General Circular No. 06/2018

F. No. 08/05/2018-CSR
Government of India
Ministry of Corporate Affairs

5th Floor, 'A' Wing, Shastri Bhawan,
Dr. R.P.Road, New Delhi-110001
Dated: 28.05.2018.

To,

All Registrar of Companies,
All Regional Directors,
All Stakeholders.

Subject: Clarification with regard to provisions under section 135(5) of the Companies Act, 2013.

Sir,

I am directed to say that concerns have been raised by some stakeholders regarding non-compliance of the first proviso to sub-section (5) of section 135 of the Companies Act, 2013, which lays down that the company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.

2. It is reiterated that the above provision has to be followed in letter and spirit.

Yours faithfully,

(Seema Rath)
Deputy Director
Tell: 011-23384657

Copy to:

1. E-Governance Cell and Web contents Officer to upload on the website of this Ministry
2. DDG (Statistics), for National Data Portal on CSR
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