

CSR - CoVID

Short Summary:

In this editorial, the author is discussing the provisions of the Corporate Social Responsibility concerning CoVID 19 (Corona). As many questions have been received from the professional in respect of using the CSR funds for CoVID related activities. We have accumulated all the circulars of MCA and offering below for clarification regarding the same.

FIRST CIRCULAR PASSED ON 23RD MARCH, 2020

As per this circular, the CSR funds may be used for the activities related to the COVID-19 under the item no. (i) to (xii) of Schedule VII like:

- Promotion of Healthcare
- Including prevention Health care
- Sanitation, and
- Disaster Management.

Link of the Circular: - https://www.mca.gov.in/Ministry/pdf/Covid_23032020.pdf

SECOND - FAQ'S CSR & COVID ON 10TH APRIL, 2020

Through these FAQ's, the MCA has simplified many uncertainties relating to the use of the CSR funds for the COVID related activities.

- a) Whether spending of the CSR funds for COVID-19 related activities shall qualify as CSR expenditure?

Ministry vide general circular No. 10/2020 dated 23rd March 2020 has clarified that spending the CSR funds for **COVID-19 related activities shall qualify as the CSR expenditure**. It is further clarified that the funds may be spent for various activities related to COVID-19 under items no. (i) and (xii) of the Schedule VII relating to the promotion of health care including preventive health care and sanitation, and disaster management. Further, as per the general circular No. 21/2014 dated 18.06.2014, items in Schedule VII are broad based and may be interpreted liberally for this purpose.

Link of the FAQ's - https://www.mca.gov.in/Ministry/pdf/Notification_10042020.pdf

THIRD NOTIFICATION ON 24TH AUGUST 2020

As per this circular, Any Company engaged in the research and development activity of new

- Vaccine
- Drugs
- Medical Device

in their normal course of business may undertake research and development activity of new vaccine, drugs and medical devices related to the COVID-19 for the financial years 2020-21, 2021-22 and 2022-23.

Link of the Notification - https://www.mca.gov.in/Ministry/pdf/csr_26082020.pdf

FOURTH CIRCULAR ON 13TH JANUARY 2021

As per this circular, MCA clarified that the spending of the CSR funds for carrying out Awareness campaigns/programmers or public outreach campaign on COVID-19 Vaccination programme is an eligible CSR Activity.

Link of Notification - https://www.mca.gov.in/Ministry/pdf/CSR2021_13012021.pdf

FIFTH CIRCULAR ON 22nd APRIL 2021

As per this circular, MCA clarified that the spending of the CSR funds for “Setting up makeshift hospitals and temporary COVID care facilities’ is an eligible CSR activities.

Link of the Notification

https://www.mca.gov.in/Ministry/pdf/GeneralCircularNo5_22042021.pdf

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