

Chapter-V

**Corporate
Social
Responsibility**

5.1 Introduction

The primary objective of Corporate Social Responsibility (CSR) is to promote responsible and sustainable business philosophy at a broad level and to encourage companies to come up with innovative ideas and robust management systems to address social and environment concerns of the country. Broadly, the CSR mandate is aligned with the national priorities such as public health, education, livelihood, water conservation, natural resource management etc. CSR awareness and CSR consciousness has grown among large and medium sized companies, which now look at CSR to build a strategic fit with the community and environment in which they operate.

The concept of CSR provides an opportunity for companies to collaborate in contributing to the country's development challenges through their managerial skills, technology and innovation. Besides providing an overall guidance framework for the corporate to carry out their CSR initiatives, it also provides them with autonomy and flexibility to design and implement programmes. The monitoring is based on disclosures made by the company in its annual report as per prescribed format.

5.1.1 Legal Framework

Section 135 of Companies Act, 2013 (hereafter referred to as the Act) deals with the subject of Corporate Social Responsibility and lays down the qualifying criteria based on net worth, turnover and net profit during the preceding financial year for companies which are required to undertake CSR activities. This Section *inter alia* specifies the broad modalities of selection, implementation and monitoring of CSR activities by the Board of Directors of the Company. The activities, which may be included by the companies in their CSR policies, are listed in Schedule VII of the Act. The provisions of Section 135 and Schedule VII of the Act are applicable to all companies including State Public Sector Enterprises (SPSEs). The Act makes it mandatory for a company to spend, annually at least two *per cent* of average net profit of three immediately preceding financial years towards CSR activities.

The compliance with the provisions of CSR under the Act *i.e.* constitution of CSR Committee, formulation of CSR Policy and spending of prescribed amount on CSR activities came into force from April, 2014. In February 2014, Ministry of Corporate Affairs (MCA) issued Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereafter referred to as the CSR Rules, 2014). The CSR Rules, 2014 were made applicable to all companies including SPSEs with effect from 1 April 2014.

5.2 Audit objectives

Audit objective of assessment of CSR activities was to ascertain whether the provisions of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 were complied with by SPSEs.

In order to assess the efforts of the SPSEs, Audit looked into the following issues:

- Whether the provisions relating to constitution of the CSR Committee, formulation and compliance of policy, have been complied with;
- Whether the CSR activities selected for implementation are within the list of activities given under Schedule VII of the Companies Act, 2013;
- Whether the provisions relating to prescribed amount to be spent on specified activities have been complied with;
- Whether the provisions relating to implementation have been complied with; and
- Whether the provisions relating to reporting have been complied with.

5.3 Audit scope and coverage

As per their latest finalised accounts as of 31 December 2020, 10 SPSEs qualified for CSR activities during the year 2019-20 as per the criteria laid down in Section 135(1) of the Act (net worth of ₹ 500 crore or more or turnover of ₹ 1,000 crore or more or a net profit of ₹ five crore or more) during preceding financial year, as given in the **Table 5.1** below:

Table 5.1: Selection of SPSEs on basis of criteria

Sl. No.	Name of Company	Year of Account
SPSEs having Turnover of ₹ 1,000 crore or more		
1.	Punjab State Transmission Corporation Limited	2018-19
2.	Punjab State Power Corporation Limited	2018-19
3.	Punjab Agro Foodgrains Corporation Limited	2018-19
4.	Punjab State Grains Procurement Corporation Limited	2017-18
5.	Punjab State Civil Supplies Corporation Limited	2017-18
SPSEs having Net Profit of ₹ 5 crore or more		
6.	Punjab Small Industries and Export Corporation Limited	2017-18
7.	Punjab State Container and Warehousing Corporation Limited	2018-19
8.	Punjab Genco Limited	2018-19
9.	Punjab Agro Industries Corporation Limited	2017-18
10.	Punjab State Industrial Development Corporation Limited	2016-17

Source: Financial Statements of the SPSEs.

Audit reviewed the CSR activities carried out by above 10 SPSEs during the period 2019-20.

5.4 Audit criteria

Audit analysis was carried out against the following criteria:

- Provisions contained in Section 135 and Schedule VII of the Companies Act, 2013; and
- Provisions of Companies (Corporate Social Responsibility Policy) Rules, 2014.

5.5 Audit findings

Audit findings on extent of compliance with the provisions of the Act, 2013 with regard to constitution of CSR Committee; formulation and compliance of CSR policy; planning and execution of CSR activities; and monitoring and reporting thereof by the SPSEs are given in the following paragraphs:

5.6 Planning

5.6.1 Constitution of CSR Committee

As per Section 135(1) of the Act, 2013, every company qualifying for undertaking CSR activities shall constitute a CSR committee of the Board consisting of three or more Directors of the Company.

Role of the Board and CSR Committee as per Section 135(1) and (3) of the Act, 2013 is depicted in the **Table 5.2** below:

Table 5.2: Role of the Board of Directors and CSR Committee

Role of the Board of Directors	Role of the CSR Committee
1. Form CSR Committee.	1. Formulate and recommend CSR Policy to the Board.
2. Approve CSR Policy.	2. Recommend CSR activities and amount.
3. Ensure implementation of CSR Activities.	3. Monitor the CSR policy from time to time.
4. Ensure 2 per cent spending.	
5. Disclose reasons for unspent amount.	

Audit observed that three out of 10 SPSEs, as in **Table 5.3** below, have not constituted the CSR committee though these SPSEs were meeting the qualifying criteria:

Table 5.3: SPSEs not having CSR Committee

Sl. No.	Name of the SPSE
1.	Punjab State Grains Procurement Corporation Limited
2.	Punjab State Industrial Development Corporation Limited
3.	Punjab State Civil Supplies Corporation Limited

Source: Information supplied by the SPSEs.

5.6.2 Independent Directors in Committee

As per Section 135(1) of the Act, 2013, the CSR committee shall have at least one Independent Director. Audit observed that out of seven SPSEs which constituted CSR committee under Section 135(1), two companies did not have Independent Director in CSR Committee as on March 2020 as tabulated below:

Table 5.4: SPSEs not having Independent Director in CSR Committee

Sl. No.	Name of the SPSE
1.	Punjab State Transmission Corporation Limited
2.	Punjab Genco Limited

Source: Information supplied by the SPSEs.

Though CSR committee of Punjab State Power Corporation Limited was constituted on 27 May 2014, Independent Director was appointed only on 14 February 2018 *i.e.* after a lapse of more than three years.

5.6.3 Framing of CSR policy

Section 135(3) of the Act, 2013 requires that the CSR Committee shall formulate and recommend a CSR Policy to the Board of Directors.

Audit observed that three out of 10 SPSEs have not framed the CSR policy, as tabulated below:

Table 5.5: SPSEs not having any CSR Policy

Sl. No.	Name of the SPSE
1.	Punjab State Grains Procurement Corporation Limited
2.	Punjab State Industrial Development Corporation Limited
3.	Punjab State Civil Supplies Corporation Limited

Source: Information supplied by the SPSEs.

Punjab Agro Industries Corporation Limited had framed and approved the CSR policy only in January 2020.

Punjab Genco Limited, intimated the date of formulation of its CSR policy as 29 February 2016 and approval of the CSR policy by Board on 30 March 2016. It was, however, observed that the approval of Board for the CSR policy was not obtained and placed on the record by the Company. The Company had instead obtained (March 2016) approval of the Board only for the activities to be carried out in connection with CSR.

5.6.4 Annual CSR Plan and Budget

Role of the CSR Committee is to recommend to the Board the CSR activities and the amount to be spent in the financial year; the Board has to ensure implementation of the CSR activities. This entails planning of CSR activities and approval of the planned budget. As a best practice, the proposed CSR projects and the budget for the ensuing FY should be presented to the Board for approval through CSR committee latest by 31 March every year so that

there is no rush to exhaust the funds in the last quarter. Besides, it will also ensure full utilisation of the funds in the financial year.

Out of 10, following four SPSEs having net profit (average of preceding three financial years) were required to prepare annual CSR plan and budget the expenditure to be incurred on CSR activities during the next year as detailed in **Table 5.6** below:

Table 5.6: SPSEs having average net profit during preceding financial year

Sl. No.	Name of the SPSE
1.	Punjab State Industrial Development Corporation Limited (PSIDC)
2.	Punjab Genco Limited
3.	Punjab Small Industries and Export Corporation Limited (PSIEC)
4.	Punjab State Container and Warehousing Corporation Limited (CONWARE)

Source: Information supplied by the SPSEs.

Audit observed that none of the above four SPSEs had prepared budget plan for CSR activities. Two SPSEs (PSIEC and CONWARE) obtained approval for expenditure from both CSR Committee and the Board. In case of Punjab Genco Limited, the CSR activities and related expenditure was approved by the CSR Committee only. The PSIDC had not planned and incurred any expenditure on CSR activities during 2019-20.

5.7 Financial component

5.7.1 Allocation of funds

As per Section 135(5) of the Act, 2013 it is mandatory for any Company to spend, annually at least two *per cent* of average net profit of three immediate preceding financial years (calculated under Section 198 of the Companies Act, 2013). Two *per cent* of average net profit so calculated for four SPSEs is given below:

Table 5.7: Allocation towards CSR to be made and actually made

(Amount in ₹)						
Sl. No.	Name of SPSE	Year	Average net profit (as per Section 198 of the Act) for preceding three years	Two per cent allocation to be made for current year	Actual allocated	Shortfall
1	2	3	4	5	6	7 = 5 - 6
1.	Punjab State Industrial Development Corporation Limited	2019-20	5,57,27,111	11,14,542	Nil	11,14,542
2.	Punjab Genco Limited	2019-20	9,64,08,404	19,28,168	19,28,168	0
3.	Punjab Small Industries and Export Corporation Limited	2019-20	34,36,35,377	68,72,708	68,72,708	0
4.	Punjab State Container and Warehousing Corporation Limited	2019-20	17,41,00,000	34,82,000	34,82,000	0
Total			66,98,70,892	1,33,97,418	1,22,82,876	11,14,542

Source: Information supplied by the SPSEs.

Punjab State Industrial Development Corporation Limited had not contributed any amount towards CSR activities during 2019-20 while there was no shortfall in others.

5.7.2 Utilisation of Funds

Section 135(5) of the Act, 2013 provides that Board shall ensure that the company spends two *per cent* of average net profit of preceding three years. The detail of amount to be spent and actually spent on CSR activities during 2019-20 is tabulated below:

Table 5.8: Utilisation of CSR funds

(Amount in ₹)						
Sl. No.	Name of SPSE	Year	Two <i>per cent</i> allocation to be made	Amount actually allocated	Amount shown as expenditure	(Excess)/ Shortfall
1	2	3	4	5	6	7=4-6
1.	Punjab State Industrial Development Corporation Limited	2019-20	11,14,542	Nil	Nil	11,14,542
2.	Punjab Genco Limited	2019-20	19,28,168	19,28,168	79,52,650	(60,24,482)
3.	Punjab Small Industries and Export Corporation Limited	2019-20	68,72,708	68,72,708	4,33,18,519	(3,64,45,811)
4.	Punjab State Container and Warehousing Corporation Limited	2019-20	34,82,000	34,82,000	34,82,000	0
5.	Punjab Agro Industries Corporation Limited	2019-20	NA ¹	Nil	10,95,250	(10,95,250)

Source: Information supplied by the SPSEs.

Amount shown as expenditure during 2019-20 includes utilisation of allocation towards CSR expenditure of the year 2019-20 and unspent balance of funds of previous years *i.e.* upto 2018-19. The expenditure includes actual expenditure incurred by the SPSEs as well as the amount transferred to CSR Authority set up by Government of Punjab.

¹ Punjab Agro Industries Corporation Limited was not having average net profit for preceding three years of 2019-20, hence, no allocation was made.

Audit findings on the utilisation of CSR funds by SPSEs are discussed below:

A. Excess/less expenditure against the year-wise prescribed allocation limit

Punjab Small Industries and Export Corporation Limited and Punjab Genco Limited spent excess amount of ₹ 364.46 lakh and ₹ 60.25 lakh respectively during 2019-20, using previous unspent balance. Despite having average net profit, Punjab State Industrial Development Corporation Limited did not spend any amount on CSR though it was required to spend the prescribed amount during 2019-20. Punjab State Container and Warehousing Corporation Limited spent full amount required to be spent during the year 2019-20.

B. Contribution to State CSR Authority

It was noticed that during 2019-20, one SPSE viz. Punjab Small Industries and Export Corporation Limited transferred ₹ 335.19 lakh to the Punjab CSR Authority. Another SPSE, Punjab Agro Industries Corporation Limited also transferred an amount of ₹ 10.95 lakh to Punjab CSR Authority for CSR activities pertaining to the financial year 2018-19 during 2019-20. Non-spending of the allocated amount of CSR at the level of Company itself and transfer to a State Government Authority was a violation of the Companies Act, 2013 as the relevant provisions of the Act do not provide for constitution of and contribution by SPSEs to any such type of CSR Authority/fund by State Government. However, the Government of India, Ministry of Corporate Affairs by its general circular number 14/ 2021 dated 25 August 2021 have made Statutory Bodies established by an act of Parliament/State Legislature eligible to act as implementing agency for undertaking CSR activities.

In response to an enquiry, the Punjab CSR Authority stated (April 2021) that out of the funds received from State PSEs, it had not incurred any expenditure till 31 March 2020. The CSR Authority had spent only ₹ 0.89 lakh during September 2020 to April 2021 on activities like office expenses and to conduct outreach programmes for the industry. Audit observed that even this expenditure was not incurred on the prescribed CSR activities.

5.7.3 Utilisation of carry forward amount and unspent amount

As per MCA clarification (12 January 2016), the Board is free to decide whether any unspent amount from the minimum CSR fund is to be carried forward to the next year. Four SPSEs had an unspent amount of ₹ 552.17 lakh as at the end of financial year 2018-19, as given below:

Table 5.9: Utilisation of carry forward amount of previous years

(Amount in ₹)						
Sl. No.	Name of SPSE	Carry forward amount of 2018-19	Allocation during 2019-20	Total amount available during 2019-20	Amount spent/ transferred during 2019-20	Unspent amount as on 31 March 2020
1	2	3	4	5 = 3+4	6	7 = 5-6
1.	Punjab Small Industries and Export Corporation Limited	4,33,18,519	68,72,708	5,01,91,227	4,33,18,519	68,72,708

2.	Punjab Genco Limited	96,17,081	19,28,168	1,15,45,249	79,52,650	35,92,599
3.	Punjab State Transmission Corporation Limited	11,86,557	NA ²	11,86,557	0	11,86,557
4.	Punjab Agro Industries Corporation Limited	10,95,250	NA ³	10,95,250	10,95,250	0
Total		5,52,17,407	88,00,876	6,40,18,283	5,23,66,419	1,16,51,864

Source: Information supplied by the SPSEs.

Four SPSEs had carried forward the unspent balance of financial year 2018-19 to 2019-20 and further allocated CSR funds of ₹ 88.01 lakh during 2019-20. Out of the total available funds of ₹ 640.18 lakh, these SPSEs could spend only ₹ 523.66 lakh during 2019-20 leaving an unspent balance of ₹ 116.52 lakh as on 31 March 2020. Of these, PSIEC was having the highest unspent balance of ₹ 68.73 lakh. The Punjab State Industrial Development Corporation Limited did not carry forward due amount of ₹ 3.57 lakh for the year 2018-19 and also did not allocate an further amount of ₹ 11.15 lakh for the year 2019-20.

Audit observed that none of the SPSEs except Punjab Agro Industries Corporation Limited could fully spend the unspent balance of previous years.

5.7.4 Top spenders

During the period 2019-20, total expenditure incurred by the companies was as follows:

Table 5.10: Table showing top spenders during the period 2019-20

Sl. No.	Name of the SPSE	Amount (₹)
1.	Punjab Small Industries and Export Corporation Limited	4,33,18,519
2.	Punjab Genco Limited	79,52,650
3.	Punjab State Container and Warehousing Corporation Limited	34,82,000
4.	Punjab Agro Industries Corporation Limited	10,95,250
Total		5,58,48,419

Source: Information supplied by the SPSEs.

During 2019-20, the top spender on CSR activities was Punjab Small Industries and Export Corporation Limited with an expenditure of ₹ 433.19 lakh which included ₹ 335.19 lakh transferred to Punjab CSR Authority as detailed in paragraph 5.7.2 (B).

5.7.5 Sector-wise CSR spend

Audit covered four SPSEs to analyse the sector-wise CSR spend, as detailed in the **Table 5.11:**

² PSTCL did not have average net profit for preceding three years of 2019-20, hence, no allocation was made.

³ Punjab Agro Industries Corporation Limited did not have average net profit for preceding three years of 2019-20, hence, no allocation was made.

Table 5.11: Table showing sector wise expenditure incurred during 2019-20

(Amount in ₹)					
Sl. No.	Name of the SPSE	Energy/ Power	Health and sanitisation	Education	State CSR Authority
1	2	3	4	5	6
1.	Punjab Small Industries and Export Corporation Limited	---	98,00,000	---	3,35,18,519
2.	Punjab State Container and Warehousing Corporation Limited	---	---	34,82,000	---
3.	Punjab Genco Limited	79,52,650	---	---	---
4.	Punjab Agro Industries Corporation Limited	---	---	---	10,95,250
Total		79,52,650	98,00,000	34,82,000	3,46,13,769
Grand Total (3+4+5)		2,12,34,650			
Percentage of spend (except State CSR Authority)		37.45	46.15	16.40	-

Source: Information supplied by the SPSEs.

The highest spend was in Health & Sanitisation sector activities (46.15 per cent: ₹ 98.00 lakh) incurred by Punjab Small Industries and Export Corporation Limited followed by Energy/Power (37.45 per cent: ₹ 79.53 lakh) incurred by Punjab Genco Limited. Education sector attracted spending (16.40 per cent: ₹ 34.82 lakh) incurred by Punjab State Container and Warehousing Corporation Limited.

5.7.6 Administrative overheads

As per Rule 4(6) of CSR Rules, 2014, administrative overheads are to be restricted to five per cent of total CSR expenditure of the Company in one financial year.

However, Audit observed that during 2019-20, no administrative overheads were incurred by any SPSE.

5.7.7 Surplus from CSR projects

As per Rule 6(2) of CSR Rules, 2014, any surplus arising from CSR projects shall not form part of business profit of the company.

Audit observed that during 2019-20, no SPSE generated any surplus from CSR projects/activity.

5.8 Project implementation

5.8.1 Selection of CSR projects/activities

Audit observed that no Company conducted base line survey/carried out any assessment for selection of CSR projects/activities during 2019-20.

5.8.2 Manner of implementation of CSR activities

Rule 4 of CSR Rules, 2014 exclusively deals with the manner in which the CSR activity is to be undertaken under section 135(1) of Act, 2013. The Board may decide to undertake its CSR activities as approved by CSR Committee

through a registered trust/society or a Company established by the Company or its holding or subsidiary or associate company under Section 8 of the Act, 2013 or otherwise. Manner of implementation of CSR projects were as follows:

Table 5.12: Table showing name of executing agencies of CSR activities

Sl. No.	Name of the SPSE	Name of executing agency
1.	Punjab Small Industries and Export Corporation Limited	DC Hoshiarpur, Punjab CSR Authority
2.	Punjab State Container and Warehousing Corporation Limited	Education Department, Punjab
3.	Punjab Genco Limited	Punjab Energy Development Agency and direct expenditure.
4.	Punjab Agro Industries Corporation Limited	Punjab CSR Authority

Source: Information supplied by the SPSEs.

5.8.3 Focus areas

It was noticed that the health & sanitisation activities received the maximum focus with expenditure of ₹ 98.00 lakh (46.15 per cent of total CSR expenditure) whereas least focus was on education sector wherein an expenditure of ₹ 34.82 lakh (16.40 per cent) was incurred.

5.8.4 Spend in Local areas

Section 135(5) of the Act, 2013 provides that the Company shall give preference to the local area and areas around it, where it operates, for spending the amount earmarked for CSR activities.

Audit observed that no Company defined any local area in its CSR policy.

5.8.5 District-wise CSR spend

The district wise spend is given in the **Table 5.13** below:

Table 5.13: Table showing district-wise expenditure incurred during 2019-20

(Amount in ₹)				
Sl. No.	Name of the SPSE	Whole of Punjab	Hoshiarpur	State CSR Authority
1	2	3	4	5
1.	Punjab Small Industries and Export Corporation Limited	---	98,00,000	3,35,18,519
2.	Punjab State Container and Warehousing Corporation Limited	34,82,000	---	---
3.	Punjab Genco Limited	79,52,650	---	---
4.	Punjab Agro Industries Corporation Limited	---	---	10,95,250
Total		1,14,34,650	98,00,000	3,46,13,769
Grand Total (3+4)		2,12,34,650		
Percentage of spend (except State CSR Authority)		53.85	46.15	-

Source: Information supplied by the SPSEs.

District-wise highest CSR spend was in Hoshiarpur (₹ 98.00 lakh) which accounted for 46.15 per cent of the total spend.

5.8.6 Funding of schemes/projects introduced by Government of India

Government of India (GoI) introduced various schemes and projects for the benefit of society. SPSEs were free to decide on funding of such schemes/projects under CSR subject to fulfilling the conditions of Schedule VII of the Act, 2013 *i.e.* the same should be under the twelve broad categories mentioned therein *viz.* Health, education, employment, skill development, environment, women empowerment, socio equality, protection of national heritage, measures for armed forces, rural development and slum development. The projects and schemes falling under these broad heads are eligible for funding under CSR. The details of CSR spend in various sectors in the State of Punjab are enumerated in **Table 5.11** and paragraph 5.7.5 above.

Audit observed that no company had spent any amount on schemes/projects introduced by GoI. Punjab Small Industries and Export Corporation Limited spent ₹ 98.00 lakh on purchase of cremation vehicle and fogging machines for health and sanitisation purposes. Punjab Genco Limited spent ₹ 79.53 lakh on solar power projects such as installation of street light, water heating system and power plants in Punjab. Punjab State Container and Warehousing Corporation Limited had spent ₹ 34.82 lakh on providing various amenities in schools of Punjab under education sector.

5.8.7 Notable projects

Punjab Genco incurred expenditure through PEDDA on installation of street lights and solar power plants for ensuring environmental sustainability, conservation of natural resources and maintaining quality of soil, air and water.

5.9 Monitoring Framework

As per Rule 5(2) of CSR Rules, 2014 the CSR Committee shall institute a transparent monitoring mechanism for implementation of CSR projects/programs/activities undertaken by the Company.

Audit observed that out of the five SPSEs (**Table 5.8**), four SPSEs incurred expenditure on CSR during 2019-20, none had framed an institutionalised mechanism for monitoring, reporting and evaluation of CSR projects/programs/activities. Also none of the four SPSEs had carried out any impact assessment depending on type of CSR project/activity.

5.9.1 Reporting and Disclosure

As per Section 135(2) and (4) read with section 134(3)(o) of the Act, 2013, a Company is required to include an annual report on CSR in their Board Report and place it on the official website. The companies have to disclose the following in the prescribed format:

- (a) Contents of CSR policy, web link of CSR policy, average net profit, composition of CSR Committee, administrative overheads, prescribed amount, unspent amount, reasons for unspent amount.
- (b) Include a Responsibility Statement signed by the CSR Committee that the implementation and monitoring of CSR Policy was in compliance with the CSR objective and Policy of the Company.

On the basis of review of annual report on CSR activities for the year 2019-20, the audit observations on compliance by 10 SPSEs are as follows:

- (a) Following seven SPSEs have not finalised their Annual Report on CSR for the year 2019-20:

Table 5.14: Table showing SPSEs which have not finalised its Annual Report on CSR for the year 2019-20

Sl. No.	Name of Company
1.	Punjab Small Industries and Export Corporation Limited
2.	Punjab Genco Limited
3.	Punjab Agro Industries Corporation Limited
4.	Punjab State Civil Supplies Corporation Limited
5.	Punjab State Industrial Development Corporation Limited
6.	Punjab Agro Foodgrains Corporation Limited
7.	Punjab State Grains Procurement Corporation Limited

Source: Information supplied by the SPSEs.

- (b) The Annual Report of Punjab State Container and Warehousing Corporation Limited for the financial year 2019-20 contained the information only on amount of contribution towards CSR activities.
- (c) The Annual Report of Punjab State Transmission Corporation Limited did not include the Responsibility Statement in respect of implementation and monitoring of CSR policy.

5.10 Conclusion

Out of ten SPSEs meeting the qualifying criteria for CSR activities, three SPSEs neither constituted their CSR committee nor formulated CSR policy. Two SPSEs did not have Independent Directors in their CSR committees. Out of four profit making SPSEs, one SPSE did not allocate required funds for CSR activities during the year 2019-20. Two SPSEs instead of utilising funds for CSR activities deposited the funds with Punjab CSR Authority where the funds ultimately remained unutilised. No SPSE had spent any amount on schemes/projects introduced by Government of India. None of the SPSEs had framed any institutionalised mechanism for monitoring, reporting and evaluation of CSR projects/programs/activities and no impact assessment was carried out.