corporation Limited (MECL) in its various projects including in Keonjhar district;

(b) if so, the facts thereof and the reasons therefor; and

(c) the corrective steps taken by the Government for proper utilisation of CSR fund by the MECL?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF MINES (SHRI DINSHA PATEL)

(a) & (b) Till 2008-09, Mineral Exploration Corporation Ltd.(MECL) had accrued losses of Rs. 885.36 lacs. This loss was wiped out in the year 2009-10. Keeping this in view, in the initial years i.e. 2009-10 and 2010-11, a token provision of Rs. 5.00 lacs was made in each year for Corporate Social Responsibility (CSR) and from the year 2011-12, fund was allocated on the basis of Department of Public Enterprises (DPE) guideline i.e. 3% of Profit After Tax (PAT), as per statement given below :

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Year Fund Amount Total Expenditure Balance carried
brought allocated available incurred(Rs.) forward(Rs.)
forward for the year for CSR(Rs.)
(Rs.) (Rs.)
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2009-10 - 5,00,000 5,00,000 50,000 4,50,000
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2010-11 4,50,000 5,00,000 9,50,000 4,95,387 4,54,613

2011-12 4,54,613 35,87,120 40,41,733 27,87,936 12,53,797

2012-13 12,53,797 51,96,213 64,50,010 61,12,000 3,38,010

2013-14 3,38,010 57,78,000 61,16,010 - -

Figures are provisional

As can be seen, the unspent CSR fund as on 31.03.2013 is just around 5% of available fund during the year and has been carried forward to the year 2013-14. It is expected to be fully utilized in 2013-14.

MECL carries out its CSR activities in the villages around its projects. During the year 2010-11 to 2012-13, no CSR activity was carried out in Keonjhar District, Odisha since no work was carried in that district.

(c) To ensure proper and full utilization of CSR and Sustainable Development (SD) fund, MECL has formed Board level committee headed by Chairman-cum-Managing Director (CMD) with two Independent Directors as members and below Board level a committee headed by General Manager (Pers. & Admn.).