

COVID MAKE SHIFT FACILITY MCA CIRCULAR

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CHARTERED ACCOUNTANTS

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The second wave of the COVID 19 has hit the nation hard and the governments are taking all possible measures to come out of the same. Corporates are also trying to support the nation by contributing what they can, in this difficult time. The Ministry of Corporate affairs have issued many notifications in the recent times with regards to Corporate Social Responsibility and its requirements. The same series has now come out with another explanatory circular which is explained here:

Circular NO 5/ 2021 Dated 22nd April 2021 is a clarificatory circular issued by MCA which explains that if the if the Corporates spend their CSR fund on **“setting up makeshift hospitals and temporary COVID Care facilities”** the same will be considered as eligible CSR Activity under clause (i) & (xii) of Schedule VII of Companies Act 2013 which relates to promoting health care and disaster management. The companies may undertake this activity with the state government subject to fulfilment of CSR Rules 2014.