

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 3488
ANSWERED ON MONDAY THE 16th MARCH, 2020
PHALGUNA 26, 1941 (SAKA)**

DEFAULT ON CSR SPENDING

QUESTION

3488. SHRI P.C. GADDIGOUDAR:

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

कारपोरेट कार्य मंत्री

- (a) whether many of the companies have defaulted in their mandatory CSR spending;**
- (b) if so, the details thereof and the number of defaulting cases reported during each of the last three years, company-wise;**
- (c) whether the Government has taken any steps on the recommendations made by the high level Committee on CSR and to improve the compliance; and**
- (d) if so, the details thereof and if not, the reasons therefor?**

ANSWER

**THE MINISTER OF STATE FOR FINANCE
AND CORPORATE AFFAIRS**

वित्त एवं कारपोरेट कार्य मंत्रालय में राज्य मंत्री

(SHRI ANURAG SINGH THAKUR)

(श्री अनुराग सिंह ठाकुर)

(a) to (d): Corporate Social Responsibility (CSR) is a Board driven process and the Board of the company is empowered to plan, decide, execute and monitor the CSR activities of the company based on the recommendation of its CSR Committee. Schedule VII of the Act enlists the activities which may be included by companies in their CSR policy. The entire CSR architecture is disclosure based and CSR mandated companies are required to file details of CSR initiatives annually in MCA21 registry. Whenever any violation of CSR provisions is reported, action against such non-compliant Companies are initiated as per provisions of the Companies Act, 2013 after due examination of records following due process of law. So far, sanction for prosecution has been accorded in 366 cases. All CSR related offences are compoundable. So far 121 applications for compounding have been made and 37 cases have been compounded. The High-Level Committee on Corporate Social Responsibility (HLC-2018) submitted its report to the Government on 07.08.2019. The report is available on the Ministry's website at www.mca.gov.in. The recommendations of HLC-2018 is under consideration of the Ministry.
