

OFFICE MEMORANDUM

Subject: Request from CEO NITI Aayog to provide CSR recognition to TIHs established by DST- reg.

The undersigned is directed to refer to D.O. No 30013/06/2020-S&T dated 05.10.2021 on the subject mentioned above and to convey the followings:

- i. Schedule VII of the Companies Act, 2013 ("**Act**") enlists the areas or subjects that could be undertaken by companies as eligible CSR activity. Item no (ix) (a) of the said Schedule includes "*contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government*".
 - ii. The Ministry through FAQs on CSR (question no. 3.13) issued vide General Circular No. 14 /2021 dated 25th August, 2021 had clarified that "*the items enlisted in Schedule VII of the Act are broad-based and are intended to cover a wide range of activities. The entries in the said Schedule VII must be interpreted liberally to capture the essence of the subjects enumerated in the said Schedule.*"
 - iii. Further, question no 3.14 of the said FAQs indicates that the CSR expenditure can be incurred in multiple modes which, inter alia, includes '*contribution to incubators funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government*'.
 - iv. The Technology Innovation Hubs (TIHs) have been established by DST, which is an agency of Central Government. So, in view of item (ix)(a) of the Schedule VII as well as clarification provided vide question no. 3.14 of the FAQ on CSR, contribution of CSR amounts to these TIHs are eligible CSR expenditure.
2. This issues with the approval of Competent Authority.

Q. 10/10/2021

(Vedant Ojha)
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To,

Shri Amitabh Kant, CEO
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