

TOP TEN CSR CONTRIBUTING COMPANIES IN INDIA AND THEIR CONTRIBUTIONS TOWARDS ENVIRONMENTAL SUSTAINABILITY

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Abstract

This study examines the top ten companies in India with the highest Corporate Social Responsibility (CSR) spending, focusing specifically on their contributions to environmental sustainability. It assesses how these companies allocate their CSR budgets and the proportion of funds dedicated to environmental initiatives. The analysis reveals notable differences in both overall CSR spending and the emphasis placed on environmental concerns. Companies such as ICICI Bank Ltd and Infosys Ltd have allocated a significant share of their CSR budgets to support environmental sustainability efforts. In contrast, firms like Reliance Industries Limited, Tata Consultancy Services Limited, and Oil and Natural Gas Corporation Limited have not contributed to environmental causes, despite investing heavily in CSR overall. These findings highlight the need for greater corporate attention to environmental sustainability, especially in the context of India's growing ecological challenges. The study recommends that companies incorporate sustainable practices into their CSR strategies and increase their investment in environmentally focused initiatives to promote a more balanced approach to economic progress and environmental stewardship.

Keywords: Corporate Social Responsibility (CSR), Top ten CSR Contributing Companies, environmental sustainability

1. Introduction

Corporate Social Responsibility (CSR) represents a strategic business practice where companies consciously incorporate ethical, social, and environmental considerations into their everyday operations and stakeholder relationships. These stakeholders include employees, customers, suppliers, investors, and the broader community. CSR focuses on a company's accountability for its societal and environmental influence, extending beyond financial performance.

A key component of CSR is **environmental sustainability**, which involves managing natural resources responsibly to prevent their exhaustion or degradation over time. This includes efforts to minimize harmful environmental effects—such as emissions, pollution, and deforestation—while enhancing positive actions like protecting ecosystems and conserving biodiversity. Environmental sustainability holds significance for various reasons. It ensures the availability of resources for future generations, helps avoid costs linked to environmental degradation, and strengthens a company's public image, potentially increasing customer trust and sales.

Companies committed to sustainability under their CSR agendas may adopt practices such as:

- Lowering energy use and carbon emissions through renewable energy adoption, efficient energy use, and greener transportation.
- Reducing waste by choosing sustainable materials, minimizing packaging, and promoting recycling.
- Managing resources efficiently through sustainable agriculture, reduced water usage, and responsible forestry.
- Supporting biodiversity by preserving ecosystems and promoting sustainable sourcing across supply chains.

In conclusion, by embedding CSR and environmental sustainability into their business models, companies not only reduce their ecological footprint but also contribute to building a more sustainable and responsible future.

2. Review of Literature

Sarkar and Sarkar (2015) investigated the potential effects of making Corporate Social Responsibility (CSR) mandatory under India's Companies Act of 2013. Their study analyzed how businesses might respond to this legal requirement, as well as the broader consequences for access to services and the distribution of social welfare. They also examined both the opportunities and the challenges that mandatory CSR presents. Using data from 500 major companies listed on the Bombay Stock Exchange between 2003 and 2011, they conducted an empirical analysis of voluntary CSR activities. The authors concluded that the legislation aims to effectively align the interests of companies, shareholders, and stakeholders while considering the economic impact of mandatory CSR. However, they emphasized that the overall effectiveness of the policy will depend heavily on overcoming practical implementation challenges.

Mukherjee and Bird (2016) examined the factors that motivate or hinder Corporate Social Responsibility (CSR) in Indian firms, focusing particularly on corporate attitudes toward CSR and the impact of mandatory CSR spending. Their analysis of 223 organizations revealed that variables such as a company's age, size, and ownership structure significantly influence its approach to CSR expenditure. Interestingly, they discovered that the imposition of mandatory CSR spending for larger firms did not necessarily lead to an overall increase in CSR investments. In many cases, companies either avoided compliance or reduced their spending, especially among those not directly obligated by the law.

Venugopal and Krishnan (2018) investigated how employees and beneficiaries perceive the key areas that a bank prioritizes in its Corporate Social Responsibility (CSR) initiatives. The study highlighted the issues that the bank considers most urgent for its CSR focus. Their findings indicated that employing individuals with disabilities was regarded as the top priority. Additionally, beneficiaries identified education promotion, child welfare, and the empowerment of women through employment as the most important areas of concern.

Dalwadi and Sharma (2022) explored public perceptions of Corporate Social Responsibility (CSR) and how these views influence investment decisions in CSR-oriented companies. The study revealed that most participants consider CSR-focused businesses to be reliable, customer-oriented, and capable of fostering consumer loyalty. Respondents generally felt that such companies are committed to social and environmental causes, and they preferred the products and services offered by these organizations. However, despite recognizing the responsibility demonstrated by CSR-engaged firms, participants were largely unwilling to pay a premium for their products or services.

3. Objectives of The Study

1. To provide an understanding of CSR and to know the importance of environmental sustainability.
2. To study the top ten CSR-contributing companies of India toward environmental sustainability.

4. Methodology of The Study

The primary objective of this study is to identify and analyze the top ten companies in India that have significantly contributed to environmental sustainability through their CSR initiatives. A purposive sampling method was adopted to select these leading companies. To fulfill the research goal, a descriptive research design was applied. The study relies on secondary data, specifically drawn from the annual reports of the selected companies for the financial year 2023–24.

5. Data Analysis & Interpretation

Table No: 5.1: Total CSR spent and Contribution to Environmental Sustainability

Top Ten CSR Contributing Companies for the year 2023- '24	Total CSR Spent (₹ in Crore)	Contribution to Environmental Sustainability out of Total CSR Spent (₹ in Crore)	%
HDFC Bank Limited	921.96	67.02	7.27
Reliance Industries Limited	899.07	46.04	5.12
Tata Consultancy Services Limited	812.65	0	0
Oil and Natural Gas Corporation Limited	612.42	23.95	3.91
Tata Steel Limited	572.74	2.07	0.36
Infosys Limited	450.76	75.07	16.65
Indian Oil Corporation Limited	435.7	27.98	6.42
Reliance Jio Infocomm Limited	402.5	50.78	12.62
ITC Limited	380.44	11.13	2.92
ICICI Bank Limited	367.99	128.03	34.79

(Source: National CSR portal)

Graph 5.1 Total CSR spent and Contribution to Environmental Sustainability

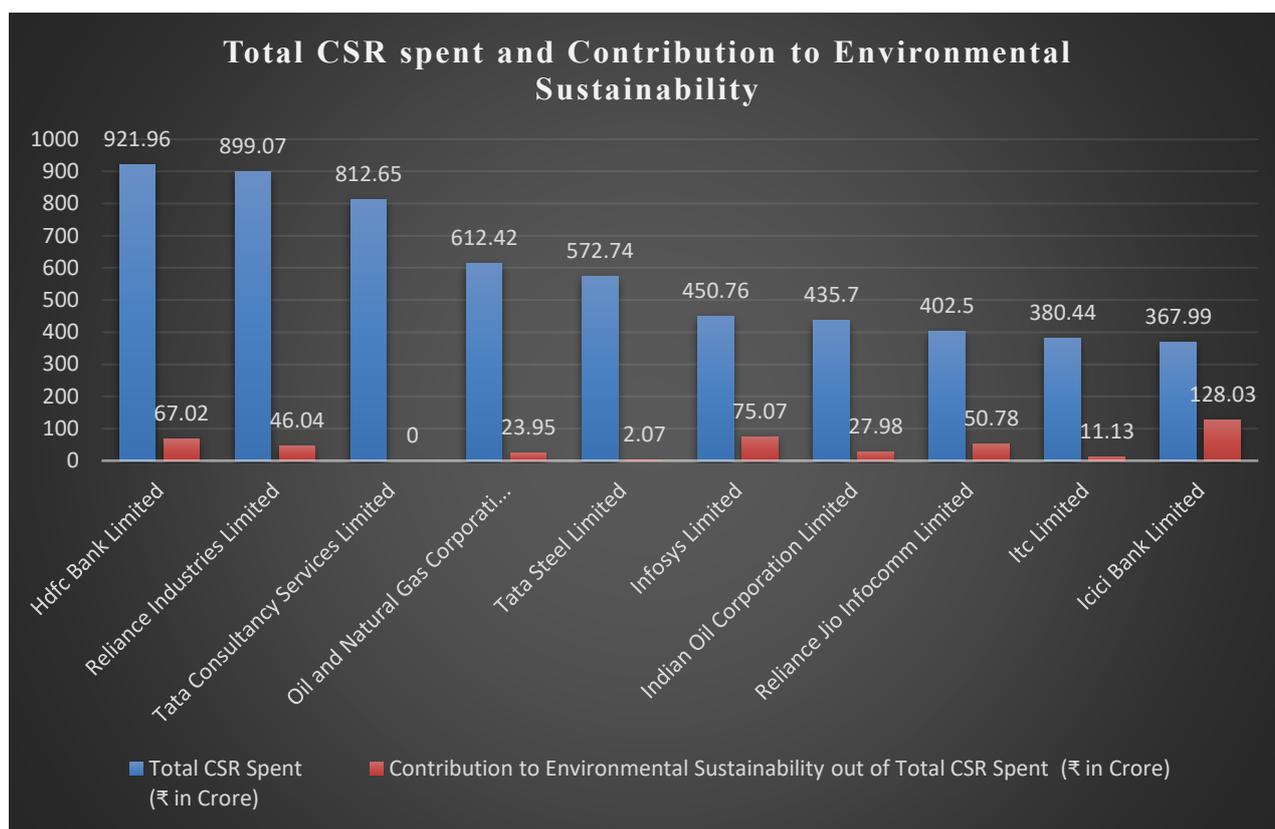


Table and Graph 5.1 illustrate the total Corporate Social Responsibility (CSR) expenditure and the portion allocated to environmental sustainability by the top ten CSR-contributing companies in India. The total CSR spending among these firms ranges from ₹367.99 crores to ₹921.96 crores. Despite these large expenditures, the share directed toward environmental sustainability remains relatively low. ICICI Bank Ltd. recorded the highest allocation with 34.79% of its CSR funds going toward environmental initiatives. Notably, Reliance Industries Limited, Tata Consultancy Services Limited, and Oil and Natural Gas Corporation Limited reported no contribution to environmental sustainability, even though their overall CSR spending was substantial. In contrast, companies such as Reliance Jio Infocomm Limited and Infosys Ltd. allocated a more significant portion of their CSR budgets to environmental causes, contributing 12.62% and 16.65%, respectively. In summary, the data reveal wide disparities in how these top companies distribute their CSR funds, particularly with environmental efforts. These findings underscore the importance of strengthening the focus on environmental sustainability within corporate CSR agendas, especially in light of the pressing ecological concerns in the country.

6. Conclusion

The study found that the top ten CSR-contributing companies in India display diverse patterns in both their overall CSR expenditures and the extent to which they support environmental sustainability. While some organizations demonstrate a strong focus on environmental causes, others allocate little to no CSR budget in this area. Notably, companies such as ICICI Bank Ltd and Infosys Ltd make substantial contributions toward environmental sustainability. In contrast, firms like Tata Consultancy Services Ltd, Tata Steel Ltd, and ITC Ltd, despite having significant CSR expenditures, have not allocated any funds toward environmental initiatives. A concerning trend is that the share of CSR funds directed toward environmental sustainability remains low across the board, with ICICI Bank Ltd making the highest contribution at just 34.79%. This underlines the urgent need for companies to align their CSR strategies more closely with environmental priorities, especially in the face of increasing ecological concerns in India. The findings emphasize the importance of greater transparency and accountability in how CSR funds are utilized. Enhancing the reporting and oversight of CSR initiatives and promoting environmentally sustainable business practices can help ensure that CSR efforts lead to meaningful and measurable outcomes.

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