

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 3606
ANSWERED ON MONDAY, THE 29th APRIL, 2013**

RESTRICTION ON RELIGIOUS DONATIONS UNDER CSR

QUESTION

3606. SHRI P. BHATTACHARYA:
SHRI AJAY SANCHETI:
SHRI K.C. TYAGI:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether Government has any plan to put a strict provision in the proposed Companies Bill to stop religious donations in the garb of Corporate Social Responsibility (CSR);
- (b) if so, the details thereof; and
- (c) how it would ensure that CSR funds are invested in such a way that it contributes to growth and quality of life of common people?

ANSWER

THE MINISTER OF STATE
(INDEPENDENT CHARGE)
IN THE MINISTRY OF CORPORATE AFFAIRS

(SHRI SACHIN PILOT)

(a) to (c) The Companies Bill, 2012 incorporates a provision of Corporate Social Responsibility (CSR) under clause 135 which states that every company having net worth Rs. 500 crores or more, or turnover of Rs. 1000 crores or more or net profit of rupees five crores or more during any financial year, shall constitute a CSR Committee of the Board consisting of three or more Directors, including at least one Independent Director, to recommend activities for discharging corporate social responsibilities in such a manner that the company would spend at least 2 per cent of its average net profits of the previous three years on specified CSR activities. Draft rules would be framed in consultation with stakeholders/public once the Bill is passed in the Rajya Sabha.
