

**GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA**

STARRED QUESTION NO:95
ANSWERED ON:28.11.2014
CORPORATE SOCIAL RESPONSIBILITY
Mohan Shri P. C.;Owaisi Shri Asaduddin

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether the Companies have spent/ are spending at least two percent of their income on various social activities as mandated by the Companies Corporate Social Responsibility Policy (CSR) Rules 2014;
- (b) if so, the total funds accrued and utilised under CSR, company-wise along with the nature of the activities included/undertaken under CSR, State-wise;
- (c) whether the Government proposes to permit contribution/donations from companies towards "Swachh Bharat Abhiyan" and "Clean Ganga Mission" in the CSR activities and if so, the details thereof along with the contribution/donations made by the companies in this regard; and
- (d) the procedure laid down for auditing of expenditure incurred by companies under CSR?

Answer

THE MINISTER OF CORPORATE AFFAIRS (SHRI ARUN JAITLEY)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN ANSWER TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 95 FOR 28.11.2014 REGARDING CORPORATE SOCIAL RESPONSIBILITY.

(a) to (c): The provision of Section 135 of the Companies Act, 2013 and Schedule VII of the Companies Act, 2013 along with the Companies (Corporate Social Responsibility Policy) Rules, 2014 have come into force from 01.04.2014. This is the first year of implementation of Corporate Social Responsibility (CSR) by companies under the Act. Details such as the amount spent and nature of activities undertaken by the companies would be available only after the mandatory disclosures of CSR expenditure are made by companies, which would be due after September, 2015. "Swachh Bharat Abhiyan" and "Clean Ganga Mission" have been included as CSR activities under Schedule VII of the Companies Act, 2013 from 24th October, 2014. Details about the contribution made by the companies in this regard would also be available as indicated above.

(d): Section 143 of the Companies Act, 2013 prescribes Auditing Standards for auditing the Annual Financial Statements of the companies; this would also include expenditure incurred on CSR by eligible companies. Institute of Chartered Accountants (ICAI) is developing a 'Guidance Note on Accounting for Expenditure on CSR Activities' that will provide guidance to auditors.