

Regulatory Update

Spending on makeshift hospitals and COVID Care Facilities are clarified as eligible CSR activity



Clarification on spending of CSR funds for setting up makeshift hospitals and temporary COVID Care facilities

The Ministry of Corporate Affairs vide its **General Circular No. 05/2021 dated April 22, 2021** has clarified that the spending of CSR funds for 'setting up of makeshift hospitals and temporary COVID Care facilities' is an eligible CSR Activity under item nos. i) and xii) of the Schedule VII annexed to the Companies Act, 2013 covered in promotion of health care, including preventive health care, and disaster management.

The MCA vide its General Circular no. 10/2020, issued last year, had already clarified that funds may be spent for various activities relating to COVID-19.

This Clarification shall boost support from corporate sector in the form of CSR funds to fight the pandemic via setting up temporary COVID Care facilities.

For details, please refer General Circular No. 05/2021 dated April 22, 2021:

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

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