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AN ANALYSIS OF CSR EXPENDITURE BY 30 BSE-LISTED COMPANIES: AREAS OF FOCUS, TRENDS, AND SOCIO-ECONOMIC IMPLICATIONS

Abstract

This research examines the Corporate Social Responsibility (CSR) spending trend of 30 Indian firms listed on the Bombay Stock Exchange across 5 years (2019-2024). Since CSR is compulsory in the Companies Act of 2013, written under Section 135, the study examines how companies intend to distribute their finances, which areas of social development they should focus on, and how they will react to regulatory measures. Sectoral and regional spending trends were analysed on the basis of a quantitative methodology that used secondary data generated through their company reports and the National CSR Portal. This analysis shows that the amount of expenditure on CSR has steadily risen every year, and education, healthcare, and rural development are the areas that have received the highest expenditure. Nevertheless, there remains a disparity in geographic location and the strategic purpose serving certain CSR initiatives. The highest occurrence of overall CSR contributions was among those companies that were in the banking, IT, and energy sectors as well. Implementation took place both internally, in terms of company programs, and externally, in partnerships with NGOs. The results not only demonstrate the social-economic impact of corporate CSR but also lead to a conclusion about increased impact assessment requirements and geographical balance. The research ends by noting that CSR is increasingly becoming a strategic business tool and requires more robust assessment criteria and stakeholder-based planning to be more effective.

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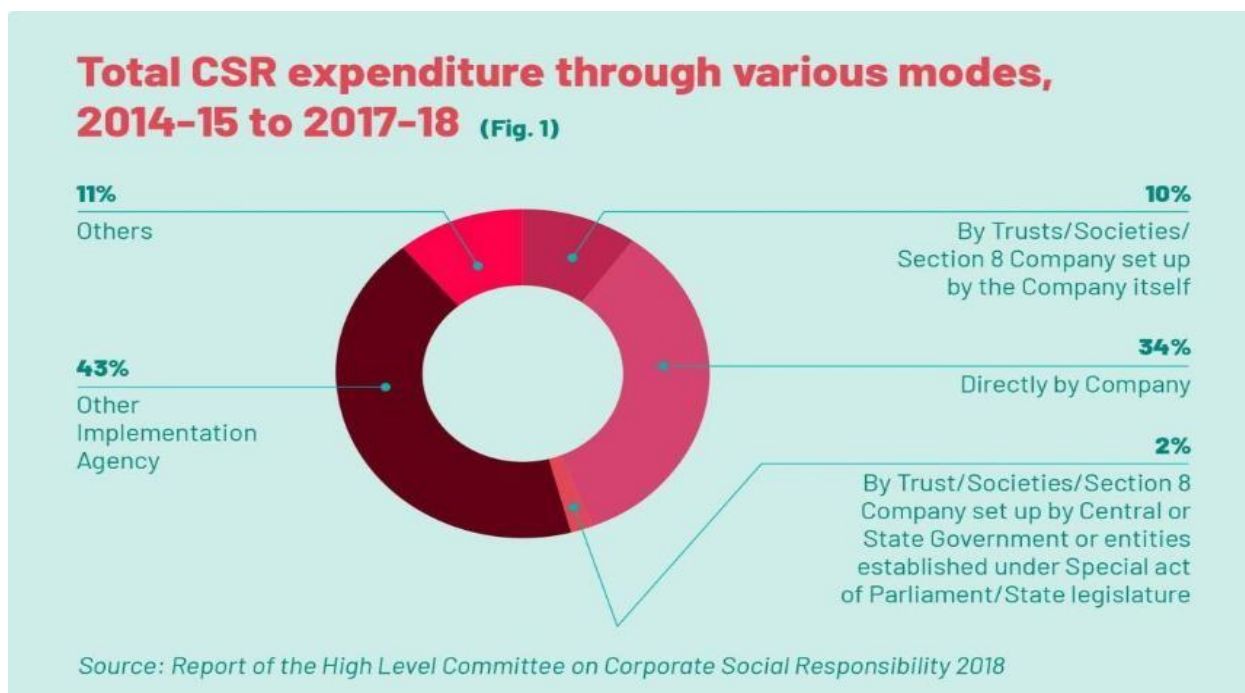
1. Introduction

1.1 Context and Importance of the Study

By legal standards, companies must take responsibility for social good and this duty now forms an essential part of modern corporate governance. By combining social ethical and environmental values into their core practices businesses help their stakeholders and wider society (Fatima & Elbanna, 2023). Firms today face growing expectations to give back to society beyond making profits which has made CSR work for sustainable development a major focus of current years. Among all nations, India stands out by being the first country to enforce CSR spending through Section 135 of the Companies Act 2013. India made corporate social responsibility mandatory as per Section 135 of the Companies Act 2013; this law demands businesses that fulfil financial standards to spend at least 2% of their net profits each year on CSR projects (Narayanan & Singh, 2022). Companies awarded this status must spend at least 2% of their profits from the past three years on social projects helpful for local communities. Although corporate social responsibility is subject to a formal legal system CSR spending equality remains difficult to achieve among companies.

Corporate Social Responsibility (CSR) is now understood as a strategic requirement projected as part of corporate governance and no more as a voluntary or philanthropic initiative. Stakeholder Theory and Carroll Pyramid of CSR are two authoritative frameworks forming the basis of contemporary thinking on CSR. Stakeholder Theory states that businesses should take into consideration the interests of all stakeholders and not only shareholders, namely employees, customers, communities, and the environment, to sustain long-term sustainability and be legitimate (Mahajan et al., 2023). Meanwhile, Carroll’s Pyramid classifies CSR into four tiers of responsibilities, that is, economic, legal, ethical, and philanthropic, implying that other obligations that business entities should feel obliged to follow besides being able to comply with laws and act responsibly are profitable, law-abiding, and ethical and, finally, gifts giving back to the society (Srivastava et al, 2021). The combination of these frameworks allows one to view the actions of corporations in a normative and helpful manner, particularly in a country such as India, where CSR is rendered into law. Their incorporation can explain not only the reason why companies indulge in CSR but also the manner in which they carry out the initiatives and how they structure them as per the expectations of stakeholders and in line with the regulations.

Figure 1: Breakdown of CSR Expenditure in India (2014-15 to 2017-18) through Various Modes Source: (Choudhary, 2020)



1.2 Background and Definition

A company shows responsible business practices when it runs operations that promote social and economic benefits for everyone involved including people and the planet (Sarojanamma & Ganesh 2023). The United Nations Industrial Development Organization (UNIDO) explains Corporate Social Responsibility (CSR) as the managerial practice that combines social and environmental standards into company-stakeholder relationships. India companies must follow Schedule VII of the Companies Act, 2013 to specify their CSR program areas. The Schedule VII of the Companies Act, 2013 requires companies to focus on helping poor communities, maintaining healthcare systems, teaching students, making spaces for women, protecting nature, and developing rural areas (Jumde & du Plessis, 2020). Research requires a thorough assessment of how companies use CSR strategies to tackle social and economic issues.

Today CSR functions as a strategic business element helping companies connect their corporate targets with social growth (Singh & Misra, 2021). The Companies Act 2013 became a significant corporate regulation through its CSR expenditure requirements. Companies Act 2013 started because business leaders needed to take responsibility for social justice problems. The amount that businesses dedicate to CSR programs increased in India by 25,715 crores after 2014 according to Agarwal's (2023) research. Most of this money went toward improving education and healthcare while also helping rural communities.

1.4 Problems Currently Facing CSR Expenditure

Many challenges prevent companies from implementing CSR plans in India even when official rules exist. A top problem in CSR is that a few big



Figure 2: Understanding CSR Source: (Al-Samman & Al-Nashmi, 2016)

1.3 Origin and Brief History

During the last several decades people have changed how they think about CSR. In earlier times companies donated money to charity without planning but big industrialists used this strategy to pass on their wealth.

businesses spend most CSR funds yet smaller companies cannot fulfil legal CSR duties (Garg et al., 2021). Companies face major problems when allocating and spending funding on CSR activities. The practice of giving to government-led programs before running their own CSR programs makes people wonder how truthful and useful these funds are (Jumde & du Plessis, 2020). Determining how well CSR programs succeed is hard because companies need better ways to measure their social impact. Organizations need to follow official rules when spending money on corporate social

responsibility since they must show how CSR activities match legal standards. The COVID-19 pandemic disrupted CSR plans by forcing businesses to shift funding from social development initiatives to healthcare and related aid programs (Agarwal, 2023).

1.5 Objectives of the Study

The research project investigates the current changes in CSR practice throughout India. Objectives are:

- Explore how BSE-listed companies spent CSR money during the past several financial years.
- Examine which areas companies choose for CSR funding and make sure they put money into vital social and economic fields.
- Determine how well CSR efforts help create sustainable development and improve social outcomes.
- Assess how Indian regulations affect businesses when they spend their CSR funds.
- Study how CSR funds affect the social and economic life of our society, especially through educational, health and environmental programs.

The research studies these goals to help businesses make their CSR actions have more social value while meeting all necessary rules.

2.Literature Review

2.1 Previous Studies on CSR Expenditure

The current academic focus and CSR spending studies in India grew after Section 135 of the 2013 Companies Act came into effect, requiring eligible companies to make CSR contributions. Research has measured CSR investments both to show how companies perform these activities and what problems remain. The CSR is almost a voluntary activity in countries such as the US and EU, but India is a global outlier by providing mandatory CSR expenses by the Company Act 2013, which is an indication of shifting the soft law to a hard and soft law governance mix (Bihari & Shajahan, 2023). From 2014 to 2021 Indian businesses allocated ₹1.27 lakh crore in CSR activities with education (29%), healthcare (20%), and rural development (10%) getting the most funds (Shoryaditya, 2023). The research shows these problems along with findings of poor reporting quality and unequal sector investments with weak performance evaluation. Bhatia and Dhawan (2024) mentioned that companies focus their CSR funds mainly on education

and healthcare development heads but allocate minimal money to art, culture and sports programs. Recent research shows that company priorities do not follow established policy directions which points to an improper balance between companies and government objectives. Research into corporate decision-making about CSR returns blended results. Companies handle CSR as a business tool to build their reputation and shield themselves from perils. Research on Indian banks proved that CSR investments benefit business results since companies apply CSR programs to improve their bottom line (George et al., 2023). Garg et al. (2021) disagree with researchers who claim that CSR focuses mainly on fulfilling government rules instead of producing social benefits. Research shows India is improving its CSR system yet it demands companies embrace socially valuable programs that providers openly explain.

2.2 Measuring CSR Performance and Impact

Measuring how CSR initiatives help companies and society demands a mixture of numeric and non-numeric evaluation techniques. Companies commonly test their CSR activities by connecting them to financial results such as ROA, ROE, and profitability ratios. These performance indicators show if CSR activities boost business financial success which companies use to measure their impact (George et al, 2023). The establishment of CSR reporting standards represents a popular approach to determining CSR measures. Research teams build CSR indices by reviewing how companies show their CSR work in annual reports and CSR platforms to rate CSR disclosure quality (Singhania et al., 2023). Researchers link their CSR indices to market performance indicators such as Tobin's Q and return on assets to check if organizations show reliable business results through their CSR reporting. The present methods have significant barriers to precisely measuring the social results of corporate social responsibility programs. Research displays that even though financial metrics connect to CSR results they do not show the true local outcomes of CSR programs. According to Sawhney et al. (2023), substantial CSR spending from companies shows inconsistent financial value and impact because of weak impact assessment procedures. In order to gauge the level of success of their CSR initiatives, companies are turning towards more systematic impact assessment frameworks such as Social Return on Investment (SROI), social audit and independent

checks. The SROI helps provide a structure to quantify social, environmental, along economic results and thus render the non-quantifiable into measurable change. As an example, the SROI ratio of the case study on the mangrove conservation program of PT Pertamina undertaken in Indonesia stood at 8.13, which shows that the company achieved substantial proportions of returns on the basis of each unit of social and environmental values generated (Prasadi et al., 2023). Equally, an impact assessment of a rural innovation project delivered through PT PLN produced an SROI of 9.19, further asserting the usefulness of the method in maintaining detailed planning of CSR and evaluation of the latter on a retrospective basis (Anam et al., 2022). Such results reveal the necessity of incorporating feedback of stakeholders, measuring outcomes, and financial proxies to help organisations to reconcile CSR with their longevity and social impact on the stakeholders.

2.3 Sector-Wise CSR Expenditure Trends

Under the Companies Act 2013 regulations, eligible Indian firms must give 2% of average net profits for CSR work. This legal requirement drives many industry sectors to become key contributors. CSR programs operate mainly in sectors of Information Technology, Energy, Banking & Financial Services, and Manufacturing. CSR money goes mostly to these industry sectors because they produce a lot and face strict rules (Dalwadi & Japee, 2023). The majority of company CSR investments flow into education healthcare and rural development programs. Between 2014–15 and 2020–21, the education sector received 29% of total CSR funding amounting to ₹36,815 crore. Healthcare received 20% at ₹25,391 crore and rural development received 9.7% at a total of ₹12,300 crore (Shoryaditya, 2023). CSR funds go beyond these traditional areas to serve environmental programs and improve community living through PMNRF contributions. Despite being essential for bringing everyone along in economic growth the sectors of art & culture slum development and technology incubation earn limited CSR support according to Shastri (2022).

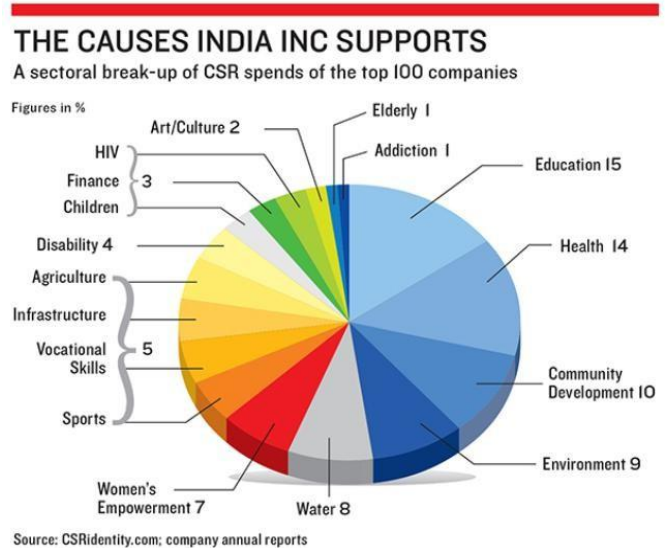


Figure 3: Sectoral Allocation of CSR Spending by Top 100 Indian Companies Source: (Furtado, 2016)

Indian companies focus their social development investments on noticeable major projects but need to distribute CSR funds more evenly among all sectors to advance development everywhere.

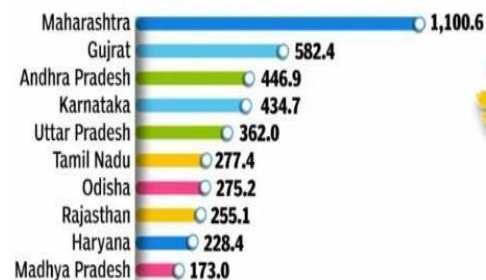
State of benefits

Among CSR funds for which state-wise estimate of spending is available, over 80% went to 10 states in FY21.

CSR Spending (₹ in Cr.)



Top CSR beneficiary states in FY21 (₹ in Cr.)



GEOGRAPHICAL BIAS IN DEPLOYMENT OF CSR FUNDS



Figure 4: Geographic Concentration of CSR Fund Deployment in India (FY21) Source: (India CSR, 2022)

2.4 Challenges in CSR Expenditure & Implementation

Under the Companies Act of 2013, India established strong CSR rules for companies yet they confront many difficulties when trying to follow the rules. The legal requirement for CSR does not prevent many companies from spending too little on their programs or providing weak reasons for not complying. The research reveals half of Indian companies listed with the BSE (Bombay Stock Exchange) do not completely meet CSR guidelines despite being profitable firms (Bhatia & Dhawan, 2023). The main problem exists in CSR fund mismanagement. Research demonstrates corporations allot more CSR investments to prosperous states instead of directing them to impoverished areas where initiative could produce substantial change (Gawande & Pathak, 2023). The policy faces problems because companies mostly devote CSR funds to strong states instead of distributing them equally across all regions. Moreover, many firms adopt a “tick- box” approach, treating CSR as a statutory burden rather than a strategic development tool (Jumde, 2020).

Execution challenges also persist. Most organizations struggle to create and manage CSR projects because their staff lacks proper knowledge and skills in this area. They depend on outside organizations to manage their CSR activities which reduces their ability to measure and control project results (Rani & Agarwal, 2024). Organizations uphold different opinions about how government-led CSR projects compare to private CSR efforts as management methods. Official CSR projects receive slow government processing while private organizations hurry their efforts but tend to focus on image instead of true social benefits (Shoryaditya, 2023).

An unbalanced distribution of funds is also one of the major issues in the Indian CSR context in that a majority of the CSR funds were allocated in already developed states like Maharashtra, Gujarat, and Karnataka, as opposed to the underdeveloped states like the North East that received very little funds. This bias compromises the inclusivity of the developmental purpose of CSR acts. This imbalance is presented pretty clearly in Figure 4, where the most recipient states, as well as the states that have consistently been underserved, are depicted. A recent examination demonstrates that this trend is accurate, with a substantial percentage of CSR revenue being spent in states with good results when it comes to socio-economic data at large and not much of an effect-driven investment found in disadvantaged regions (Gawande & Pathak, 2023). Better

monitoring systems combined with clear reporting methods and better matches between business and community plans are essential to handle current CSR implementation problems.

2.5 Research Gap and Justification for Study

Despite research on CSR growing in India, certain key gaps remain such as how specific industries and society benefit from BSE-listed company CSR funding. Due to a lack of studies, few researchers examined how companies use CSR funding to benefit different industries while delivering valuable results to communities (Rani & Agarwal, 2024). Research about CSR mostly examines company spending totals so as to measure regulatory acceptance yet fails to measure if CSR initiatives help develop local communities well. Even though education and health claim most of CSR funds research does not show how these funds help improve learning opportunities and healthcare standards (Sarkar, 2024). Examination of CSR activities within individual industrial sectors fails to bring shared learning from multiple sectors into view (Sharma, 2024). A key flaw exists because no single method exists today to measure CSR program results. The new 2021 impact assessment rule for large-scale projects remains hard to implement since businesses lack proper technology knowledge and consistent assessment frameworks (Shoryaditya, 2023). Our research performs a thorough examination of 30 BSE-listed companies' CSR spending operations. The research will evaluate how corporations distribute CSR money between different sectors while confirming that these investments assist socioeconomic goals and promote sustainable development. Our method serves to give substantive findings that support decision-making for public officials as well as those in business leadership.

3. Research Methodology

3.1 Research Approach and Data Type

This research uses a quantitative approach to examine 30 Indian companies listed on the BSE about their Corporate Social Responsibility (CSR) spending activities. A system based on numbers makes it possible to compare the CSR efforts of different sectors and companies across financial years. This study design provides reliable results because its factual approach depends only on confirmed data from Indian listed firms. Our study depends exclusively on secondary data which comes from corporate public documents and

reports as well as data from the National CSR Portal of the Ministry of Corporate Affairs. These sources give clear details about how companies use CSR funds and tell where they go. They name all the necessary project types and their local and national spending destinations. Secondary data serves the role of reliable and consistent source material at a broad level for businesses to explore industry patterns. An obligation to report CSR under the Companies Act 2013 makes the available secondary data reliable and trustworthy. This study uses only public data from company reports to stay independent and analyze money and project information.

3.2 Data Sources and Collection

This analysis uses existing data to examine the 30 BSE-listed companies regarding their CSR spending. These investigations use the Annual Reports from companies plus Business Responsibility and Sustainability Reports (BRSR) and data from the National CSR Portal at the Ministry of Corporate Affairs. The research shows official details about how companies manage CSR budgets including where they spend money and with which organizations. The mandatory Annual Reports and BRSRs show enhanced specifics because of recent corporate governance updates. Companies that register their stock need to share their CSR guidelines plus budget figures and how they spend funds by location and effects. These official reports allow us to analyze CSR activities in companies because they have similar information standards (Kaur & Dave, 2020). The research focus on BSE-listed firms since they consistently follow CSR rules and better comply with financial and non-financial reporting regulations. Studies display that Indian stock exchange companies particularly large-cap businesses display regular CSR reporting and adapt their techniques to match the desires of investors and government authorities (Dahal et al., 2023). Research shows that companies from the Bombay Stock Exchange release most of India's CSR funds which makes them suitable representatives of business practices throughout the nation (Garg et al., 2021). The analysis relies on this detailed and publicly available information as its base to check CSR practices correctly and demonstrate their accuracy.

3.3 Sampling Framework

The research selects 30 BSE-listed companies that have spent highly on CSR initiatives throughout the previous three years and publicly report their CSR details. These well-known firms make up the list of top CSR supporters in India based on BSE-100 index membership which showcases diverse large companies. The selection of companies was not solely based on top CSR spenders, but rather on a purposive sampling method. Inclusion criteria

included (a) companies mandated to comply with Section 135 of the Companies Act, 2013, (b) availability of consistent CSR expenditure data between FY 2014–15 to FY 2021–22, and (c) sectoral diversity to reflect varied CSR approaches across industries. Companies with inconsistent or missing disclosures were excluded. This chosen sample helps investigate how specific companies handle their social responsibility programs through organized social efforts. Our study includes several different industry types to examine how different types of businesses spend their CSR resources. These industries are finance, energy, IT, FMCG, pharmaceuticals, and manufacturing. By examining different business types within one analysis the study confirms if corporate social responsibility approaches match specific industry types. Manufacturing and heavy industry sectors prefer to support environmental projects but IT and services companies select education and skill-building activities. This selection method supports studies from Khatoon and Paswan (2024) that demonstrate how large disclosed businesses help evaluate how CSR works.

Sector	No. of Companies	Company Names
Banking & Financial Services	5	HDFC Bank, ICICI Bank, Axis Bank, Kotak Mahindra Bank, State Bank of India
Oil & Energy	4	Reliance Industries, ONGC, Indian Oil Corporation, Bharat Petroleum
Information Technology	4	TCS, Infosys, Wipro, HCL Technologies
Pharmaceuticals	3	Sun Pharma, Cipla, Dr. Reddy's Laboratories
FMCG	3	Hindustan Unilever, ITC Limited, Dabur India
Automobiles	3	Tata Motors, Mahindra & Mahindra, Bajaj Auto
Steel & Infrastructure	3	Tata Steel, JSW Steel, Larsen & Toubro (L&T)
Telecom & Media	2	Bharti Airtel, Vodafone Idea
Chemicals & Fertilizers	2	UPL Limited, Deepak Nitrite
Conglomerates	1	Adani Enterprises
Total	30	

Table 1: Sectoral Representation of Sampled BSE-Listed Companies

3.4 Time Period of Analysis

This research evaluates the Corporate Social Responsibility (CSR) funding behaviour of Indian companies covering five financial years from 2019-20 to 2023-24. The chosen time range offers both relevant practical reasons. The 2019–20 fiscal year serves as a dependable starting point to study CSR activities that existed before the pandemic. Companies adapted their CSR allocations during the pandemic years 2020-2021 and 2021-2022 to focus on emergency health intervention projects and distribute pandemic relief funds to support vaccination programs. The research period focuses on CSR adaptations that businesses made against national emergencies. During 2022 and 2023, normal business operations returned and new CSR regulations took effect, especially for projects valued above ₹1 crore which all companies need to assess and report through the Business Responsibility and Sustainability Reporting framework. These updates provide extensive and uniform reports about CSR projects so researchers and businesses can perform better evaluations. This analysis examines five consecutive years of CSR spending to provide an up-to-date and complete review of how companies use their budgets in CSR projects and meet both legal and social expectations.

The statistical analysis of the data was conducted with the help of Microsoft Excel as a tool designed to provide trend analysis and descriptive statistics. The consistency was achieved through basic data validation procedures like cross-referencing using MCA and company websites. Secondary data was used because it is subject to its own limitations, which include not providing privacy because of its real-time unavailability, limited qualitative understanding, and even bias in the self-reporting it relied on. This reliability was adjusted by utilising triangulation (which involves comparing various data sources) and the verified portals, such as the MCA CSR portal and independent audit-reported figures.

3.5 Limitations of Methodology

This research uses publicly available CSR information from companies' official documents and government sites that present certain restrictions when accessing necessary data. Foundational CSR data often appears unequally provided by companies across financial years and distributed within extensive financial reports. The research sample includes only 30 businesses listed on

the Bombay Stock Exchange whose CSR activities tend to receive substantial attention due to their size. The research results cannot accurately measure the CSR actions of small-capital companies and those firms beyond public BSE listings or with specialized industries. Our research results primarily apply to business organizations operating throughout India. Since this study relies solely on secondary information it cannot reveal important details on project execution or receive feedback from stakeholders about social impact.

4. Analysis and Major Findings

4.1 Overview of CSR Expenditure by Sample Companies

The analysis of CSR expenditure across the selected sample of 30 BSE-listed companies over the financial years 2019–20 to 2023–24 reveals a clear and consistent upward trend in total social responsibility investment. Businesses are increasing their dedication to environmentally friendly development and both legal rules and local community benefits. Under the Companies Act requirements companies invested ₹6,070 Crore in CSR activities during FY2019-2020 and afterward added another ₹8,320.83 Crore through 2023-2024 to create a 37% increase. The regular increase in CSR spending indicates that companies are making more than just minimum 2% contributions as required under the Companies Act 2013. This data review shows exact amounts and yearly patterns of spending in CSR initiatives.

Financial Year	Total CSR Spending (INR Cr)	Average CSR Spending per Company (INR Cr)
2019–20	₹6,070.00	₹303.50
2020–21	₹6,747.81	₹337.39
2021–22	₹7,226.61	₹361.33
2022–23	₹7,785.55	₹389.28
2023–24	₹8,320.83	₹416.04

Table 2: Total and average CSR expenditure

During five years the average CSR budget of every BSE-listed firms from different industries displays clear business grew by more than 110 crores. The stable spending orientations. The distribution identifies industries commitment suggests companies now see CSR as core that drive sustainable development in India compared to their business responsibility instead of simply those that require improvement. These companies used these figures to show their total CSR budget each year from 2019-20 through 2023-24.

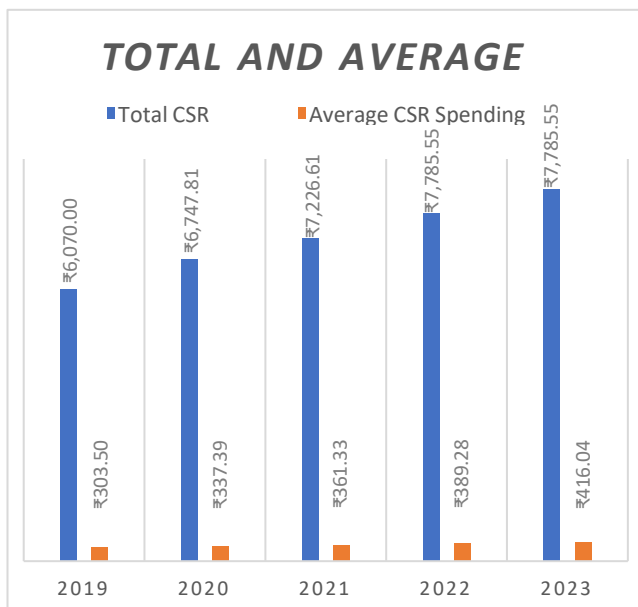


Figure 5: Total and average CSR expenditure Source: Self-developed using data collected

Major CSR funds come from companies in sectors that need large capital investments and deal with consumers like Reliance Industries, TCS, Infosys, and SBI. Organizations now focus major CSR initiatives on education, health services, community development, environmental protection and employability programs through long-term strategy planning and specific structured projects. Companies now use the Business Responsibility and Sustainability Reporting system to enhance their reporting standards and measure their sustainability influences. Many businesses started publishing full BRSR reports for the fiscal year 2022-2023 period. Based on the company sampling results Indian corporate entities combine mandated CSR activities with targeted initiatives that build the nation and produce visible social progress.

4.2 Sectoral Distribution of CSR Spending

The examination of CSR money use across the selected 30

Industry	Total CSR Spending (INR Cr)
IT Services	₹7,754.0
Oil & Gas	₹7,731.0
Banking	₹7,707.8
Conglomerate	₹7,642.0
Pharmaceuticals	₹3,653.0
Chemicals	₹2,758.0
FMCG	₹2,697.0
Telecom	₹2,318.0
Automobile	₹1,728.0
Steel	₹1,658.0
Infrastructure	₹994.0

Table 3: Total CSR spending by each industry over the five-year period from FY 2019–20 to FY 2023–24

These three industries IT Services, Oil and Gas, and Banking share equal leadership positions by spending more than ₹7,700 Crores in CSR projects. Highly monitored companies with substantial finances can maintain accessible CSR programs. Well-known companies like TCS, Infosys, Reliance, ONGC plus main banking entities have focused major health education and rural progress investments in their CSR programs. Large business groups including Reliance Industries and Adani Enterprises spend significantly on CSR programs because they operate across multiple industries combined with their expanding operations. Although mid-tier members the Pharmaceutical and Chemical sectors invested heavily in building health and sanitation facilities as large-scale COVID-19 initiatives reinforced these priorities.

specialized CSR rules to make their business operations have a more positive social impact.

4.3 Key Areas of CSR Focus

Investigations into public disclosures of 30 organizations demonstrate that CSR budgets concentrate mostly on fields related to national development targets. Each organization picks

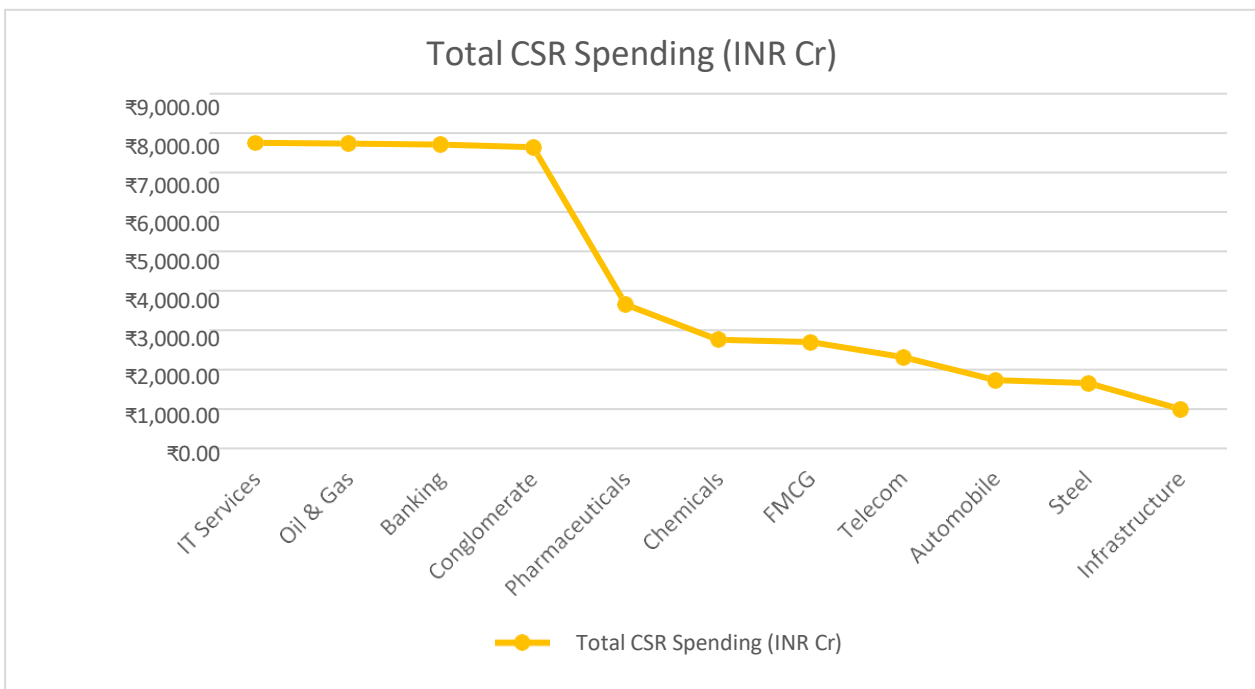


Figure 6: Total CSR spending by each industry Source: Self-developed using data collected

The Infrastructure Steel and Automobile sectors make up the bottom group of companies when it comes to total CSR spending. Companies may use their limited budgets due to weak profitability and small corporate social responsibility requirements. Infrastructure companies invest in their own green construction projects but these activities usually do not meet CSR reporting requirements. Despite serving many customers the Telecom sector spends modestly on CSR activities since financial challenges in the industry limit discretionary funds available for this purpose. The findings show that CSR spending depends on how much money a company possesses and how strictly it must follow government rules plus how important its work area is for helping society. Lower-performing industries need better-

Education Healthcare and Environment plus Rural Development to focus its CSR programs based on business plans community requirements and official standards. Over five years examined companies demonstrated a similar pattern when dividing CSR expenses into these categories.

- **Education and Skill Development (30–35%)**

Companies understand education as their main priority through building schools and supporting students with scholarships while allowing digital learning plus setting up vocational training programs. The government promotes equal access to education so our actions support this goal.

- **Healthcare and Sanitation (25–30%)**

During the pandemic years, the company created mobile healthcare services alongside maternal

care and sanitation plus disease prevention programs. Indian organizations like Cipla, Dr. Reddy's, and Oil and Natural Gas Corporation promote healthcare through their CSR programs.

- **Environment and Sustainability (10–15%)**

Energy companies and forestry investors are now placing more capital into renewable power and forest development. Both ITC and Hindustan Unilever lead sustainability programs because they have practised environmental initiatives for many years.

- **Rural Development (10–12%)**

Organizations establish entrance to electricity power and drinking water while they build local training facilities in regional communities. The programs demand strong cooperation with community aid organizations and official government representatives.

- **Other Areas (8–10%)**

These programs actively help develop women's power and support disaster victims while boosting sports and serving people with disabilities.

The Companies Act, 2013 requires big businesses to spend on CSR as their programs follow legal requirements. Firms are moving away from minimum CSR requirements because their CSR initiatives now go beyond the 2% threshold. Large organizations including Reliance Industries achieve their mandatory CSR requirements before allocating extra funding towards both rural transformation and tech-based education plans. Public sector companies ONGC and Indian Oil operate under government- approved formatting while private sector firms develop their CSR activities with creativity and independence. The introduction of the BRSR reporting rules requires companies to measure their CSR tasks' ongoing effects which encourages them to share their data fully. The legal foundation supports CSR investments as India Inc. now sees these activities as essential parts of its value-creating strategies.

4.4 CSR Implementation Strategies

Indian companies run their own CSR projects alongside activities carried out through partnerships with NGOs, foundations or external organizations. Businesses today blend two different methods of CSR because each method brings unique pros and cons. Company-led CSR programs allow firms to handle every aspect of their social projects from beginning to end. Organizations can connect their CSR activities directly to what they do as a business and who they are as a brand under this model. Major businesses with long-term CSR practices and community bonds choose it most often including Tata Group and Infosys. Companies get better public visibility and brand standing from direct implementation yet struggle with local social project understanding in distant areas. Many businesses use non-governmental organizations (NGOs) to deliver their CSR programs. NGOs bring expert volunteers who work through trusted networks plus methods to expand projects at multiple locations. NGOs and businesses have combined their resources to change how communities receive health, education and rural support services.

In Karnataka, various companies join forces with local NGOs to deliver CSR initiatives while they provide funding oversight of these projects (Indira, 2023). Research findings show that NGOs set up organized plans to run projects and achieve social growth for everyone (Panakaje, 2021). These cooperation types face many problems. Non-government organizations typically depend on corporate money but the companies usually control project design and schedule which puts their NGO partners at risk of changing their social mission.

Several companies today combine corporate administration methods with NGO expertise by starting CSR foundations or teaming up with NGOs that focus on social responsibility. Collaborations between different sectors have become the most successful strategy to create lasting social benefits (Panakaje, 2021). A combination of internal and external partners is driving the next-generation CSR model in India and it succeeds in following all legal rules while making effective changes.

4.5 Socio-Economic Impact of CSR Spending

In India, CSR shifted from traditional charity work to becoming a legally required organizational element that builds sustainable development for everyone. The mandating of CSR under Section 135 of the Companies Act 2013 made Indian businesses institutionalize their

CSR strategy and its results helped multiple communities across the nation. Corporate Social Responsibility programs have created better resources for education and healthcare while building up rural areas plus sanitation services. The study of national CSR data shows 29% of funds spent on education resulted as the leading focus area between 2014–21 along with 20% on healthcare and 9.7% on rural development initiatives (Shoryaditya, 2023). These initiatives boosted school attendance and built improved healthcare services in remote areas plus updated sanitation services. Through CSR initiatives Tata Steel and ITC provide education programs and water protection while pharmaceutical businesses fund mobile healthcare facilities and help manage pandemic treatment. Many experts point out that large companies focus their CSR activities in advanced states because they ignore states with lesser economic development (Gawande & Pathak, 2023).

CSR efforts have built better job skills and helped women succeed while providing people with ways to make a living. Companies created training hubs for rural youth and offered startup funds together with self-help group sponsorship. These projects help decrease differences in regional conditions by creating new jobs and keeping incomes stable. Scientific research shows that companies with long-term CSR programs receive better credit scores and endure less financial danger (Yadav & Kumar, 2025). As a parallel strategy, businesses use CSR to improve how stakeholders view their brands and trust them while their customers stay loyal. When customers trust a company as socially responsible they favor its products and services more while investors place greater confidence in the business and employees stick to their jobs longer. This perspective matches stakeholder theory because when businesses serve social needs they develop stronger long-term business advantages as shown by Garg et al (2021). Through BRSR reports business organizations can compare their CSR effects from the present to future times while bringing their social and business goals into line. Companies undertaking CSR in India made better public services and stronger local networks possible. These activities helped companies establish strong public relations and higher value for the future. CSR programs will succeed better when companies work more actively and openly with stakeholders in ways that benefit all community members equitably.

4.6 Case Studies of Best and Worst Performers

Under Indian corporate governance rules, companies must distribute a percentage of their profits to social and environmental projects. Most companies deliver strong

CSR performance but others struggle when they do not follow CSR rules and budgets do not work properly. This part studies how some companies handle CSR practices well while other companies struggle to attain success with them.

4.6.1 Companies Excelling in CSR Implementation

Tata Consultancy Services (TCS): Tata Consultancy Services shows its dedication to social responsibility by working on educational programs and health care while protecting the environment. Their initiatives include:

4.6.1.1 Intent on advancing 21st-century skills goIT brings in students from various backgrounds to learn skills while working under professional mentors on digital projects (TCS, 2025).

4.6.1.2 A technology-based system helps those who cannot read understand basic skills as well as digital and financial concepts using their local language (TCS, 2025).

4.6.1.3 Through Ignite My Future the program teaches students to explore and solve problems with computing methods as it supports 1 million students across programs (TCS, 2025).

4.6.1.4 For FY2021-2022 TCS went beyond its mandatory CSR spending to commit ₹727 crore to develop the community (Fernandes, 2020).

Aditya Birla Group: The Aditya Birla Group uses a permanent structure named the Aditya Birla Centre for Community Initiatives and Rural Development to handle its CSR activities. Their corporate social responsibility programs work to improve healthcare services while

teaching students and building community living standards through model communities. The foundation runs its programs in 2500 Indian villages by improving access to clean water and educating people about sanitary practices (Fernandes, 2020).

4.6.2 Companies with Non-Compliance or Ineffective CSR Spending

Non-compliance refers to the failure of companies to meet the legal minimum CSR spending or disclosure requirements as mandated under Section 135 of the Indian Companies Act. It is a regulatory violation that may invite penalties. Studies show that more than half of Indian companies fail to comply with the mandatory CSR rules, even among highly profitable firms (Bhatia & Dhawan, 2023). In contrast, low-impact CSR refers to

tokenistic or superficial CSR initiatives that may companies serve society versus their ethical values. Gupta technically fulfill legal obligations but lack meaningful & Wadera's study from 2020 shows that Indian customers social outcomes. These projects often involve low-support eco-protection efforts and plan to buy when brands effort, short-term activities such as donations or one-off support important social causes although CSR by itself events that do not create measurable or lasting change. does not change buying decisions (Sen Gupta & Wadera, 2020). Customers in the retail and FMCG sectors regularly change which brands they buy from. According to Wekesa (2024), CSR projects aimed at environmental defence and moral sourcing bring customers more trust and support purchasing choices. People recognize CSR activities not as profitless generosity but as proof of ethical and reliable business operations.

Adani Group: People closely examine Adani Group's business management systems. In November 2024 U.S. authorities charged Adani Group founder Gautam Adani with associates who organized a \$265 million bribery plan to win power supply contracts which caused major market problems for investors (Chaturvedi, 2024b).

Moog Inc.: Moog Inc. had to defend itself against legal issues because its Indian subsidiary Moog Motion Controls performed unethical activities. Between 2020 and 2022 the subsidiary accepted payments through agents and distributors who worked against competitors for contract success. The company agreed to pay \$1.7 million to settle breaches they committed with the U.S. Securities and Exchange Commission (Smagalla & Forbes, 2024).

Mercedes-Benz India: Officials from the state examined the Mercedes-Benz Chakan plant in Maharashtra in August 2022 and discovered failures in emissions and wastewater treatment which polluted air and water resources. The company solved its wastewater and air pollution concerns by updating its systems which gained regulatory approval during the following inspections (Chaturvedi, 2024a). These cases show the different ways organizations in India put CSR programs into action. The successful CSR approaches of TCS and Aditya Birla Group focus on both ethical operations and environmental stewardship while helping their communities thrive. Companies who experience complaints about unethical behaviour and compliance problems reduce their CSR impacts like in the cases of the Adani Group and Moog Inc. Companies need to integrate honest and transparent practices in their operations to prove their CSR programs deliver real results.

5. Implications and Conclusion

5.1 Implications for Various Stakeholders

Company social responsibility has become the main way consumers choose businesses in India today. Through better access to information and digital platforms, Indian buyers now select their purchases based on both how

Under the Companies Act 2013 companies use CSR as a competitive advantage instead of simply meeting legal requirements. Companies that clearly show their genuine CSR actions receive increased trust from investors and better market and financial results over the long run. Based on Kaur's (2019) findings businesses aligning CSR work with their day-to-day activities achieve important results such as better stakeholder connections public trust and partnership opportunities which Kaur showed in 2019. Businesses that include CSR in their strategy become more resistant to challenges. Companies that work to improve society maintain higher public trust during emergency periods. Firms with solid CSR practices obtained better public support and customer loyalty during the COVID-19 pandemic period. Indian corporations have utilized their CSR budgets to support education systems healthcare needs rural progress and environmental protection. The CSR law makes companies participate more frequently in societal challenges right now. SBI redesigned how they delivered basic services by offering adult education and health visits alongside financial support to create lasting development in local areas. CSR works together with the government to meet SDGs and produces better development results through merging public and private efforts.

The group of stakeholders in CSR environment is also formed by the policymakers and regulatory bodies. They use CSR expenditure and impacts reports to know whether or not they are compliant, where these gaps in development lie and to carry out future policy guidelines. Learnings on CSR disclosures will be useful in keeping the corporate activities in accordance with the national targets like Sustainable Development Goals (SDGs) and making suggestions to amend the CSR legislations to a less discriminatory, and successful application. Policymakers should acknowledge that companies must conduct CSR activities yet face weak evaluation and monitoring of these practices. The public has difficulties trusting CSR when organizations fail to

report properly and do not use their available funds efficiently. When stakeholders recognize CSR actions they trust companies more and join in support. Public officials need to focus their efforts on measuring CSR impact and rewarding excellent work instead of evaluating if companies do basic CSR duties. Governments can lead CSR projects by aligning CSR contributions with Digital India as well as other national campaigns including Swachh Bharat Abhiyan and Skill India. Different states need to jointly develop a system to direct CSR actions. Our system should connect companies with development needs in underprivileged areas through an online matching service. CSR delivers shared value to everyone by creating trust between customers and companies while businesses enhance their operations for a better society under governmental support.

5.2 Conclusion and Limitations of Study

This examination tracks CSR building project allocations by 30 Indian listed businesses over five accounting years to show important corporate social responsibility results. The analysis reveals that:

- CSR spending has grown progressively each year since people and organizations now perform more than the government-regulated 2%.
- The initiative selects education health environmental development and rural initiatives since they support national and global development targets.
- Companies in banking IT and oil gas industries dedicate more resources to CSR programs than those in steel infrastructure and telecom services.
- Organizations apply two main ways to put CSR activities in action – they do it by themselves or through NGO collaborations with tested methods in between.
- Scientific best practices appear in TCS Infosys and Tata Steel while other firms lack proper governance and delivery methods.

This research proves that organizations practice CSR in India because it benefits both their business strategy and ethical values. Carrying out CSR initiatives helps companies earn loyalty from their stakeholders and customers while improving society at large. The study has specific issues that limit its effectiveness even though it covers many details.

- Most firms generate and present annual report data differently. Many businesses did not fully reveal their CSR efforts since they did not provide detailed information about impact assessments or how they distributed their fundraising.
- Companies can operate across many business areas which makes traditional sector organization problematic.
- The research focuses only on companies listed on the Bombay Stock Exchange and leaves out smaller unlisted businesses plus startups that practice effective CSR strategies.
- The research uses published company reports that may hide actual CSR issues since companies select the information they show.
- The available project timeline did not allow for detailed field investigations or beneficiary interviews to measure time effectiveness.

Research in the future needs to expand this study by performing specific actions.

- Investigate how each industry sector performs in CSR practices through outside impact evaluations.
- Research how companies carry out CSR activities across different parts of India and coordinate with local councils to deliver results.
- Research changes in consumer perspectives through surveys and behaviour records.
- Analyze the results of the latest CSR laws and business reporting standards.
- Check how Indian Business Responsibility practices perform by comparing them to global companies.
- Another valuable avenue is assessing the effectiveness of CSR post-2021 regulatory amendments in India, particularly the shift from a “comply or explain” model to compulsory spending and the introduction of CSR impact assessments.

Companies in India now use CSR as an active plan for making development more accessible to everyone. By enhancing business standards and sharing results openly Indian businesses can lead others worldwide in ethical enterprise practices.

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