

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 1147
ANSWERED ON TUESDAY, THE 8th MARCH, 2016**

CARRY FORWARD OF UNSPENT CSR FUNDS

QUESTION

1147. SHRI RANGASAYEE RAMAKRISHNA:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether there is a flaw in the Companies Act, which does not provide for carry forward of unspent CSR obligations;
- (b) whether Public Sector Undertakings are discriminated against by being compelled to carry forward of unspent commitments; and
- (c) whether these anomalies would be corrected by suitable amendments to the Companies Act?

ANSWER

THE MINISTER OF CORPORATE AFFAIRS

(SHRI ARUN JAITLEY)

(a) and (b): No, Sir.

(c): The Ministry of Corporate Affairs in its circular dated 12th January 2016, has clarified that, the Board of the Company is free to decide whether any unspent amount from out of the minimum required CSR expenditure is to be carried forward to the next year. This provision is uniformly applicable to all CSR eligible companies including Public Sector Undertaking (PSUs).
