



Corporate Social Responsibility And Sustainable Development: A Sectoral Analysis Of Leading Indian Companies

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Abstract

Corporate Social Responsibility (CSR) has become the fundamental aspect of modern business practices by incorporating social, environmental and ethical obligations into their decision-making process. This study explores the CSR spending patterns of the top ten CSR contributing Indian companies and looks at their contributions towards sustainable development and societal welfare. The required information has been gathered from the annual reports of the relevant companies. National CSR Portal and the websites of the companies have been primarily used for the sector-wise allocation of the CSR funds. A table showing the total sector-wise CSR expenditure and the percentage share of each sector out of the total CSR spent have been represented with the help of a graph to determine the core areas. The findings reveal that a significant amount of CSR funds had been disbursed by the companies on two activities i.e., Education, Special Education and Vocational Skills (34.29%) and Eradicating Hunger, Poverty and Malnutrition, Healthcare, Sanitation and Safe Drinking Water (25.33%). The CSR activities where the top ten Indian companies spent the least of their CSR funds were Protection of National Heritage, Art and Culture (0.78%), Gender Equality and Women Empowerment (0.68%) and Benefit of Armed Force Veterans, War Widows/Dependents (0.45%). Companies need to change a compliance-focused approach and include CSR into their primary business strategies to make sure their efforts help communities over an extended period. Businesses can boost stakeholder trust, increase their social impact, and promote sustainable development by fostering innovation, transparency, and cooperative collaborations. This will ultimately result in a society that is more robust and equitable.

Keywords: Corporate Social Responsibility (CSR), National CSR Portal, Top Ten CSR contributing Indian companies, Core Areas of CSR.

JEL Code: M14

I. INTRODUCTION

Corporate Social Responsibility (CSR) has become the fundamental aspect of modern business practices by incorporating social, environmental and ethical obligations into their decision-making process. Beyond generating profits, corporate social responsibility highlights a business's adherence to environmental stewardship, community welfare and sustainable development. With the introduction of "Section 135 of the Companies Act 2013," India became one of the first countries to legally mandate the corporate social responsibility spending for the companies requiring that they meet certain threshold limit to invest at least 2% of their average net profits over the last three financial years on approved social activities. A company fulfilling the following criteria during the prior financial year is required to act in accordance with the CSR provisions:

- Net worth of rupees five hundred crore or more, or
- Turnover of rupees one thousand crore or more, or
- Net profit of rupees five crore or more.

(Source: csr.gov.in)

The significance of CSR extends beyond legal compliance as it strengthens organization reputation, builds stakeholders trust and enhances long-term business sustainability. In order to support India's socio-economic growth, businesses carefully synchronize their CSR activities with national priorities like skill development, poverty reduction and clean affordable energy. Many Indian companies have recognized the potential impact of CSR on their business and the wider community, leading to the emergence of several CSR initiatives in recent years (**Dalwadi & Japee, 2023**). This study explores the CSR expenditure patterns of top ten Indian companies contributing towards CSR and looks at their contributions towards sustainable development and societal welfare. According to the National CSR Portal, in the FY 2022-23, the ten companies altogether contributed a notable amount of CSR funds on various sectors. These companies include:

Sl. No.	Company Name	Sector
1	HDFC Bank Limited	Banking & Financial Services
2	Tata Consultancy Services Limited	Information Technology Services
3	Reliance Industries Limited	Conglomerate (Oil & Gas, Petrochemicals, Telecom, Retail)
4	ICICI Bank Limited	Banking & Financial Services
5	Tata Steel Limited	Metals & Mining (Steel)
6	Oil and Natural Gas Corporation Limited	Oil & Gas (Exploration, Production)
7	Infosys Limited	Information Technology Services
8	ITC Limited	Conglomerate (FMCG, Tobacco, Hotels, Paperboards)
9	NTPC Limited	Power Generation
10	Power Grid Corporation of India Limited	Power Transmission & Distribution

Source: csr.gov.in

Their CSR expenditures are spread across multiple domains, with a particular emphasis placed on healthcare, education, environmental sustainability and rural development. This study examines the sector-wise expenditure patterns and the CSR practices of these leading companies. This research offers insights into how companies can maximize their corporate social responsibility efforts for greater national development and long-term sustainability.

II. REVIEW OF LITERATURE

(Ebner & Baumgartner, 2006) provided a framework that demonstrates how CSR and Sustainable Development are related. There are clusters that seek to clarify if corporate social responsibility (CSR) is associated with Brundtland's definition of the social dimension of sustainable development and the triple-bottom-line model; whether CSR is an example of Corporate Sustainability; whether CSR and sustainable development are synonymous; and whether there are publications that explicitly address the social aspect of sustainable development without using phrases like CSR.

(Wright, 2010) gave an overview of the literature on corporate social responsibility. Corporate social responsibility encompasses a wide range of concepts and issues, including sustainability, diverse management, human rights, environmental responsibility, and charity. It is therefore a broad field with a focus on interdisciplinary studies. Most people agree that companies that voluntarily go above and beyond what is required of them by law to take into account the social, economic, and environmental implications of their activities are practicing corporate social responsibility.

(Sharma & Kiran, 2012) In India, a large number of companies have undertaken corporate social responsibility initiatives that have dealt with multiple problems of society. The objective of the present research is to understand the existing scenario, advancements and functioning of remarkable Indian companies with regard to the development and execution of corporate social responsibility policies. There is still more that needs to be done in this field, even though India has participated or made a revolutionary change by participating in new CSR activities.

(Nagwan, 2014) explored the development of corporate social responsibility in India. Companies are increasingly incorporating corporate social responsibility (CSR) into sustainable business strategy since the

new Companies Act made it compulsory for some businesses. CSR initiatives prioritize healthcare, education, and community development. CSR initiatives can be made more effective through collaborations with NGOs. The willingness of corporations to support social causes was also shown to have increased as a result of globalization.

(Verma & Kumar, 2014) investigated the philanthropic donations made by Indian companies to their communities throughout voluntary CSR periods. The data shows that CSR expenditures were minimal. They found that the firms were not spending enough on environmental projects. During the analysis, they concluded that in order to motivate companies to take up more societal duty, mandated corporate social responsibility (CSR) has to be implemented in India.

(Dalwadi & Japee, 2023) in their paper examined the significance of Corporate Social Responsibility for businesses and identifies the focus areas of CSR activities among the top ten contributing companies from 2016 to 2021. It emphasizes the need for companies to conduct Need Assessment Surveys to align their CSR activities with societal challenges rather than their convenience. The findings reveal that the top ten CSR contributing companies primarily focus on Environmental Sustainability, Eradicating Hunger and Poverty and Healthcare while neglecting areas such as Sanitation, Women Empowerment, Armed Forces Veterans, Animal Welfare, National Heritage Preservation and Sports Promotion.

III. OBJECTIVES OF THE STUDY

1. To analyse the sector-wise allocation of CSR expenditure by the top ten Indian companies contributing towards CSR for the FY 2022-23.
2. To identify the core areas of top ten Indian companies contributing towards CSR activities in India.

IV. RESEARCH METHODOLOGY

The present study is descriptive in nature and has been collected from the secondary sources. The required information has been gathered from the annual reports of the relevant companies. National CSR Portal and the websites of the companies have been primarily used for the sector-wise allocation of the CSR funds. Tables have been used for the data analysis. A critical examination of the relevant companies has been conducted and all the major contributions have been taken into consideration for the purpose of the study.

V. DATA ANALYSIS AND INTERPRETATION

Table 5.1: Sector-wise CSR expenditure of HDFC Bank Limited for the FY 2022-23:

Sl. No.	CSR Activities	Amount (INR Cr.)
1.	Eradicating Hunger, Poverty and Malnutrition, Healthcare, Sanitation and Safe Drinking Water	48.34
2.	Education, Special Education and Vocational Skills	166.57
3.	Gender Equality and Women Empowerment	-
4.	Environmental Sustainability, Conservation of Natural Resources and Animal Welfare	34.01
5.	Protection of National Heritage, Art and Culture	-
6.	Benefit of Armed Force Veterans, War Widows/Dependants	0.25
7.	Training to Promote Sports	2.96
8.	Prime Minister National Relief Funds and Other Central Government Funds	15.00
9.	Rural Development Projects	258.85
10.	Livelihood Enhancement Projects	277.22
	TOTAL	803.20

Source: csr.gov.in

Table 5.2: Sector-wise CSR expenditure of Tata Consultancy Services Limited for the FY 2022-23:

Sl. No.	CSR Activities	Amount (INR Cr.)
1.	Eradicating Hunger, Poverty and Malnutrition, Healthcare, Sanitation and Safe Drinking Water	18.77
2.	Education, Special Education and Vocational Skills	750.17
3.	Gender Equality and Women Empowerment	-
4.	Environmental Sustainability, Conservation of Natural Resources and Animal Welfare	-
5.	Protection of National Heritage, Art and Culture	-
6.	Benefit of Armed Force Veterans, War Widows/Dependants	-
7.	Training to Promote Sports	-
8.	Prime Minister National Relief Funds and Other Central Government Funds	-
9.	Rural Development Projects	-
10.	Livelihood Enhancement Projects	5.50
	TOTAL	774.44

Source: csr.gov.in

Table 5.3: Sector-wise CSR expenditure of Reliance Industries Limited for the FY 2022-23:

Sl. No.	CSR Activities	Amount (INR Cr.)
1.	Eradicating Hunger, Poverty and Malnutrition, Healthcare, Sanitation and Safe Drinking Water	386.24
2.	Education, Special Education and Vocational Skills	281.12
3.	Gender Equality and Women Empowerment	-
4.	Environmental Sustainability, Conservation of Natural Resources and Animal Welfare	19.73
5.	Protection of National Heritage, Art and Culture	-
6.	Benefit of Armed Force Veterans, War Widows/Dependants	-
7.	Training to Promote Sports	56.31
8.	Prime Minister National Relief Funds and Other Central Government Funds	-
9.	Rural Development Projects	-
10.	Livelihood Enhancement Projects	-
	TOTAL	743.40

Source: csr.gov.in

Table 5.4: Sector-wise CSR expenditure of ICICI Bank Limited for the FY 2022-23:

Sl. No.	CSR Activities	Amount (INR Cr.)
1.	Eradicating Hunger, Poverty and Malnutrition, Healthcare, Sanitation and Safe Drinking Water	120.96
2.	Education, Special Education and Vocational Skills	67.42
3.	Gender Equality and Women Empowerment	0.07
4.	Environmental Sustainability, Conservation of Natural Resources and Animal Welfare	179.98
5.	Protection of National Heritage, Art and Culture	1.75
6.	Benefit of Armed Force Veterans, War Widows/Dependants	2.80
7.	Training to Promote Sports	0.15
8.	Prime Minister National Relief Funds and Other Central Government Funds	3.04
9.	Rural Development Projects	91.58
10.	Livelihood Enhancement Projects	8.83
	TOTAL	476.58

Source: csr.gov.in

Table 5.5: Sector-wise CSR expenditure of Tata Steel Limited for the FY 2022-23:

Sl. No.	CSR Activities	Amount (INR Cr.)
1.	Eradicating Hunger, Poverty and Malnutrition, Healthcare, Sanitation and Safe Drinking Water	92.39
2.	Education, Special Education and Vocational Skills	140.70
3.	Gender Equality and Women Empowerment	-
4.	Environmental Sustainability, Conservation of Natural Resources and Animal Welfare	33.06
5.	Protection of National Heritage, Art and Culture	15.81
6.	Benefit of Armed Force Veterans, War Widows/Dependants	-
7.	Training to Promote Sports	26.92
8.	Prime Minister National Relief Funds and Other Central Government Funds	-
9.	Rural Development Projects	34.13
10.	Livelihood Enhancement Projects	132.06
	TOTAL	475.07

Source: csr.gov.in

Table 5.6: Sector-wise CSR expenditure of Oil and Natural Gas Corporation Limited for the FY 2022-23:

Sl. No.	CSR Activities	Amount (INR Cr.)
1.	Eradicating Hunger, Poverty and Malnutrition, Healthcare, Sanitation and Safe Drinking Water	211.00
2.	Education, Special Education and Vocational Skills	82.50
3.	Gender Equality and Women Empowerment	17.99
4.	Environmental Sustainability, Conservation of Natural Resources and Animal Welfare	6.00
5.	Protection of National Heritage, Art and Culture	-
6.	Benefit of Armed Force Veterans, War Widows/Dependants	-
7.	Training to Promote Sports	1.61
8.	Prime Minister National Relief Funds and Other Central Government Funds	-
9.	Rural Development Projects	28.24
10.	Livelihood Enhancement Projects	106.34
	TOTAL	453.68

Source: csr.gov.in

Table 5.7: Sector-wise CSR expenditure of Infosys Limited for the FY 2022-23:

Sl. No.	CSR Activities	Amount (INR Cr.)
1.	Eradicating Hunger, Poverty and Malnutrition, Healthcare, Sanitation and Safe Drinking Water	83.71
2.	Education, Special Education and Vocational Skills	120.30
3.	Gender Equality and Women Empowerment	1.22
4.	Environmental Sustainability, Conservation of Natural Resources and Animal Welfare	139.44
5.	Protection of National Heritage, Art and Culture	19.60
6.	Benefit of Armed Force Veterans, War Widows/Dependants	20.00
7.	Training to Promote Sports	-
8.	Prime Minister National Relief Funds and Other Central Government Funds	-
9.	Rural Development Projects	5.90
10.	Livelihood Enhancement Projects	-
	TOTAL	390.17

Source: csr.gov.in

Table 5.8: Sector-wise CSR expenditure of ITC Limited for the FY 2022-23:

Sl. No.	CSR Activities	Amount (INR Cr.)
1.	Eradicating Hunger, Poverty and Malnutrition, Healthcare, Sanitation and Safe Drinking Water	72.76
2.	Education, Special Education and Vocational Skills	67.13
3.	Gender Equality and Women Empowerment	9.89
4.	Environmental Sustainability, Conservation of Natural Resources and Animal Welfare	86.98
5.	Protection of National Heritage, Art and Culture	0.20
6.	Benefit of Armed Force Veterans, War Widows/Dependants	-
7.	Training to Promote Sports	-
8.	Prime Minister National Relief Funds and Other Central Government Funds	-
9.	Rural Development Projects	81.68
10.	Livelihood Enhancement Projects	4.05
	TOTAL	322.69

Source: csr.gov.in

Table 5.9: Sector-wise CSR expenditure of NTPC Limited for the FY 2022-23:

Sl. No.	CSR Activities	Amount (INR Cr.)
1.	Eradicating Hunger, Poverty and Malnutrition, Healthcare, Sanitation and Safe Drinking Water	120.16
2.	Education, Special Education and Vocational Skills	25.79
3.	Gender Equality and Women Empowerment	5.08
4.	Environmental Sustainability, Conservation of Natural Resources and Animal Welfare	53.39
5.	Protection of National Heritage, Art and Culture	1.79
6.	Benefit of Armed Force Veterans, War Widows/Dependants	-
7.	Training to Promote Sports	12.17
8.	Prime Minister National Relief Funds and Other Central Government Funds	80.00
9.	Rural Development Projects	19.97
10.	Livelihood Enhancement Projects	1.60
	TOTAL	319.95

Source: csr.gov.in

Table 5.10: Sector-wise CSR expenditure of Power Grid Corporation of India Limited for the FY 2022-23:

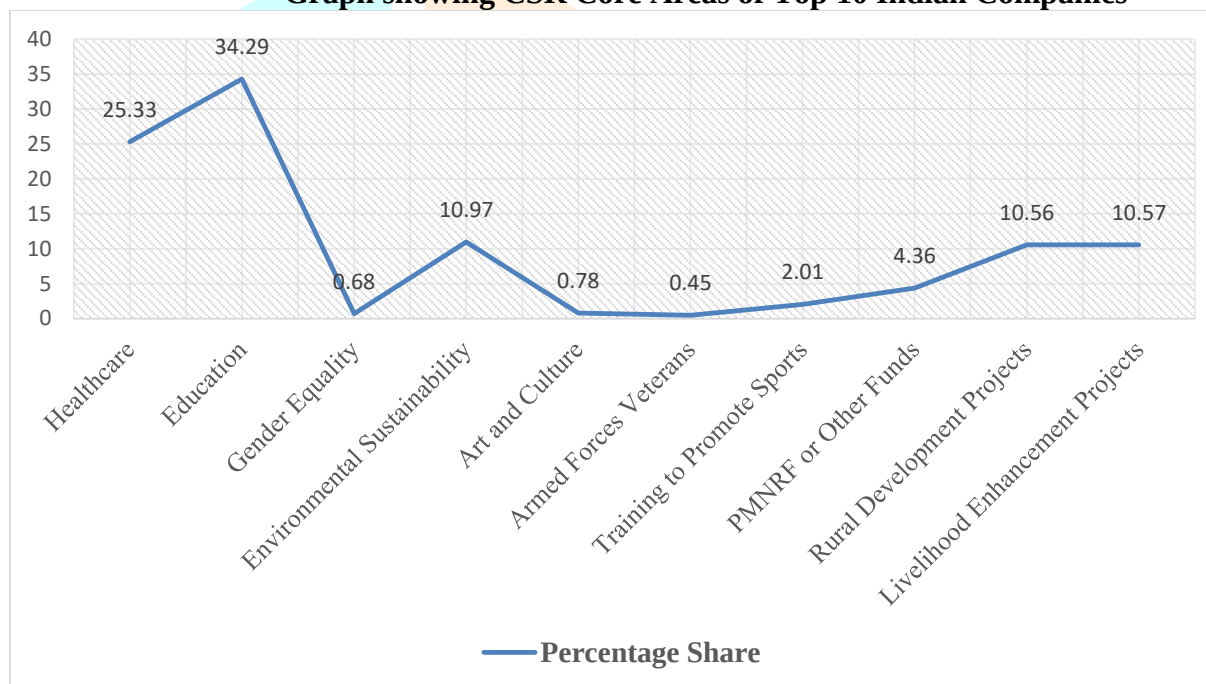
Sl. No.	CSR Activities	Amount (INR Cr.)
1.	Eradicating Hunger, Poverty and Malnutrition, Healthcare, Sanitation and Safe Drinking Water	129.99
2.	Education, Special Education and Vocational Skills	36.54
3.	Gender Equality and Women Empowerment	0.29
4.	Environmental Sustainability, Conservation of Natural Resources and Animal Welfare	3.56
5.	Protection of National Heritage, Art and Culture	0.47
6.	Benefit of Armed Force Veterans, War Widows/Dependants	-
7.	Training to Promote Sports	1.52
8.	Prime Minister National Relief Funds and Other Central Government Funds	122.98
9.	Rural Development Projects	15.06
10.	Livelihood Enhancement Projects	-
	TOTAL	310.41

Source: csr.gov.in

Table 5.11: Total Sector-wise CSR expenditure and their percentage share for the FY 2022-23:

Sl. No.	CSR Activities	TOTAL (INR Cr.)	Percentage Share
1.	Eradicating Hunger, Poverty and Malnutrition, Healthcare, Sanitation and Safe Drinking Water	1,284.32	25.33%
2.	Education, Special Education and Vocational Skills	1,738.24	34.29%
3.	Gender Equality and Women Empowerment	34.54	0.68%
4.	Environmental Sustainability, Conservation of Natural Resources and Animal Welfare	556.15	10.97%
5.	Protection of National Heritage, Art and Culture	39.62	0.78%
6.	Benefit of Armed Force Veterans, War Widows/Dependants	23.05	0.45%
7.	Training to Promote Sports	101.64	2.01%
8.	Prime Minister National Relief Funds and Other Central Government Funds	221.02	4.36%
9.	Rural Development Projects	535.41	10.56%
10.	Livelihood Enhancement Projects	535.60	10.57%
	TOTAL	5,069.59	100%

Graph showing CSR Core Areas of Top 10 Indian Companies



Prepared by the authors citing Table 5.11

Table 5.11 represents the total amount and the percentage share of the ten Indian companies that are involved in corporate social responsibility activities specified in Schedule VII of the Companies Act. From the above graph it can be inferred that a significant amount of CSR funds had been disbursed by the companies on two activities i.e., Education, Special Education and Vocational Skills (34.29%) and Eradicating Hunger, Poverty and Malnutrition, Healthcare, Sanitation and Safe Drinking Water (25.33%). The other significant CSR activities were Environmental Sustainability, Conservation of Natural Resources and Animal Welfare (10.97%), Livelihood Enhancement Projects (10.57%) and Rural Development Projects (10.56%). Contribution towards PM National Relief Funds and Other Funds whereas Training to Promote Sports were 4.36% and 2.01% respectively. The CSR activities where the top ten Indian companies spent the least of their CSR funds were Protection of National Heritage, Art and Culture (0.78%), Gender Equality and Women Empowerment (0.68%) and Benefit of Armed Force Veterans, War Widows/Dependents (0.45%).

VI. FINDINGS

- 1. Dominance of Education and Healthcare:** The top ten Indian companies as per the National CSR Portal for the FY 2022-23 are highlighting their emphasis on the fundamental societal needs by contributing their majority CSR funds, nearly 60% on education and healthcare activities. Tata Consultancy Services Limited was the largest contributor to education and Reliance Industries Limited had allocated the highest amount to healthcare.
- 2. Moderate Attention to Environmental Sustainability and Rural Development Projects:** Environmental Sustainability is a serious issue and should be given considerable attention. A total of 32.10% of CSR funds had been spent on environmental sustainability, rural development and livelihood enhancement projects which is receiving a significant but comparatively lower funding by the top ten Indian companies. Infosys Limited, ICICI Bank Limited and ITC Limited have made significant contributions towards environmental initiatives while HDFC Bank Limited and ITC Limited concentrated on rural development.
- 3. Low Allocation for Social Equality and Protection of Art and Culture:** Activities such as Gender Equality and Women Empowerment, Art and Culture and Armed Forces Veterans are receiving negligible CSR funding i.e., less than 1% respectively. Only 0.68% of total CSR funds had been spent on Gender Equality and Women Empowerment, being Oil and Natural Gas Corporation Limited as one of the few contributors.
- 4. Limited Support for Sports Activities:** Various sports activities have the potential to enhance youth engagement and build their career opportunities. “Training to Promote Rural Sports” is one of the activities which is mentioned in Schedule VII of the Companies Act, but it can be seen that this sector is receiving a CSR fund of only 2.01%, with Reliance Industries Limited and Tata Steel Limited being the major contributors.
- 5. Government-oriented Contributions:** Contribution to PM National Relief Funds and Other Central Government Funds stands at 4.36%, suggesting a small yet significant investment regarding national emergency relief and developmental activities. Power Grid Corporation of India Limited and NTPC Limited were the primary contributors.

VII. SUGGESTIONS & CONCLUSION

Businesses should broaden their focus beyond healthcare and education to strengthen the impact of CSR programs. This will ensure that neglected sectors like gender equality, veteran welfare, cultural preservation and sports development receive greater importance. Long-term social advancement can be promoted by funding initiatives for women's empowerment, skill development for war veterans and the conservation of India's rich cultural legacy. Furthermore, including climate resilience measures, afforestation programs and renewable energy projects into CSR strategies would strengthen environmental sustainability efforts. Through technology-driven solutions such as digital learning platforms automated, fraud detection and real-time money tracking, blockchain technology has the potential to completely transform corporate social responsibility while guaranteeing optimal efficiency and transparency. Enhancing public-private collaborations with government organizations, socially-conscious businesses and non-governmental organizations will assist in developing successful projects, ensuring that funds reach the targeted beneficiaries and bring about long-lasting social change.

Although the two main CSR thrust areas are still education and healthcare, the unequal distribution of funds emphasizes the need for a more balanced strategy that deals with social injustices, advances sustainability and encourages inclusive growth. Companies need to change a compliance-focused approach and include CSR into their primary business strategies to make sure their efforts help communities over an extended period. Businesses can boost stakeholder trust, increase their social impact, and promote sustainable development by fostering innovation, transparency, and cooperative collaborations. This will ultimately result in a society that is more robust and equitable.

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