



An Assessment of Corporate Social Responsibility in Selected Indian Companies

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ABSTRACT

This article's goal is to analyse the situation of corporate social responsibility (CSR) in India today, with a focus on sectoral development. Additionally, it looks into the CSR efforts of four chosen Indian businesses across a range of industries. All Indian businesses are now required to engage in corporate social responsibility (CSR), which calls on them to donate at least 2% of their prior year's earnings to societal advancement. With an emphasis on CSR contributions from 2019–20 to 2022–23, the study uses secondary data to examine various industries and the individual contributions of businesses to sectoral growth. The total amount contributed from the average profit was determined using data from the fiscal year 2022–23. According to the article's conclusion, out of the four companies examined, TCS makes the largest contribution to CSR.

Key terms- Corporate social responsibility, Indian Businesses, Sectoral Growth, Sustainable development, Companies Act 2013.

1. Introduction

The idea that companies should prioritize making a positive impact on society in addition to making a profit is known as corporate social responsibility, or CSR. It entails businesses accepting accountability for how their activities, goods, and dealings with stakeholders affect society and the environment. CSR includes a broad range of activities that might enhance economic, social, and environmental circumstances while coordinating corporate objectives with more general societal issues. Since 2014, when the Companies Act of 2013 was passed, India's approach to Corporate Social Responsibility (CSR) has changed. Every company is required by Section 135(1) of the Act to devote at least 2% of its net earnings to corporate social responsibility (CSR) initiatives that address issues including hunger, poverty, gender equality, and education. CSR, sometimes known as "Corporate Citizenship," highlights the significance of maintaining long-term societal and environmental well-being for short-term gains. The ethical and voluntary commitment made by companies to support sustainable economic development while enhancing the standard of living for their employees, local communities, and society at large is known as corporate social responsibility, or CSR. The concept centres on the premise that businesses should conduct their activities responsibly, taking into account not just their financial gain but also their effects on ethical, social, and environmental challenges.

2. Objectives of study

- To examine the CSR contributions made by various industries during the next four years (2019–2020).
- To determine the main sectoral CSR expenditures that four chosen businesses made during the 2022-23 fiscal year.
- To calculate the four chosen companies' CSR contributions using their average profit from the prior year.

3. Review of literature

- Carroll's 1991 CSR Pyramid: Economic, legal, ethical, and charitable duties are the four layers into which this well-known paradigm divides corporate social responsibility. Carroll maintained that companies have a hierarchy of social obligations, with philanthropic responsibilities serving as an extra social benefit and economic responsibilities serving as the cornerstone.
- According to Elkington (1997), the Triple Bottom Line (TBL): People, earth, and profit are the three dimensions that the TBL model adds to CSR. In order to ensure long-term sustainability, businesses are expected to concentrate on economic, social, and environmental consequences all at once.
- CSR in growing Markets: As businesses come under more and more scrutiny from local communities, governments, and international consumers, corporate social responsibility (CSR) has become a crucial part of corporate strategy in growing economies like China,

Brazil, and India (Doh & Guay, 2006). For instance, the corporations Act of 2013 in India requires some large corporations to spend money on corporate social responsibility.

➤ Important Evolutionary Phases:-

- 1960s–1970s Philanthropic Responsibility: Corporate giving, including gifts and community service, was the main focus of early CSR (Davis, 1973).
- Ethical and Legal Responsibility (1980s–1990s): As environmental concerns and labor rights gained public attention, corporate social responsibility (CSR) expanded to encompass legal and ethical responsibilities, with businesses expected to abide by environmental and labour laws (Smith, 1994).
- Since the 2000s, strategic CSR has been: CSR and corporate goals have become strategically intertwined in recent decades. Companies now participate in CSR to improve their brand image, foster consumer loyalty, and achieve long-term sustainability in addition to ethical considerations (Porter & Kramer, 2006).

Beyond philanthropy, corporate social responsibility (CSR) has grown to be a key component of contemporary business strategy, including long-term sustainability into operations. According to the literature, corporate social responsibility (CSR) can have a good effect on financial performance, consumer loyalty, and staff engagement.

4. Research Methodology

Berg (2016) asserts that the goal of the study is the only factor that influences the decision between qualitative and quantitative research methods. Data for this study came from secondary sources. Based on their CSR spending, four Indian companies—Reliance, TCS, Tata Steel and ONGC—were chosen from the list of top CSR spenders on the official website (<https://www.csr.gov.in>). While the primary sectoral CSR investments were explicitly looked at for the year 2022–23, data from the years 2019–20 to 2022–23 were used to study CSR sectoral contributions. The average profit for the entire current year was also taken into account.

The percentage of CSR contributions made by the four chosen companies across different development sectors was determined using data from 2022–23. Because the most recent data was available, 2022–23 was selected as the terminal year.

5. Analysis and Interpretation

Objective 1: CSR contributions across different sectors for the years 2019 to 2023

Table 1

India's CSR contribution in different development sector							
Development sector		Amount	Amount	Amount	Amount	Total Amount Spent	% to Total
		spent	spent	spent	spent		
		FY 2019-20 (INR Cr.)	FY 2020-21 (INR Cr.)	FY 2021-22 (INR Cr.)	FY 2022-23 (INR Cr.)		
1.	Clean Ganga Fund	6.63	13.39	55.38	40.77	116.17	0.15
2.	Education, differently abled, Livelihood	6114.36	5831.26	6574.4	9913.02	28433.04	36.11
3.	Encouraging Sports	164.88	127.08	216.66	389.28	897.9	1.14
4.	Environment, Animal welfare, conservation of resources	1177.33	1085.19	2222.27	2339.03	6823.82	8.66
5.	Gender equality, Women empowerment, Old age homes, Reducing inequalities	476.95	377.89	599.78	739.23	2193.85	2.79

6.	Health, Eradicating hunger, Poverty and malnutrition, safe drinking water, sanitation	4676.28	5798.38	7918.02	7381.23	25773.91	32.73
7.	Heritage Art and culture	163.05	189.72	231.91	382.58	967.26	1.22
8.	Incubator and benefits to armed forces	60.2	61.77	45.52	60.6	228.09	0.29
9.	Prime minister's national relief fund	798.43	1698.38	1214.47	752.35	4463.63	5.68
10.	Rural development	870.81	1169.25	1566.94	1588.27	5195.27	6.59
11.	Slum area development	36.01	87.38	52.52	90.82	266.73	0.35
12.	Swachh Bharat Kosh	53.47	161.35	34.89	53.44	303.15	0.39
13.	Any other fund	960.78	1635.33	309.02	163.53	3068.66	3.90
	Grand Total (In Cr.)	15559.18	18236.37	21041.78	23894.15	78731.48	100

(Sources: <https://www.csr.gov.in/developmentlist.php>)

Education, Differently Aabled, and Livelihood accounted for the largest sectoral contributions to CSR in India (36.11%), followed by Health, Eradicating Hunger, Poverty, and Malnutrition, Safe Drinking Water, and Sanitation (32.73%), Environment, Animal Welfare, and Conservation of Resources (8.66%) and Rural Development (6.59%) according to Table 1. In order to promote a better India, major contributions were also given to programs like the Prime Minister's National Relief Fund and Swachh Bharat Kosh. In the last four years, India has spent a total of Rs. 78731.48 crores on corporate social responsibility.

Objective 2: The primary sectoral CSR investments of the four selected companies for the year 2022-23

The key sectoral CSR investments for the year 2022-23 of Reliance Industries Ltd, TCS Ltd, Tata Steel Ltd and ONGC Ltd are presented in Table 2, Table 3, Table 4, and Table 5.

Table 2

Tata Consultancy Services Ltd			
S.No.	CSR Projects	Amount spent (Rs. In Cr.)	% of contribution
1.	Bridget – Humana, DF	0.38	.05
2.	Literacy As a Service Program Support	0.92	.12
3.	Employability Training for Rural Youth	7.63	.99
4.	Goit - Student Digital Innovation Program	0.6	.08
5.	Contribution For Schedule VII Activities	730.65	94.45
6.	Healthcare Projects	17.27	2.23
7.	Hospital Management System	1.46	.19
8.	Education And Skill Building Projects	5.12	.66
9.	Strategic CSR Programs Support	9.55	1.23
Total		773.58	100.00

Please note that the total amount spent by Tata Consultancy Services Limited on various sectors does not match the grand total because we have only included the amounts spent on major sectors, excluding those with less than .05% contribution towards CSR. (Source: <https://www.csr.gov.in>)

Table 3

Reliance Industries Limited			
S.No.	CSR Projects	Amount Spent (Rs. In Cr.)	% of contribution
1.	Scholarship And Education Support	11.3	1.54
2.	Preventive And Public Healthcare Initiatives	160.61	21.87
3.	Promoting Institution of Eminence - Jio Institute	206.77	28.16
4.	Infrastructure Development for Primary Schools, Aanganwadi and Other Initiatives at Manufacturing Si	34.86	4.75
5.	Other Initiatives Including Programme Partnerships	81.19	11.06
6.	Promoting Sustainable Environment, Arts and Culture	16.62	2.26
7.	Covid-19 - Mission Covid Suraksha	24.88	3.39
8.	Medical Relief and Assistance Programme at Sites	74.98	10.21
9.	Sustainable Livelihoods Programme	44.25	6.03
10.	Drinking Water Supply and Other Rural Development Programmes at Manufacturing Sites	22.53	3.07
11.	Promoting Grassroot Sports	56.31	7.67
Total		734.30	100.00

Please note that the total amount spent by Reliance Industries Limited on various sectors does not match the grand total because we have only included the amounts spent on major sectors, excluding those with less than 1.5% contribution towards CSR. (Source: <https://www.csr.gov.in>)

Table 4

Tata Steel Limited			
S.No.	CSR Projects	Amount Spent (Rs. In Cr.)	% of contribution
1.	Health Insurance	25	9.64
2.	Education Signature Programme	17.06	6.58
3.	30 Model School Project	9.79	3.78
4.	Government School Transformation Programme	90.9	35.06
5.	School Improvement Project (1000 Schools Project)	44.11	17.01
6.	Support For Schools/Institutions (Educational Infrastructure)	15.09	5.82
7.	Samvaad ' A Tribal Conclave	17.65	6.81
8.	Public Health Initiatives in Proximate Communities	11.16	4.30
9.	Health & Sports infrastructure	8.36	3.22
10.	Running Sports Centres	20.14	7.77
Total		259.26	100.00

Please note that the total amount spent by Tata Steel Limited on various sectors does not match the grand total because we have only included the amounts spent on major sectors, excluding those with less than 3.20% contribution towards CSR. (Source: <https://www.csr.gov.in>)

Table 5

ONGC Limited			
S.No.	CSR Projects	Amount Spent (Rs. In Cr.)	% of contribution
1.	Part Financial Support Towards Multi Speciality Hospital Sivasagar	100	30.85
2.	Contribution To Pm Cares Fund	100	30.85
3.	Others	104.69	32.30
4.	Setting Up Centre of Excellence in Oil Gas and Energy	19.43	5.99
Total		324.12	100.00

Please note that the total amount spent by ONGC Limited on various sectors does not match the grand total because we have only included the amounts spent on major sectors, excluding those with less than 5.95% contribution towards CSR. (Source: <https://www.csr.gov.in>)

Analysis of the CSR sectoral investments for four chosen companies

The primary focus of TCS's sectoral contributions for 2022-23 (Table 2) is Contribution for Schedule Vii Activities (94.45%). The corporation made investments in health-care projects (2.23%), strategic CSR programs support (1.23%), employability training for rural youth (0.99%), and education & skill building projects (0.66%).

According to Table 3, Reliance Industries Ltd's sectoral contributions for 2022-23 include support for the promoting institution of eminence-Jio institute (28.16%), preventive & public healthcare initiatives (21.87%), and other initiatives including programme partnerships (11.06%). A sizable amount of the money went toward projects connected to the medical relief & assistance programme at sites.

The sectoral contribution of Tata steel Ltd. for 2022-23 (Table 4) is primarily focused on government school transformation programme (35.06%), school improvement project (1000 school projects) (17.01%), health insurance (9.64%) and running sports centres (7.77%). In addition, ONGC Ltd. prioritized other activity related to sustainability (32.30%), financial support towards multi-speciality hospital & contribution to PM cares fund (61.70%), and setting up centre of excellence in Oil, Gas & Energy (5.99%), in its sectoral contribution for 2022-23 (Table 5). As a energy-based company, ONGC primarily concentrated on the energy sector for meeting the shortage of energy.

Objective 3: The CSR contributions of the four selected companies based on their average profit from the previous year

Table 6

CSR contributions of the four selected companies based on their average profit from the previous year			
Name of the Company	Avg. Profit for 2022-23 (Rs. In Cr.)	CSR Spent for 2022-23 (Rs. In Cr.)	% of Contribution 2022-23
TCS Ltd.	42147	773.58	54.48
Reliance Industries Ltd.	73670	734.30	100.32
Tata Steel Ltd.	15495	259.26	59.76
ONGC Ltd.	38829	324.12	119.80
Source: Prepared by the author			

Table 6 displays the contributions of the chosen businesses, with TCS Limited coming in at 54.48%, Reliance Industries Limited at 100.32%, Tata Steel Limited at 59.76%, and ONGC Limited at 119.80%. According to this survey, ONGC contributed the largest percentage of its average profit—119.80% for the 2022-23 fiscal year—to corporate social responsibility.

6. Conclusion

The study's conclusion emphasized the importance of corporate social responsibility (CSR) and the need for medium- and large-scale businesses to implement it in order to support societal progress. Although CSR measures are now required by the Companies Act of 2013, their implementation still

need clarification. Education, support for the disabled, livelihood enhancement, addressing malnutrition, healthcare, ending hunger and poverty, safe development, drinking water, environmental conservation, sanitation, animal welfare, resource conservation, the Swachh Bharat Kosh, and the Prime Minister's National Relief Fund are just a few of the areas that have benefited from the CSR Act. It's critical that businesses accurately document their CSR expenditures and notify the government of them. Therefore, corporate social responsibility (CSR) should be seen as an opportunity to support social equality, environmental protection, and economic sustainability rather than as a burden on businesses.

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