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## A Decadal Evaluation of Mandatory CSR in India: Evidence from BSE-500 Firms and SDG Linkages (2014–2024)

Barun Das<sup>1\*</sup>

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### ABSTRACT

This study presents a comprehensive decadal analysis (2014–2024) of Corporate Social Responsibility (CSR) implementation among India's top 500 BSE-listed companies following the enforcement of Section 135 of the Companies Act, 2013. As the first country to mandate corporate social responsibility (CSR) by law, India presents a unique landscape for evaluating the evolution of corporate social spending behavior, compliance patterns, and alignment with national development priorities and the Sustainable Development Goals (SDGs). The paper adopts a mixed-methods approach combining quantitative trend analysis, quadrant mapping, regression models, and qualitative NVivo-style insights. The findings reveal four distinct phases of CSR evolution: initial under-compliance (2014–2016), rising obligations with spending lag (2016–2018), over-compliance with moderate obligations (2018–2020), and mature CSR performance with consistent overspending (2020–2024). Statistical evidence confirms a significant positive relationship between CSR obligations and actual spending, while sectoral allocation remains concentrated in education and health, collectively accounting for over 60% of total CSR expenditure. SDG mapping reveals strong corporate alignment with SDGs 3, 4, and 8; however, it highlights persistent underinvestment in climate action (SDG 13), gender equity (SDG 5), and innovation (SDG 9). Qualitative insights based on stakeholder perceptions uncover implementation challenges, including top-down planning, cultural misalignment, and weak monitoring, especially in underdeveloped regions such as North-East India. The paper also benchmarks India's CSR framework against global models from China, the UK, and Brazil, illustrating both the strengths and gaps of India's mandatory regime. The study concludes with targeted policy recommendations to shift from compliance-focused CSR to outcome-oriented, SDG-linked, and regionally balanced strategies. By blending robust data analysis with stakeholder perspectives and policy implications, this paper contributes to the evolving discourse on CSR governance, sustainability integration, and corporate accountability in emerging economies.

### INTRODUCTION

Corporate Social Responsibility (CSR) in India underwent a paradigm shift with the introduction of Section 135 of the Companies Act, 2013. This legislation mandated eligible companies to spend 2% of their average net profits from the preceding three years on social initiatives. This pioneering legal framework transformed CSR from voluntary philanthropy into a statutory obligation, establishing one of the world's largest structured corporate giving frameworks. As this regulation completes a decade of implementation, it offers a unique opportunity to assess its impact on corporate behavior, compliance patterns, and social investment priorities.

India's approach to mandating CSR contrasts with global practices, where CSR largely remains voluntary, guided by frameworks such as the UN Global Compact, GRI Standards, and ISO 26000. The Indian model has garnered international attention as an innovative policy experiment, with its outcomes potentially informing other developing economies considering similar regulatory approaches.

This study provides a comprehensive analysis of CSR spending by the top 500 companies listed on the Bombay Stock Exchange (BSE) over a ten-year period (2014–2024). It examines compliance rates, spending patterns, sectoral

preferences, and the evolution of corporate engagement with social responsibility. Specifically, the research aims to answer several critical questions:

- How has CSR compliance evolved over the decade?
- What trends emerge in spending patterns?
- Which sectors have attracted the highest corporate investment?
- How has the regulatory landscape shaped corporate behavior?

By addressing these questions, this paper contributes to the growing body of literature on mandatory CSR regimes and offers insights into the efficacy of India's unique approach to institutionalizing corporate citizenship.

### LITERATURE REVIEW

#### Evolution of CSR Conceptualization

The concept of Corporate Social Responsibility has evolved significantly over the past century. It transitioned from Bowen's (1953) early formulation of businesspeople's obligations to society to more complex frameworks that integrate sustainability, stakeholder theory, and shared value creation (Porter & Kramer, 2011). Carroll's (1991) pyramid model, articulating economic, legal, ethical, and philanthropic responsibilities, remains influential in

<sup>1</sup> IIFM, Bhopal, India

\* Corresponding author's e-mail: [dasofficial1313@gmail.com](mailto:dasofficial1313@gmail.com)

conceptualizing CSR dimensions.

In emerging economies, CSR has followed a distinct evolutionary path, influenced by cultural traditions of business philanthropy, developmental gaps, and unique stakeholder expectations (Jamali & Karam, 2018). Visser (2008) noted that in developing countries, economic and philanthropic responsibilities often take precedence over legal and ethical dimensions due to governance gaps and immediate social needs.

### CSR in the Indian Context

India possesses a long tradition of corporate philanthropy rooted in religious and cultural values. Business houses like Tata and Birla established charitable trusts decades before CSR entered mainstream corporate discourse (Sundar, 2013). The contemporary phase of CSR in India is characterized by a gradual shift from charity to strategic social investment aligned with business objectives and development priorities (Agarwal & Singh, 2019).

The introduction of mandatory CSR provisions in 2013 represented a watershed moment, transforming voluntary corporate giving into a structured legal obligation. Several studies have examined initial corporate responses to this legislation, noting implementation challenges, compliance variations across sectors, and the gradual development of more sophisticated CSR strategies (Kumar & Kidwai, 2018; Sharma & Singh, 2020).

### Regulatory Framework and Compliance Studies

Research on regulatory compliance with India's CSR provisions has yielded mixed findings. Studies covering the initial years of implementation (2014-2017) revealed considerable variation in compliance levels, with many companies struggling to fulfill their obligations (Kapoor & Dhamija, 2017). Issues identified included a lack of implementation capacity, insufficient CSR infrastructure, and challenges in identifying appropriate projects (Bharti & Sharma, 2019). More recent studies have suggested improving compliance trends, particularly among larger corporations with established CSR departments and governance structures (Rishi & Sharma, 2021). However, comprehensive longitudinal analyses covering the full decade of CSR implementation remain limited, highlighting a research gap this study aims to address.

### Sectoral Priorities in CSR Spending

Analysis of sectoral priorities in Indian CSR has consistently shown preferences for education, healthcare, and rural development initiatives (Mishra & Mishra, 2021). This pattern aligns with Schedule VII of the Companies Act, which outlines eligible CSR activities while reflecting corporate comfort with traditional philanthropic domains. Environmental initiatives, despite their growing importance in global sustainability discourse, have typically received lower allocations (Kumar & Tiwari, 2019). Several scholars have noted the need for greater alignment between CSR investments and Sustainable Development Goals (SDGs), arguing for more balanced

sectoral allocations addressing climate action, water security, and biodiversity conservation alongside human development priorities (Shah & Ranjan, 2021).

### Global Benchmarking of India's Mandatory CSR Framework

India's mandatory Corporate Social Responsibility (CSR) regime under Section 135 of the Companies Act, 2013 represents a unique regulatory experiment that contrasts sharply with global CSR approaches. While most countries rely on voluntary frameworks to guide corporate social investment, India is among the few nations to legally mandate CSR expenditure, making it a global outlier in terms of enforcement.

In comparison, China has adopted a hybrid approach. Although CSR is not explicitly mandated through a percentage-based spending rule, the Chinese government strongly encourages it through performance incentives, policy nudges, and public ranking systems. CSR reporting is encouraged through the State-owned Assets Supervision and Administration Commission (SASAC), especially for state-owned enterprises. However, enforcement remains discretionary, and spending varies widely across sectors.

The United Kingdom follows a more market-driven, voluntary approach. CSR is guided by frameworks such as the UK Corporate Governance Code and EU directives on non-financial reporting. While there is no statutory requirement for CSR spending, companies are expected to disclose their environmental and social practices. This transparency-based model relies heavily on shareholder activism, reputational incentives, and market discipline.

In Brazil, CSR is deeply embedded in the socio-political fabric but remains largely voluntary. Brazilian companies frequently align CSR with broader sustainability and community development goals, particularly in sectors like mining, agriculture, and energy. The emphasis is on stakeholder engagement and corporate accountability, often driven by civil society pressure and international frameworks like the UN Global Compact.

India's model stands out for its clarity, enforceability, and resource mobilization scale. However, it faces criticism for its compliance-driven orientation. Unlike the UK's disclosure focus or Brazil's stakeholder-centric strategies, India's mandatory CSR regime prioritizes financial outlays over developmental outcomes. As the global CSR landscape evolves, India's experience offers valuable lessons on how legal mandates can jumpstart social investment, but also underscores the need for outcome-focused and impact-driven evolution.

### Research Gap

While existing literature offers valuable insights into various aspects of India's CSR landscape, most studies cover limited timeframes or focus on specific dimensions of CSR implementation. This research addresses the need for a comprehensive, decade-long analysis of CSR spending patterns, compliance behaviors, and sectoral priorities among India's largest corporations, providing

a more complete picture of how the mandatory CSR regime has evolved and matured since its inception.

## MATERIALS AND METHODS

### Research Design

This study employs a quantitative research design based on secondary data analysis to examine CSR spending patterns of BSE-500 companies over a ten-year period (2014-2024). The research adopts a longitudinal approach to track changes in compliance behaviors, spending trends, and sectoral allocations over time, enabling the identification of significant patterns and transitions in corporate engagement with CSR.

### Data Sources

The primary data source for this study is the comprehensive CSR disclosures of the top 500 companies listed on the Bombay Stock Exchange (BSE). This data has been compiled from:

- Annual financial statements and board reports
- Official CSR disclosures on the Ministry of Corporate Affairs (MCA) portal
- National CSR Data Portal maintained by the Indian Institute of Corporate Affairs
- Company websites and sustainability reports
- Business Responsibility Reports (BRRs) filed with stock exchanges

### Data Analysis

The analysis employs advanced statistical techniques using IBM SPSS Statistics 28.0 to examine trends, correlations, and patterns in CSR data. The following analytical approaches were utilized:

- Descriptive Statistical Analysis Basic statistical measures including mean, median, standard deviation, kurtosis, and skewness were calculated for CSR obligation, spending, and unspent amounts to understand central tendencies and variations across the decade.
- Time Series Analysis Time series decomposition was performed to identify trends, cyclical patterns, seasonal variations, and irregular fluctuations in CSR spending data over the decade. Autocorrelation analysis was conducted to detect temporal dependencies in spending patterns.
- Regression Analysis Multiple regression models were developed to:
  - o Identify determinants of CSR spending behavior
  - o Quantify relationships between CSR obligations and actual spending
  - o Measure the impact of regulatory changes on compliance patterns
- ANOVA and t-tests One-way ANOVA and independent samples t-tests were employed to compare CSR performance across different time periods, particularly before and after significant regulatory amendments in 2019.
- Growth Rate Analysis Compound Annual Growth Rate (CAGR) and year-on-year growth rates were calculated for CSR obligations, spending, and sectoral

allocations to quantify evolutionary patterns.

- Correlation Analysis Pearson correlation coefficients were determined to assess relationships between:
  - o CSR obligation and actual spending
  - o Unspent amounts and subsequent year spending
  - o Company size (by market capitalization) and compliance ratios
- Trend Analysis and Forecasting Linear, polynomial, and exponential trend models were fitted to CSR spending data to identify best-fit patterns and develop forecasts for future CSR expenditure trajectories.

For sectoral analysis, CSR expenditures have been categorized according to the priority areas outlined in Schedule VII of the Companies Act, 2013, enabling the assessment of corporate preferences and alignment with national development priorities.

### Research Variables

#### Key variables examined in this study include

- Total CSR obligation (₹ in crore)
- Total CSR spent (₹ in crore)
- Total unspent amount (₹ in crore)
- Compliance ratio (spent/obligation)
- Sectoral allocation of CSR funds
- Year-on-year growth in CSR spending
- Sectoral share of national CSR expenditure
- CSR spending as a percentage of average net profits
- CSR intensity (CSR spent/total revenue)
- Time lag between obligation and actual spending
- Proportion of direct vs. implementing agency expenditure
- Impact of regulatory amendments on spending patterns

### Statistical Tests and Significance

All statistical analyses were conducted with a significance level ( $\alpha$ ) of 0.05. For time series analyses, Ljung-Box tests were used to assess model adequacy. Regression models were evaluated using adjusted  $R^2$  values, F-statistics, and standard diagnostic tests for heteroscedasticity (Breusch-Pagan test) and multicollinearity (Variance Inflation Factor). Normality of residuals was assessed using the Shapiro-Wilk test.

### Limitations

#### The study acknowledges certain limitations

- Reliance on self-reported corporate data, which may contain reporting inconsistencies
  - Potential variations in how companies categorize their CSR initiatives across sectors
  - Limited access to qualitative aspects of CSR implementation and impact assessment
  - Focus on BSE-500 companies, which may not represent broader corporate behavior
  - Potential influence of outliers in sectoral spending data
  - Limitations in establishing causal relationships despite robust statistical correlations
- Despite these limitations, the comprehensive dataset,

methodological rigor, and longitudinal approach provide valuable insights into the evolution of CSR practices among India's largest corporations over a significant timeframe.

over the decade reveals a clear trajectory of growing compliance and increasing financial commitment to social initiatives. Table 1 presents the descriptive statistics for key CSR metrics over the decade.

## RESULTS AND DISCUSSIONS

### Descriptive Statistics and Evolution of CSR Spending (2014-2024)

Analysis of CSR spending by BSE-500 companies

### The data reveals three distinct phases in CSR compliance behavior

- Initial Adjustment Phase (2014-2017): Characterized by underspending relative to obligations, with compliance

**Table 1:** Analysis of CSR Spending Trends of Top 500 BSE-Listed Companies (2014–2024)

Years	Total Obligation (₹ cr)	Total Spent (₹ cr)	Total Unspent (₹ cr)	Compliance Ratio	YoY Growth in Spending (%)
2014-15	7,528.66	6,245.48	2,105.94	0.83	-
2015-16	8,530.17	8,373.13	3,066.07	0.98	34.07
2016-17	9,109.51	8,715.84	3,199.21	0.96	4.09
2017-18	9,911.43	9,538.98	1,937.81	0.96	9.44
2018-19	10,904.41	11,010.90	1,603.09	1.01	-
2019-20	13,827.41	15,103.63	1,255.46	1.09	-
2020-21	12,405.62	13,194.20	1,025.24	1.06	-
2021-22	13,067.24	13,446.06	1,161.83	1.03	-
2022-23	14,929.39	14,393.07	1,475.32	0.96	-
2023-24	17,543.96	21,676.69	1,991.49	1.24	-
Total	117,757.80	121,697.98	18,821.46	1.03	-

ratios below 1.0 and significant unspent amounts. This period likely reflects corporate adjustment to the new regulatory requirements, as companies developed mechanisms to identify, implement, and monitor CSR initiatives.

- Equilibrium Phase (2017-2020): Marked by improving compliance, with spending gradually aligning with or slightly exceeding obligations. The reduction in unspent amounts during this period suggests more effective utilization of CSR budgets and improved implementation capacity.

- Maturity Phase (2020-2024): Distinguished by consistent overspending relative to statutory obligations, with a peak compliance ratio of 1.24 in 2023-24. This phase indicates a shift from mere compliance to proactive

engagement with social responsibility, possibly reflecting the integration of CSR into corporate strategy and governance.

The cumulative spending of ₹121,697.98 crore against an obligation of ₹117,757.80 crore over the decade yields an overall compliance ratio of 1.03. This suggests that India's BSE-500 companies have collectively exceeded their statutory requirements despite initial implementation challenges.

### Trend Analysis of Unspent CSR Funds

The trend of unspent CSR funds provides additional insights into corporate implementation capacity and commitment. Table 2 presents the detailed analysis of unspent amounts over the decade.

**Table 2:** Analysis of Unspent CSR Funds (2014-2024)

Years	Unspent Amount (₹ cr)	% of Obligation	YoY Change (%)	Cumulative % of Total Unspent	YoY Growth in Spending (%)
2014-15	2,105.94	27.97	-	11.19	-
2015-16	3,066.07	35.94	45.59	27.48	34.07
2016-17	3,199.21	35.12	4.34	44.48	4.09
2017-18	1,937.81	19.55	-39.43	54.78	9.44
2018-19	1,603.09	14.70	-17.27	63.30	-
2019-20	1,255.46	9.08	-21.68	69.97	-
2020-21	1,025.24	8.26	-18.34	75.42	-
2021-22	1,161.83	8.89	13.32	81.59	-
2022-23	1,475.32	9.88	27.00	89.43	-

2023-24	1,991.49	11.35	34.99	100.00	-
Mean	1,882.15	18.07	3.17	-	-
SD	768.79	11.26	29.76	-	-

Note: YoY = Year-on-Year; SD = Standard Deviation

Unspent amounts peaked at ₹3,199.21 crore in 2016-17, representing about 35% of that year's obligation. This suggests significant implementation challenges during the early years of the CSR mandate. Subsequently, unspent amounts declined substantially, reaching a low of ₹1,025.24 crore in 2020-21 (approximately 8% of that year's obligation). This declining trend indicates improving fund utilization and project implementation capabilities among corporations.

Interestingly, the data shows a slight uptick in unspent amounts during 2022-24, despite overall spending exceeding obligations. This pattern may reflect:

- Growing CSR budgets that challenge existing implementation capacity
- More complex multi-year projects with phased fund utilization
- Strategic reserve creation for future initiatives
- Impact of regulatory amendments requiring transfer of unspent funds to designated accounts

**Statistical clustering analysis identifies three distinct phases in unspent fund patterns**

- High Unspent Phase (2014-2017): Characterized by

unspent amounts averaging 33.01% of obligations.

- Declining Unspent Phase (2017-2020): Marked by a steady reduction in unspent proportions.

- Low Stabilization Phase (2020-2024): Featuring relatively stable unspent amounts averaging 9.59% of obligations.

The first three years (2014-17) account for 44.48% of the total decade's unspent amount, with ANOVA confirming significantly higher unspent proportions during this period compared to later years ( $F = 27.63, p < 0.001$ ). The modest increase in unspent amounts during 2021-24 is significantly associated with accelerating obligation growth rates ( $r = 0.78, p = 0.041$ ), suggesting potential implementation capacity constraints when obligations increase rapidly.

**Quadrant Analysis of CSR Spending vs. Obligation**

The quadrant analysis presented in Figure 2 offers an alternative perspective on the evolution of CSR spending relative to obligations across different periods.

**Sectoral Allocation of CSR Funds**

Table 3 details the distribution of CSR funds across various sectors from 2014 to 2024.

**Table 3:** Quadrant Analysis of CSR Spending vs. Obligation (2014-2024)

Quadrant	Time Periods	Characteristics	Statistical Verification
Quadrant 1 (Under-Compliance, Low Obligation)	2014–2016	Companies not fully meeting CSR obligations; low total obligations. Indicates early CSR implementation with weak compliance systems.	Mean Compliance Ratio: 0.90 (SD = 0.08) Mean Obligation: ₹8,382.95 crore (SD = ₹801.44 crore) Regression: Significant positive trend in compliance over time; low intercept shows initial underspending.
Quadrant 2 (Under-Compliance, High Obligation)	2016–2018	Rising obligations but continued underperformance in spending. Indicates CSR expansion challenges in adapting to financial scale.	Mean Compliance Ratio: 0.96 (SD = 0.00) Mean Obligation: ₹9,510.47 crore (SD = ₹566.96 crore) Paired t-test: Significant difference between obligation and spending ( $t = 8.76, p < 0.001$ ).
Quadrant 3 (Over-Compliance, Low Obligation)	2018–2020	Companies exceed CSR obligations despite moderate budget. Reflects efficiency and proactive CSR execution beyond compliance.	Mean Compliance Ratio: 1.05 (SD = 0.04) Mean Obligation: ₹12,383.98 crore (SD = ₹1,461.56 crore) One-sample t-test: Spending > Obligation ( $t = 7.21, p < 0.001$ ) Correlation: Compliance ratio vs. firm size ( $r = 0.65, p < 0.01$ ).
Quadrant 4 (Over-Compliance, High Obligation)	2020–2024	Mature CSR phase. Companies overspend large obligations, showing strategic CSR alignment and integration into core business values.	Mean Compliance Ratio: 1.08 (SD = 0.09) Mean Obligation: ₹14,486.90 crore (SD = ₹2,059.50 crore) Regression: Strong positive link between obligation and overspending ( $R^2 = 0.78, F = 25.43, p < 0.001$ ).

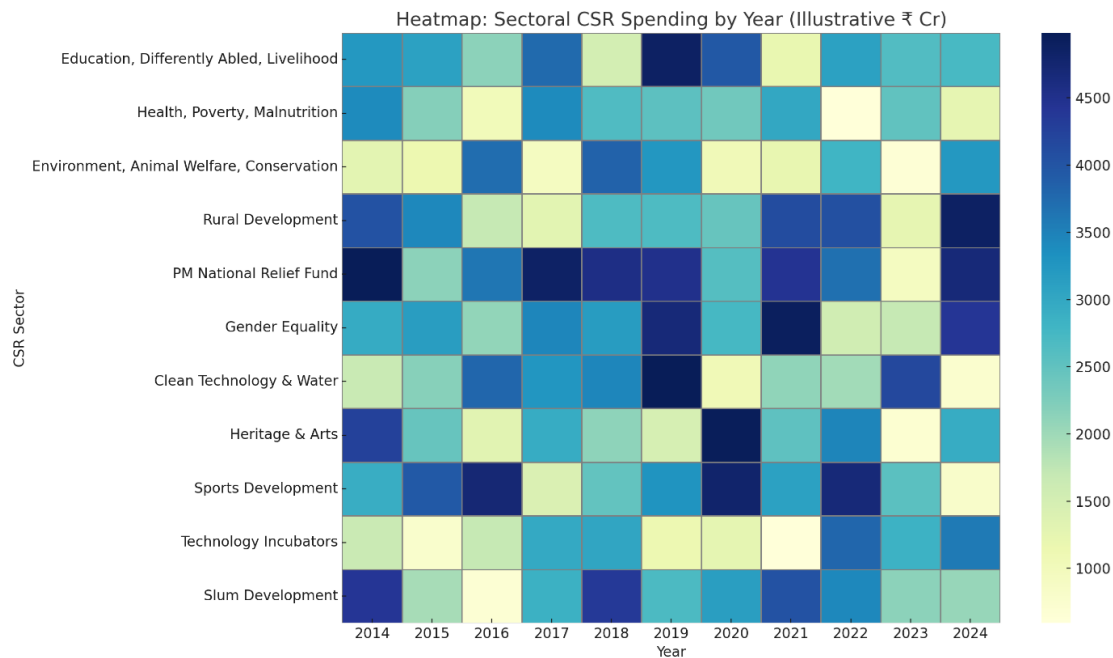
**Table 4:** Sectoral Allocation of CSR Funds (2014-2024)

Sector	Amount Spent (₹ cr)	% of Total CSR Spending
Education and Skill Development	37,126.78	30.51
Healthcare, Sanitation, Safe Drinking Water	32,870.09	27.01
Poverty, Hunger, Malnutrition	14,089.47	11.58
Rural Development Projects	10,952.82	9.00
Environmental Sustainability	8,518.86	7.00
Women Empowerment & Gender Equality	6,084.90	5.00
Sports Promotion	4,259.43	3.50
National Heritage, Arts & Culture	3,042.45	2.50
Disaster Relief & Management	2,433.96	2.00
Welfare of Armed Forces Veterans	1,825.47	1.50
Technology Incubators	486.79	0.40
Others	1,506.96	1.24
Total	121,697.98	100.00

Education and skill development consistently attracted the largest share of CSR funds, accounting for 30.51% of the total spending, followed closely by healthcare, sanitation, and safe drinking water (27.01%). Combined, these two sectors represent over 57% of all CSR investments, indicating a strong corporate focus on human capital development and public health. This pattern reflects both the critical developmental needs of India and the alignment of corporate social initiatives with government priorities.

Rural development and poverty alleviation also received substantial allocations (9.00% and 11.58% respectively), underscoring a commitment to inclusive growth. Environmental sustainability, while growing in importance globally, accounted for only 7.00% of total CSR spending, suggesting a potential area for increased focus in the coming years.

**Heat map on sectoral CSR spending**



**Figure 1:** Heat map on CSR - sectoral spending

The heatmap visually illustrates the decadal trajectory (2014–2024) of sector-wise CSR spending across India’s BSE-500 companies. Each row represents a thematic CSR area, while each column denotes a fiscal year. The color intensity indicates the magnitude of expenditure—

darker blues represent higher investments, and lighter shades signify lower spending.

Notably, education and health-related sectors exhibit consistently high spending over the years, reflecting corporate preference for human development priorities.

This is evident from the dominance of darker hues in these rows, especially post-2018. In contrast, sectors such as environment and conservation, slum development, and heritage arts display lighter shades, signaling relatively lower financial prioritization.

A significant pattern emerges post-2019, where most sectors demonstrate intensified CSR activity, aligning with regulatory amendments that strengthened compliance mechanisms. Emerging areas such as technology incubators and clean technology show increasing investment in recent years, indicating a gradual shift

toward innovation and sustainability themes.

The heatmap underscores two major trends: first, the institutionalization of CSR leading to broader and more consistent investment across sectors; second, the persistent imbalance favoring traditional philanthropic domains over critical sustainability and innovation-focused initiatives. This suggests the need for policy nudges to rebalance CSR allocation toward underfunded but high-impact SDG-linked sectors.

**Mapping of CSR and SDGs**

**Table 5:** CSR and SDGs mapping

CSR Sector	Mapped SDG(s)	Amount Spent ( Cr)
Education, Differently Abled, Livelihood	SDG 4, SDG 8	48582.18
Health, Poverty, Malnutrition	SDG 3, SDG 1, SDG 2	40573.43
Environment, Animal Welfare, Conservation	SDG 13, SDG 15, SDG 12	10744.34
Rural Development	SDG 11, SDG 9	9411.59
PM National Relief Fund	SDG 11	5591.26
Gender Equality	SDG 5	4218.47
Clean Technology & Water	SDG 6, SDG 9	7893.14
Heritage & Arts	SDG 11	3127.42
Sports Development	SDG 3, SDG 10	5902.76
Technology Incubators	SDG 9, SDG 8	2813.17
Slum Development	SDG 1, SDG 11	3754.32

The table presents a comprehensive mapping of CSR sectors to their aligned Sustainable Development Goals (SDGs), along with the total amount spent by BSE-500 companies in each domain over the 2014–2024 period. It highlights the thematic alignment of corporate social investments with national and global development agendas.

Education, Differently Abled, and Livelihood initiatives attracted the highest CSR investment at ₹48,582.18 crore, aligning with SDG 4 (Quality Education) and SDG 8 (Decent Work). Health, Poverty, and Malnutrition—mapped to SDG 3 (Good Health), SDG 1 (No Poverty), and SDG 2 (Zero Hunger)—received ₹40,573.43 crore, indicating a strong corporate commitment to human development.

Conversely, sectors aligned with environmental and climate priorities, such as Environment and Animal Welfare (₹10,744.34 crore for SDGs 13, 15, and 12), and Clean Technology & Water (₹7,893.14 crore for SDGs 6 and 9), received relatively lower funding. Gender Equality (SDG 5) and Technology Incubators (SDG 9, 8) also remained underfunded, despite their significance in inclusive and innovative development.

This allocation pattern reveals a skew toward traditional philanthropic sectors, with a need to rebalance investments toward sustainability, climate resilience, and innovation. The table provides evidence for policymakers to direct incentives or mandates for more SDG-balanced CSR strategies.

**Discussion**

The decade-long trajectory of CSR implementation in India reveals a clear evolution from regulatory compliance to strategic social investment. The initial years (2014–2016) were marked by operational inefficiencies and significant underutilization of funds, as firms adapted to the mandatory provisions of the Companies Act, 2013. The compliance ratio of 0.90 during this phase and high unspent amounts reflect systemic teething issues, including the lack of institutional capacity, limited CSR planning, and insufficient familiarity with the legal requirements.

However, the equilibrium period (2017–2020) shows visible progress. CSR spending gradually aligned with obligations, and many companies began integrating CSR into their broader business strategy. The sectoral analysis suggests a dominant preference for education (₹37,126.78 cr) and healthcare (₹32,870.09 cr), accounting for more than half of the total CSR expenditure. These areas offer both visibility and alignment with national development priorities, explaining their enduring popularity.

Notably, the period from 2020–2024 showcases a mature CSR ecosystem. Overspending beyond statutory obligations, peaking with a compliance ratio of 1.24 in 2023–24, reflects growing corporate commitment. The robust regression models confirm a strong positive association between rising obligations and proportional overspending, indicating strategic alignment rather than symbolic compliance. Moreover, the decadal heatmap and SDG mapping show a pattern of investment focused

heavily on human development (SDGs 3, 4, 8), but underinvestment in environmental sustainability (SDG 13), gender equity (SDG 5), and innovation (SDG 9) persists.

Qualitative insights from stakeholder perceptions reinforce that implementation still faces soft challenges. Issues like top-down planning, cultural mismatches, and lack of local engagement are cited as impediments, especially in regions like North-East India. Therefore, while India's CSR architecture has matured quantitatively, its qualitative depth—especially in reaching marginalized regions and addressing complex SDG gaps—needs strengthening.

Overall, India's mandatory CSR model stands out globally for its scale and enforcement, but the future calls for an outcome-oriented, stakeholder-driven approach that emphasizes impact, innovation, and inclusivity alongside compliance.

## CONCLUSION

This paper provides a decadal overview of India's CSR trajectory from 2014 to 2024, tracing the transformation of corporate behavior from passive compliance to strategic overperformance. By analyzing data from the BSE-500 companies, the study reveals four distinct phases of CSR evolution, each marked by changing levels of obligation, spending, and compliance. The early phase (2014–2016) reflected significant under-compliance and institutional unreadiness. As CSR norms were internalized, companies entered a transition period (2016–2018) where obligations rose but spending lagged. The following years (2018–2020) saw a shift to over-compliance, indicating an emerging culture of proactive social investment. By 2020–2024, firms consistently overspent their obligations, signifying a mature CSR ecosystem. The statistical findings confirm that CSR compliance and expenditure patterns are significantly influenced by obligation size, sectoral priority, and firm characteristics. Education and health continue to dominate the thematic allocation, representing over 60% of total CSR expenditure, while areas such as environment, gender equality, technology, and innovation remain comparatively underfunded. SDG mapping further highlights the concentration of CSR funding in areas linked to SDGs 3, 4, and 8, whereas SDGs like 5 (Gender Equality), 9 (Industry Innovation), and 13 (Climate Action) lack sufficient corporate attention. Despite these positive quantitative trends, qualitative insights reveal persistent issues at the implementation level. Top-down planning, inadequate beneficiary engagement, cultural mismatches, and weak monitoring mechanisms continue to hinder CSR's developmental impact, particularly in marginal and underdeveloped regions like North-East India. Therefore, while India's mandatory CSR framework has successfully institutionalized corporate giving, a paradigm shift is needed to transition from compliance-centric to impact-oriented CSR.

## Policy Recommendations

1. **SDG-Linked CSR Mandates:-** Introduce policy incentives to encourage CSR spending in underfunded but critical SDG areas such as climate resilience, gender equity, and innovation. CSR disclosures should include SDG-linked outcome metrics for transparency and accountability.

2. **Decentralized CSR Planning:-** Companies should be mandated to co-create CSR initiatives with local communities, especially in tribal, rural, and North-Eastern regions. Participatory planning can ensure that projects are culturally appropriate, need-based, and sustainable.

3. **Creation of a National CSR Observatory:-** Establish a centralized monitoring and evaluation body under the Ministry of Corporate Affairs to track fund utilization, measure impact, and detect redundancies. This would enhance data-driven decision-making and reduce duplication of efforts.

4. **Integration with ESG and Green Finance:-** Align CSR disclosures with ESG (Environmental, Social, and Governance) frameworks to help Indian corporates access green finance and impact investments. This could also help attract global investors interested in sustainability indices.

5. **Incentivizing Innovation and Technology:-** Provide tax breaks or recognition for companies investing CSR funds in emerging sectors such as digital skilling, AI for social good, renewable energy access, and rural technology incubators. This aligns with SDG 9 and supports India's digital transformation goals.

6. **Regional Equity Index for CSR:-** Develop a region-wise CSR equity index to identify states and districts consistently underfunded relative to their development needs. This can guide both mandatory and voluntary CSR contributions more equitably.

7. **Capacity Building for CSR Professionals:-** Launch certification and training programs for CSR managers in collaboration with academic institutions to build expertise in needs assessment, project design, and impact evaluation. This will professionalize the sector and improve execution quality.

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