

Rs 21,231 crore spent by 21,349 companies on CSR funds in 2019-20

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Corporate houses spend a huge sum on Corporate Social Responsibility (CSR) for the welfare of workers and local people in the country. This was stated by Minister of State for the Ministry of Corporate Affairs Shri Rao Inderjit Singh in a written reply to a question in the Lok Sabha today.

Giving more details, the Minister said that the Ministry of Corporate Affairs (MCA) vide General Circular no.10/2020 dated 23.03.2020 clarified that CSR funds may be spent by the companies for various activities related to COVID-19 under item nos. (i) and (xii) of Schedule VII of the Companies Act, 2013 ('Act') which relates to promotion of health care, including preventive health care and sanitation, and disaster management. Further, Ministry vide General Circular no.05/2021 dated 22.04.2021 and General Circular no.09/2021 dated 05.05.2021 clarified that spending of CSR funds by the companies for setting up makeshift hospitals and temporary COVID care facilities and 'creating health infrastructure for COVID care', 'establishment of medical oxygen generation and storage plants' 'manufacturing and supply of Oxygen concentrators, ventilators, cylinders and other medical equipment for countering COVID-19 respectively, are eligible CSR activities.

All data related to CSR filed by companies in the MCA21 registry is available in public domain at www.csr.gov.in, the Minister said. On the basis of filings made by the companies in MCA21 registry, the Minister tabled CSR amount spent by various companies in the financial years 2017-18, 2018-19 and 2019-20 respectively given below:

	Financial Year 2017-18	Financial Year 2018-19	Financial Year 2019-20
No. of Companies	21,455	24,965	21,349
CSR expenditure (in Rs. Crore)	13,909	18,728	21,231

(Data upto 31.03.2021) [Source: National CSR Data Portal]

The Minister stated that Section 135 of the Companies Act, 2013 ('Act') mandates every company having net worth of Rs. 500 crore or more, or turnover of Rs. 1000 crore or more, or net profit of Rs. 5 crore or more during the immediately preceding financial year to undertake Corporate Social Responsibility (CSR) activities. 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.

As per the Act, financial statements and board report containing disclosure about CSR, for the ongoing financial year 2021-22, are required to be filed only after the end of financial year, the Minister stated.

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