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Title: Need to evolve a mechanism to ensure proper utilization of funds and execution of schemes under Corporate Social Responsibility by PSUs.

SHRI BIBHU PRASAD TARAI (JAGATSINGHPUR): Paradip region in Jagatsinghpur Parliamentary Constituency, Odisha, is having industrial set ups like Paradip Phosphates Limited, IFFCO, terminals of IOCL, BPCL, HPCL, Cargill Edible Oil plant, Carbon Company etc. All these PSUs/Private companies are consistently making profits over the years. As per the guidelines of the Companies Bill, 2011, it was mandatory for all the profit making companies to allocate certain percentage of their profit for corporate social responsibility. However, the Companies Bill in its revised guidelines in 2012 specified that PSUs earning profit upto 100 crore, 100 to 500 crore and more than 500 crore would spend 5%, 2-3% and 0.5-2% respectively towards corporate social responsibility by emphasizing upon capacity building, empowerment of communities, environment protection, inclusive socio-economic growth, promotion of green and energy efficient technologies, development of backward regions, and upliftment of the marginalized section of the region. In this connection, I would like to state that the PSUs or privately owned companies established in Paradip are not appropriately utilizing the funds earmarked for corporate social responsibility, though they are claiming so. As there is no such specific mechanism to assess execution of CSR funds as well as absence of involvement of district administration and peoples' representative in the process, it becomes difficult to know about the percentage of funds being aimed at various socio-economic welfare projects meant for local people or developmental activities of the region.

Hence, I urge upon the Ministry of Corporate Affairs to ensure a specific mechanism for utilization of corporate social responsibility funds by involving peoples' representatives along with district administration. It will help to utilize funds fairly and appropriately in the country, especially in Paradip of Odisha.