

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:1637
ANSWERED ON:05.03.2015
NEW CSR POLICY
Pathak Smt. Riti

Will the Minister of COAL be pleased to state:

- (a) whether the Government has impressed upon the coal and lignite companies under their administrative control to bring out a new Corporate Social Responsibility (CSR) Policy;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor; and
- (d) the steps taken by the Government to ensure that coal and lignite companies spent 5% of their distributable surplus on CSR activities ?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF COAL, POWER AND NEW AND RENEWABLE ENERGY
(SHRI PIYUSH GOYAL)

(a)to(d) Coal India Limited (CIL), its subsidiaries & Neyveli Lignite Corporation Limited (NLC) follow the Department of Public Enterprises (DPE) guidelines effective from 1.4.2014. These guidelines are based on Section 135(1) of Companies Act, 2013 which stipulates to spend at least 2% of the average net profit of the company for the three immediate preceding financial years. While NLC has allocated Corporate Social Responsibility (CSR) funds as above, CIL has formulated its own policy and allocated funds based on 2% of the average net profit of the company for the three immediate preceding financial years or Rs.2 per tonne of coal production of previous year whichever is higher.