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Title: Need to monitor the Corporate Social Responsibility expenses by Public Sector Undertakings and other units.

SHRIMATI BOTCHA JHANSI LAKSHMI (VIZIANAGARAM): I wish to bring an important issue of effective implementation of Corporate Social Responsibility (CSR) scheme to the notice of august House. About 250 Public Sector Undertakings are under various Ministries of Government of India and 10 major private Sector houses are also in India at various places. In addition to these Central Government Undertakings, several undertakings are there under the control of State Governments also.

Public Sector Companies earmark a specific amount in their budgets for CSR activities for the betterment of the society and for fulfillment of social obligations. Every PSU will allocate funds to the tune of 3-5% of its net profit if its turnover is less than Rs. 100 crore, if the turnover is between Rs. 100 crore to Rs. 500 crore then 2%-3% (subject to a Min. of 3 cr) and if its turnover is 500 crore and above they have to spare 0.5%-25% of their net profit. As of now, individual PSUs are allocating funds under their extant CSR policies. Thousands of crores are being contributed and spent in the name of social need and community development under CSR scheme. But these are not monitored and efforts are not being made to find out the reliability of NGOs/Organizations entrusted with CSR activities, by which the targeted results are not being achieved.

Since, every organization is contributing a considerable amount for the development of the society, Central Government should create an authority/body or a Board, under which all the allocations towards CSR activities must be amalgamated yearly and under its authority only all the community/society developmental works should be undertaken throughout the country in a transparent manner. The present system of individual allocation of CSR funds and its execution is lacking transparency. Nobody knows the exact quantum of works undertaken under CSR activities. Someone should monitor the activities undertaken through CSR. In order to plug the wasteful expenditure and to bring transparency in the CSR policy, there is an urgent need to create a body for meaningful implementation of CSR Scheme.

I, therefore, urge upon the Government to create a separate body to look after the affairs of CSR activities, so as to keep track of proper monitoring, evaluation and implementation of CSR projects in a transparent manner.