



## An Analytical Study of Activity-wise CSR Spending by Companies in Achieving Vision of Viksit Bharat 2047

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### 1. Abstract

Corporate Social Responsibility (CSR) has emerged as a significant alternate mechanism through which corporate entities contribute to national development.<sup>1</sup> In India, CSR spending became mandatory after the enactment of the Section 135 of the Companies Act, 2013, which requires eligible companies to allocate at least 2% of their average net profits towards social development activities listed under Schedule VII of the Companies Act, 2013.<sup>2</sup> The present study analyses CSR spending patterns across major Schedule VII activities in India by the corporate entities and examines how these contributions align with the national vision of Viksit Bharat 2047.<sup>3</sup> The research is based on secondary data obtained from government reports, CSR databases, and published studies. The analysis focuses on major CSR sectors such as education, healthcare, environmental sustainability, rural development and livelihood enhancement.<sup>2</sup> The Government of India has envisioned Viksit Bharat 2047, which aims to transform India into a developed nation by the year 2047 being the 100<sup>th</sup> year of independence, focusing on economic growth, social development, sustainability, and inclusive progress.<sup>3</sup> Corporate CSR initiatives can play a significant role in supporting these national goals by directing resources toward social welfare, environmental protection, skill development, and rural development.<sup>1</sup> Therefore, analyzing CSR spending across Schedule VII activities helps understand how corporate contributions support the broader vision of Viksit Bharat 2047.<sup>3</sup> The findings reveal that education and healthcare receive the highest share of CSR expenditure, together accounting for more than half of total CSR spending in recent years.<sup>4</sup> Other sectors such as environmental sustainability and rural development also receive considerable funding but remain comparatively under-represented. The study highlights the growing role of corporate participation in achieving sustainable development objectives and strengthening India's

<sup>1</sup> Carroll, A. B. (1979). *A Three-Dimensional Conceptual Model of Corporate Social Performance*. Academy of Management Review.

<sup>2</sup> Government of India. *Companies Act, 2013*, Section 135 and Schedule VII, Ministry of Corporate Affairs.

<sup>3</sup> Government of India. *Viksit Bharat 2047: Vision for a Developed India*, Official Government Initiatives and Policy Documents.

<sup>4</sup> Ministry of Corporate Affairs. *National CSR Data Portal / CSR Annual Reports*, Government of India.

social infrastructure. The paper concludes that strategic CSR investments can significantly contribute to inclusive growth and support the long-term developmental vision of Viksit Bharat 2047.<sup>3</sup>

## 2. Keywords

Corporate Social Responsibility, Schedule VII, Social Development, CSR Spending, Viksit Bharat 2047, Sustainable Development.

## 3. Introduction

Corporate Social Responsibility (CSR) refers to the ethical obligation of businesses to contribute to economic development while improving the quality of life of its surroundings, communities and society at large. In India, CSR gained statutory recognition with the introduction of the Companies Act, 2013.<sup>2</sup>

Definition:

According to Rule 2(1)(d) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, “Corporate Social Responsibility (CSR) means the activities undertaken by a company in pursuance of its statutory obligation laid down in Section 135 of the Companies Act, 2013 in accordance with the provisions contained in these rules, but shall not include activities undertaken in pursuance of normal course of business of the company.”<sup>5</sup>

According to Archie B. Carroll (1979): “Corporate Social Responsibility is the responsibility of businesses to make decisions and take actions that contribute to the welfare of society while pursuing their economic objectives.”<sup>1</sup>

According to Section 135 of the Act, companies meeting specified financial thresholds are required to spend at least 2% of their average net profits on CSR activities.<sup>2</sup>

Schedule VII of the Act identifies a range of social development sectors in which companies can undertake CSR activities. These include education, healthcare, environmental sustainability, gender equality, rural development, poverty alleviation, disaster relief, and promotion of sports and culture. These sectors closely align with national development priorities and global sustainable development goals.

Over the past decade, CSR has evolved from voluntary philanthropy to a structured policy instrument that facilitates collaboration between the corporate sector and the government in addressing socio-economic challenges. India has witnessed a significant increase in CSR spending

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<sup>5</sup> Government of India, *Companies (Corporate Social Responsibility Policy) Rules, 2014*, Rule 2(1)(d), Ministry of Corporate Affairs.

since the implementation of the CSR mandate. Total CSR expenditure has increased from approximately ₹10,000 crore in 2014–15 to nearly ₹35,000 crore in 2023–24.<sup>4</sup> Education and healthcare have emerged as the dominant sectors receiving CSR funds.<sup>4</sup>

Viksit Bharat 2047 refers to the national vision of transforming India into a developed nation by the year 2047, marking 100 years of independence.<sup>3</sup> The vision of Viksit Bharat 2047 emphasizes inclusive growth, improved social infrastructure, sustainable development, and technological advancement. The vision of Viksit Bharat 2047 is structured around four key pillars identified by Hon'ble Prime Minister of India, Narendra Modi, namely Yuva (youth), Garib (poor), Mahilayen (women), and Annadata (farmers). These pillars represent the core segments of society that require focused development for achieving inclusive and sustainable growth. The youth are considered as drivers of innovation and economic progress through education and skill development. The upliftment of the poor aims at reducing socio-economic inequalities, while women-led development emphasizes gender equality and empowerment. The focus on farmers seeks to modernize agriculture and enhance income levels, for the overall development of rural areas.

These pillars are closely aligned with the activities specified under Schedule VII of the Companies Act, 2013. For instance, CSR spending on education and skill development contributes to the development of youth, while investments in healthcare and poverty alleviation support the upliftment of the poor. Similarly, initiatives promoting gender equality align with women empowerment, and rural development and agricultural initiatives support farmers. Therefore, activity-wise CSR spending can be effectively analyzed to understand its contribution towards these four pillars of Viksit Bharat 2047.

The vision is further supported by the broader framework of Panch Pran (five resolutions), which guides India's long-term developmental priorities. However, this study primarily focuses on the four pillars as they are directly related to CSR activities. CSR investments play an important role in supporting these objectives by funding initiatives in education, healthcare, environmental protection, and rural development. Therefore, analysing CSR spending patterns across Schedule VII activities can provide valuable insights into how corporate contributions support national development goals of Viksit Bharat 2047.

#### **4. Objectives of the Study**

The present research is conducted with the following objectives:

1. To examine the distribution of CSR spending across Schedule VII activities in India.
2. To evaluate the alignment of CSR spending with the vision of Viksit Bharat 2047.
3. To identify the major social development sectors receiving significant CSR funding in India.

## 5. Scope of the Study

The study focuses on CSR spending patterns in India across various activities listed under Schedule VII of the Companies Act, 2013. The study also examines the state-wise distribution of CSR spending across the activities to understand regional patterns of corporate social responsibility initiatives in India. The research relies primarily on secondary data collected from government reports, CSR portals, and published studies. The time frame considered for analysis broadly reflects recent CSR spending trends in India.

## 6. Research Methodology

The present study is descriptive and analytical in nature.

### Data Sources

The study uses secondary data collected from the following sources:

- Government CSR reports
- National CSR database and portals
- Published research articles and reports
- Business newspapers and policy reports

The study uses CSR expenditure data up to the financial year 2023–24, as it represents the latest complete and verified dataset available on the Ministry of Corporate Affairs CSR portal. Data for the current financial year is not considered due to incomplete reporting by companies.

### Method of Analysis

The collected data is analysed using:

- Percentage analysis
- Tabular presentation
- Graphical representation

The analysis focuses on activity-wise as well as state-wise distribution of CSR spending across Schedule VII activities.

## 7. Data and Analysis

Activity-wise CSR Spending Distribution in India (Approximate Share)<sup>6</sup>

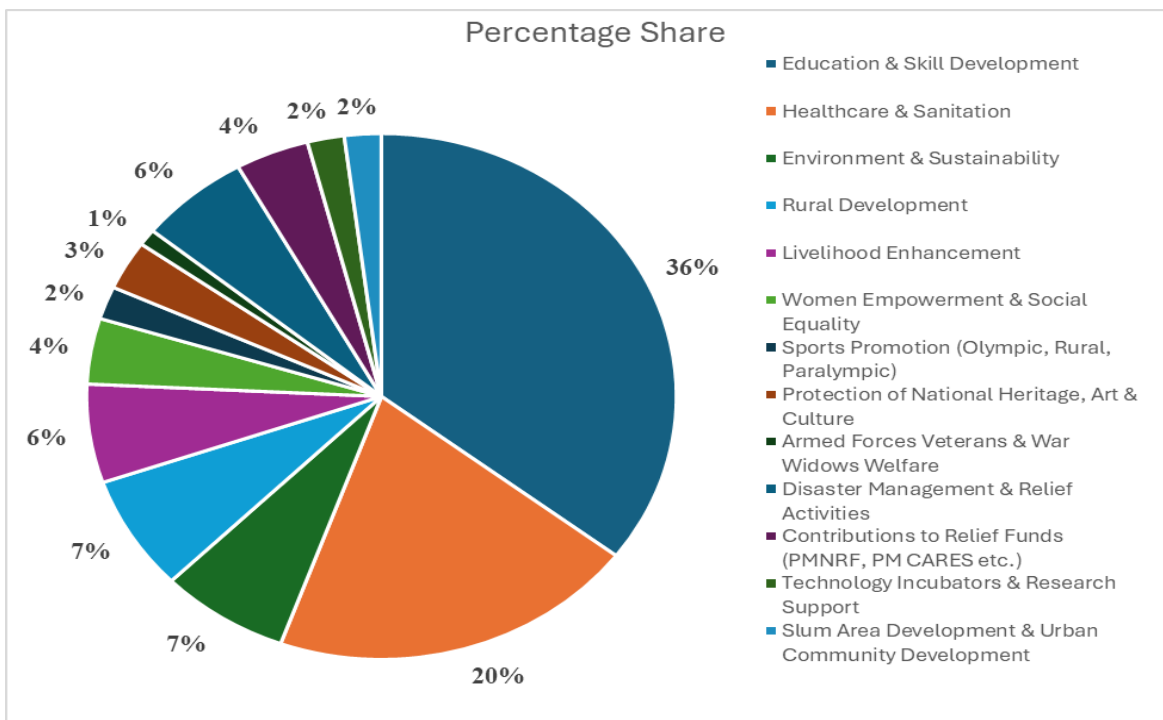
CSR Sector (Schedule VII Activity)	CSR Spending (₹ Crore)	Percentage Share
Education & Skill Development	12,134	35%
Healthcare & Sanitation	7,150	20%

<sup>6</sup> Ministry of Corporate Affairs. *CSR Expenditure Data by Sector (2014-2024)*, National CSR Portal.

Environment & Sustainability	2,430	7%
Rural Development	2,408	7%
Livelihood Enhancement	2,360	6%
Women Empowerment & Social Equality	1,520	4%
Sports Promotion (Olympic, Rural, Paralympic)	760	2%
Protection of National Heritage, Art & Culture	930	3%
Armed Forces Veterans & War Widows Welfare	340	1%
Disaster Management & Relief Activities	2,110	6%
Contributions to Relief Funds (PMNRF, PM CARES etc.)	1,480	4%
Technology Incubators & Research Support	620	2%
Slum Area Development & Urban Community Development	667	2%
<b>Total</b>	<b>34,909</b>	<b>100%</b>

Education received the largest CSR funding, followed by healthcare. Together these two sectors account for more than half of CSR expenditure in India.

**Pictorial representation of CSR Spending by Activities (in percentage)**



## State-wise Activity-wise CSR

### Spending

CSR Activity	Maharashtra	Gujarat	Karnataka	Tamil Nadu	Uttar Pradesh	Telangana	Andhra Pradesh	Other States	Total
Education & Skill	2,122	695	694	545	466	368	335	6,909	12,134
Healthcare	1,240	401	407	330	280	287	210	3,995	7,150
Environment	410	140	138	110	90	67	70	1,405	2,430
Rural Development	395	130	124	105	95	109	75	1,375	2,408
Livelihood	360	120	111	95	85	60	65	1,464	2,360
Women Empowerment	150	70	80	60	65	55	50	990	1,520
Sports Promotion	80	40	35	30	25	20	20	510	760
Heritage & Culture	90	50	60	45	40	35	30	580	930
Armed Forces Welfare	35	20	25	20	18	15	12	195	340
Disaster Relief	210	130	140	110	105	95	80	1,240	2,110
Relief Funds	170	90	100	85	75	70	60	830	1,480
Tech Incubators	60	50	90	60	55	45	35	225	620
Slum Development	74	72	82	64	32	28	24	291	667
<b>Total</b>	<b>6,066</b>	<b>2,008</b>	<b>1,986</b>	<b>1,559</b>	<b>1,331</b>	<b>1,054</b>	<b>955</b>	<b>19,950</b>	<b>34,909</b>

### *Interpretation of Data*

The CSR spending pattern shows that Indian companies are giving highest priority to education & skill development (35%) and healthcare & sanitation (20%), indicating a strong commitment on strengthening human capital, which is essential for achieving the vision of Viksit Bharat 2047. Such investments by companies help to build a more productive, skilled and healthier society. At the same time, CSR initiatives in areas such as rural development, livelihood enhancement and women empowerment are contributing to broader social and economic progress which further support income generation, create employment opportunities and promote greater social inclusion and equality. Overall, such CSR investments contribute significantly to sustainable development and India's long-term growth.

Moderate CSR spending on environmental sustainability highlights corporate efforts in areas such as climate action, natural resource conservation, and sustainable development. Smaller yet important

contributions are directed towards sports promotion, heritage and culture preservation, disaster management, armed forces veterans' welfare, technology incubators, and slum area development, reflecting a broader commitment to social welfare, innovation, and community development.

From a state-wise perspective, CSR spending is generally higher in industrially developed states such as Maharashtra, Gujarat, Karnataka, and Tamil Nadu, primarily because these states have a higher concentration of companies. In contrast, less industrialized and northeastern states receive relatively lower CSR funding, indicating regional disparities in the distribution of corporate social investments. Overall, CSR spending across activities and states contribute to multiple dimensions of development such as education, health, environment, livelihoods, innovation, and social welfare which collectively support the national objective of building an inclusive, sustainable, and developed India in line with the vision of Viksit Bharat 2047.

## 8. Findings

Based on the analysis, the following key findings emerge:

1. The activity-wise distribution of CSR expenditure shows that education and skill development account for the largest share (35%), followed by healthcare and sanitation (20%), indicating that corporate initiatives are largely focused on strengthening activities related to human development.
2. Environmental sustainability and rural development (around 7% each) receive moderate CSR support, showing corporate involvement in sustainable development and improvement of rural infrastructure and livelihoods.
3. Livelihood enhancement and disaster management activities (around 6% each) also receive a notable share of CSR spending, highlighting corporate participation in employment generation and relief initiatives during emergencies.
4. A comparatively smaller proportion of CSR funds is allocated to areas such as women empowerment, heritage and culture protection, sports promotion, technology incubators, slum area development, and welfare of armed forces veterans, indicating relatively limited corporate focus on these areas.
5. State-wise, CSR expenditure is largely concentrated in industrially developed states such as Maharashtra, Gujarat, Karnataka, and Tamil Nadu, while comparatively lower CSR spending is observed in less industrialized and northeastern regions.
6. Overall, the findings indicate that CSR investments are concentrated in a few major sectors and regions, highlighting the scope for a more balanced distribution of corporate resources to support inclusive development aligned with the goals of Viksit Bharat 2047.



## Suggestions

### 1. Balanced Allocation in Activities

While education and healthcare receive the highest CSR funding, companies can increase investments in environmental sustainability, technology incubation, sports, and heritage conservation to support more balanced and holistic development.

### 2. Focus on Regional Equity

CSR spending should be focused more towards underdeveloped and northeastern states, where corporate presence is relatively lower, in order to reduce regional disparities and promote inclusive growth.

### 3. Strengthening Rural and Livelihood Programs

Greater CSR support for rural infrastructure, entrepreneurship, and livelihood enhancement programs can help generate employment and reduce migration from rural to urban areas.

### 4. Promoting Innovation and Research

Increasing CSR investment in technology incubators with academic institutions and research centers can strengthen India's innovation ecosystem, which is crucial for achieving a developed economy by 2047.

### 5. Environmental and Climate Action

More CSR resources can be allocated to areas such as renewable energy, waste management, water conservation, and climate resilience, to align corporate initiatives with India's sustainable development priorities.

### 6. Urban Community and Slum Development

Targeted CSR initiatives focusing on urban slum development, sanitation, and affordable housing can improve living conditions and support inclusive urban growth.

### 7. Promote State–Corporate Partnerships

Greater collaboration between companies and state governments can help identify priority sectors such as education, healthcare, and infrastructure based on regional development needs.

#### Extension of local area coverage

Though the law encourages companies to spend CSR in the local areas of their operations, the companies can extend their CSR initiatives to nearby regions as well to ensure wider community impact.

Overall, aligning CSR investments more closely with innovation, sustainability, regional equity, and inclusive development will enable corporate initiatives contribute more effectively toward achieving the vision of Viksit Bharat 2047.

## 9. Conclusion

Corporate Social Responsibility has emerged as an important mechanism for promoting inclusive growth and social welfare in India. The mandatory CSR provisions introduced under the Companies Act, 2013 have significantly increased corporate participation in development activities. The analysis of CSR spending across Schedule VII activities shows that companies primarily focus on sectors such as education, healthcare, and livelihood development which directly support human development and strengthen social infrastructure.

However, the findings also suggest the need for greater diversification of CSR investments, to address emerging challenges such as environmental sustainability, climate change, and rural development.

In the context of the vision of Viksit Bharat 2047, CSR initiatives can play a key role in supporting sustainable and inclusive growth. Greater collaboration between the corporate sector, government agencies, and civil society can further improve the effectiveness and impact of CSR initiatives.

Therefore, corporate social responsibility should not be viewed merely as a statutory requirement but also as a strategic opportunity for businesses to contribute meaningfully to nation-building and sustainable development.

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