

Sanction for prosecution in 366 cases given in violation of CSR provisions

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Sanction for prosecution in violation of Corporate Social Responsibility (CSR) provisions has been accorded in 366 cases besides 121 applications for compounding have been made and 37 cases have been compounded. All CSR related offences are compoundable. This was stated by Shri Anurag Singh Thakur, Minister of State for Finance & Corporate Affairs, in a written reply to a question in Lok Sabha today.

Shri Thakur further stated that 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. 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.

The 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. 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.