

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 666
ANSWERED ON TUESDAY, THE 15th JULY, 2014**

**POLICY TOWARDS CORPORATE SECTOR
QUESTION**

666. SHRI HUSAIN DALWAI:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether Government intends to modify the policy towards the corporate sector;
- (b) the details of problems being faced by the corporate sector;
- (c) how Government propose to solve them;
- (d) whether corporate sector is attending to its social responsibilities; and
- (e) if so, the manner in which the same is being done?

ANSWER

THE MINISTER OF STATE
IN THE MINISTRY OF CORPORATE AFFAIRS

(SMT. NIRMALA SITHARAMAN)

(a) to (c):- The policy relating to corporate sector in terms of regulation of companies, the manner of operation of their affairs and compliances for regulatory purposes with respect to their management and finances etc. is contained in Companies Act 2013 and Rules made thereunder. The Act seeks to bring the system of/policy relating to regulation of companies at par with the best practices in the developed countries.

(d) to (e):- Section 135 of the Companies Act, 2013 mandates companies with a turnover of Rs. 1000 crore or more, or net worth of Rs. 500 crore or more or net profit of Rs. 5 crore or more to undertake expenditure on Corporate Social Responsibility (CSR). Areas to be included in CSR expenditure are enumerated in Schedule VII of the Act. This being the first year of implementation of the provisions, it will be possible to initiate monitoring of the CSR activities under the above provision from next year only.
