

India CSR Outlook Report 2023

(10 Years of CSR Compliance in India and
Envisioning the Next 10 Years)

October 2023

www.csrbox.org



Introduction

The introduction of Section 135 of the Companies Act of 2013 marked a pioneering step in India, introducing a mandate for Corporate Social Responsibility (CSR) among large companies.

Over the years, the CSR landscape has transformed, shifting its focus from mere compliance to striving for a more profound societal impact, all while emphasizing the importance of transparency in reporting and disclosing CSR activities by companies.

About the Report

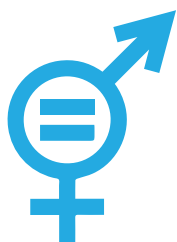
The **India CSR Outlook Report (ICOR) 2023**, is a flagship research publication, jointly presented by CSRBOX and NGOBOX. This report offers major insights on CSR spent by large companies in India while highlighting the dynamic evolution of the CSR landscape within the country.

Unlike the earlier editions, ICOR 2023 is an outcome of primary and secondary research wherein we have captured inputs from major CSR decision-makers of a few large companies. Additionally, the report also captures major trends in CSR over the past 9 years within the country.

Key Highlights

Section I

The **Board Room Perspective on CSR Priorities**, provides insights from boardroom discussions of prominent CSR companies capturing requirements, challenges and prioritization of their CSR projects.



Section II

CSR Portfolio of Large 301 Companies

provides insights on CSR compliance of the companies in FY 2022-23. The section also highlights correlation in the presence of women in CSR committees and its influence on prioritizing gender equality initiatives.

Section III, CSR Trend Analysis of Past 9 Years (FY 2014-15 to FY 2022-23)

of the report offers a thorough exploration of the CSR trend since CSR became mandatory in India. It analyses the CSR compliance trend, distribution in major sectors and geographical areas.



Section I

The Board Room Perspective on CSR Priorities





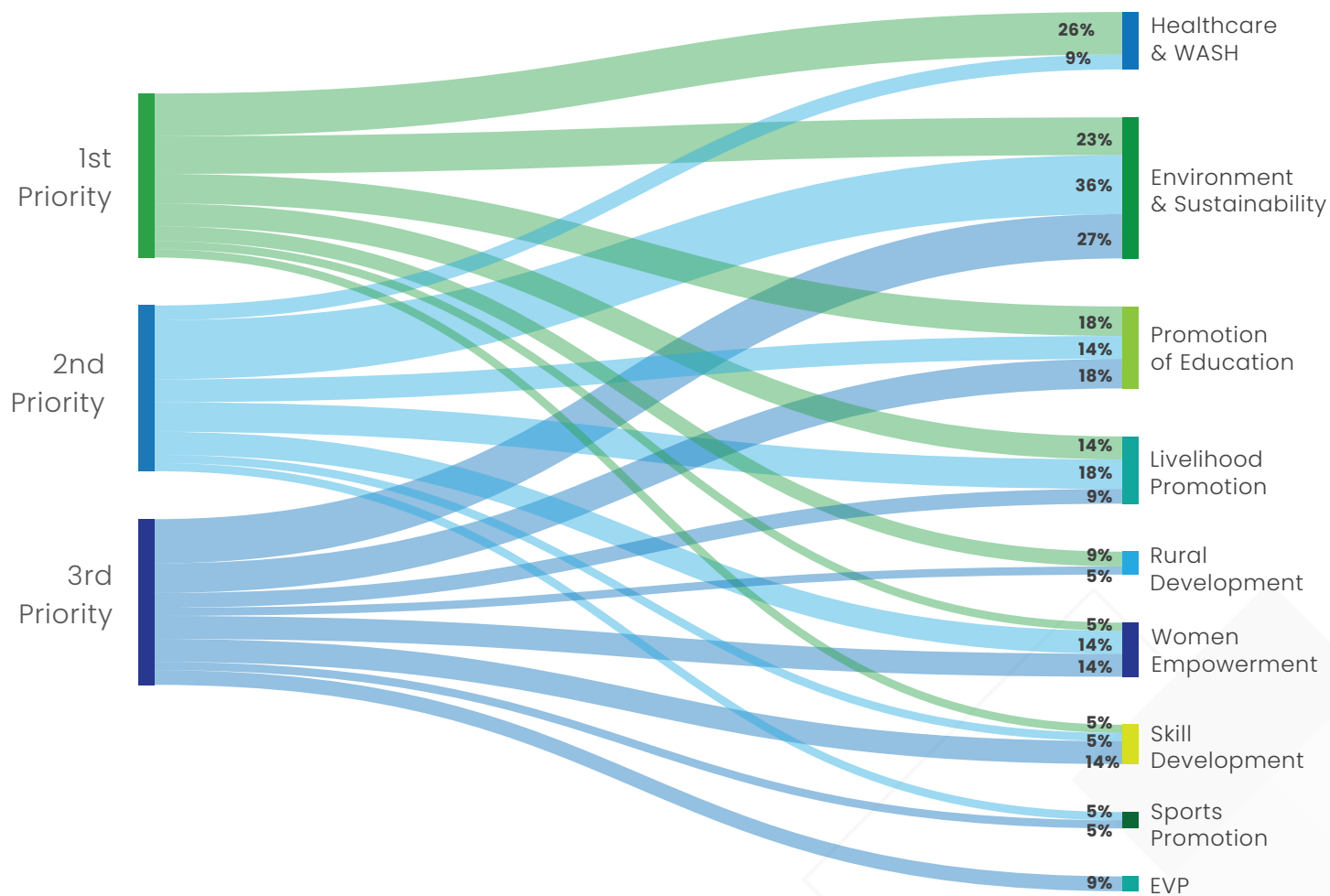
We conducted a survey among CSR Leadership of large companies, aimed at understanding current challenges and future priorities to advance the CSR landscape in the country. The analysis reflects primary research findings and insights from boardroom discussions, emphasizes key indicators for enhancing impact, and showcases the need for data-driven practices.

CSR Priority Areas

26% of the companies have Healthcare and WASH as their first CSR priority. Followed by Environment and Sustainability with **23%** and Promotion of Education with **23%**.

Environment and Sustainability has emerged as the second and third CSR priority area with more than **1/3rd** and **1/4th** of the companies respectively.

%age of companies



Source: CSRBOX's survey of major CSR funders

Preference for Government Partnerships

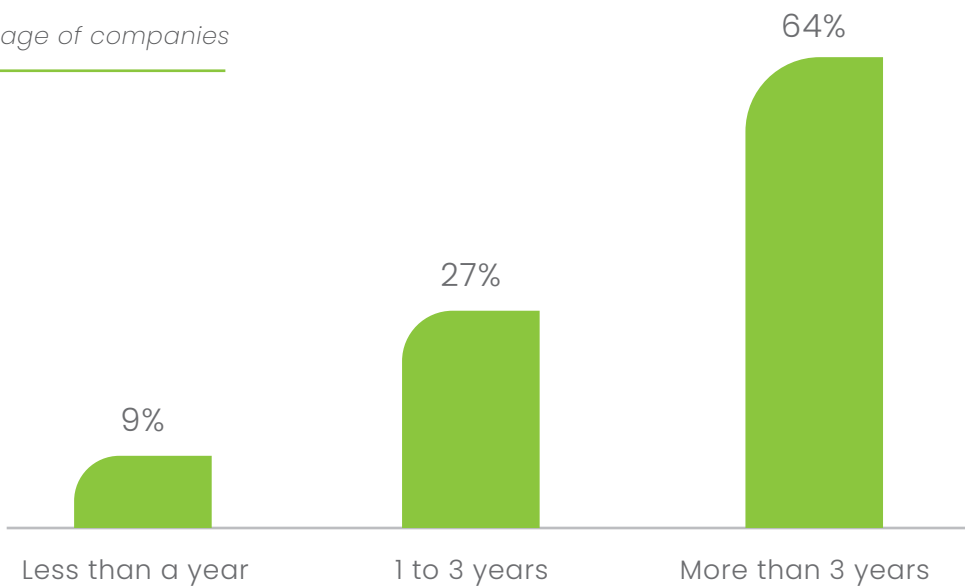
55%

Companies prefer Government Partnerships as criterion for initiation of CSR projects



Ideal Duration of a CSR Project

%age of companies



Almost **2/3rd** of the companies prefer more than 3 years duration of CSR project for better outcome and impact.

Preferred Modality of Implementation

%age of companies



More than **50%** of the companies prefer execution of their CSR projects through Implementing Agencies.



Key CSR Areas in Board Room Discussion in Past 3 Years

91%

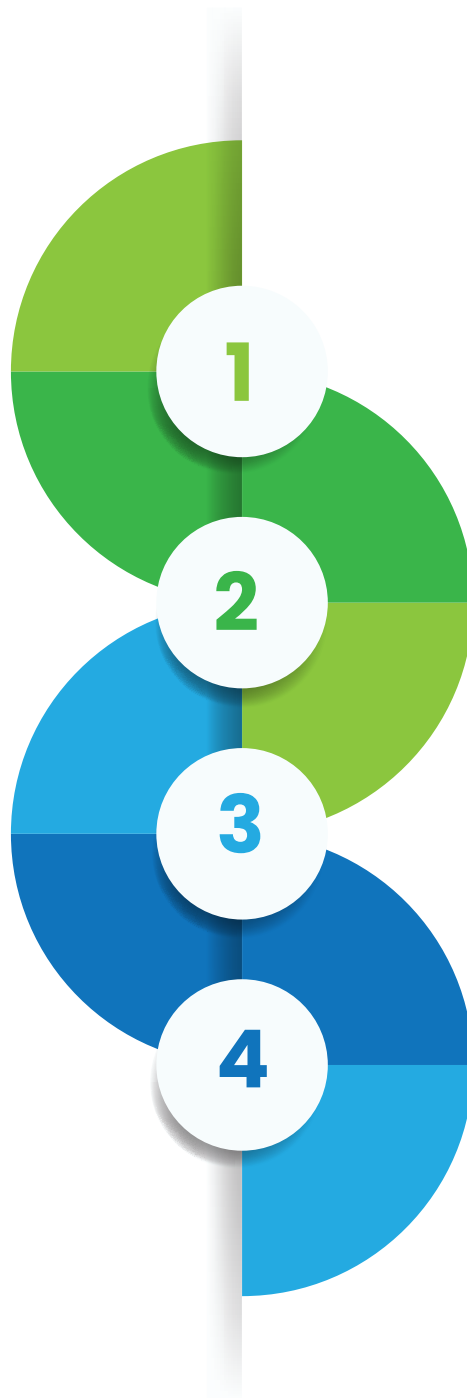
of the companies delved into the impact of the past projects

59%

of the companies discussed about ESG and environment and allied projects

More than **40%** of the companies pondered on strategic business linkages of CSR projects

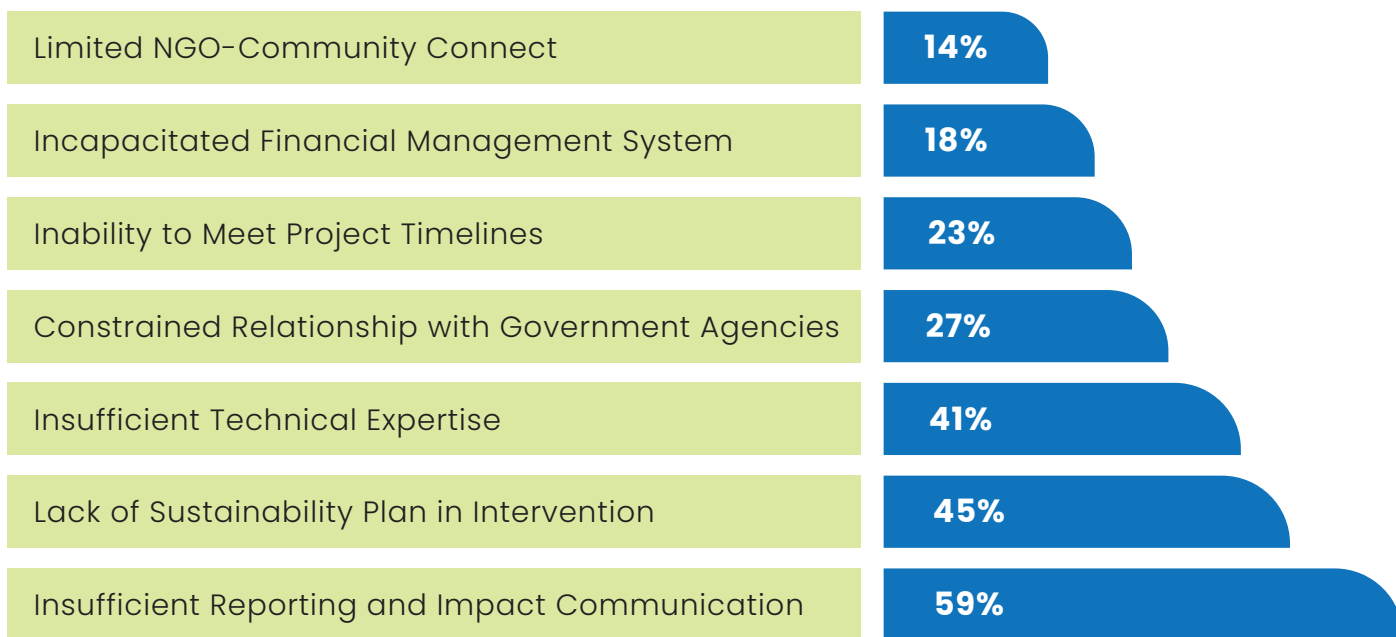
More than **1/3rd** of the companies conversed about credibility of the NGO partners





Not So Good Experiences of CSR Funders with Implementation Partners

%age of companies



1/4th of the companies experienced that the implementation partner have constrained relationship with government agencies.



Almost **60% of the companies** have experienced that the implementation partners does not have adequate capacities for impact communication and reporting.



ESG and EVP Priorities

78%



Companies perceive that 'The push towards net zero and ESG policies has led to more projects in the Environment and allied areas'

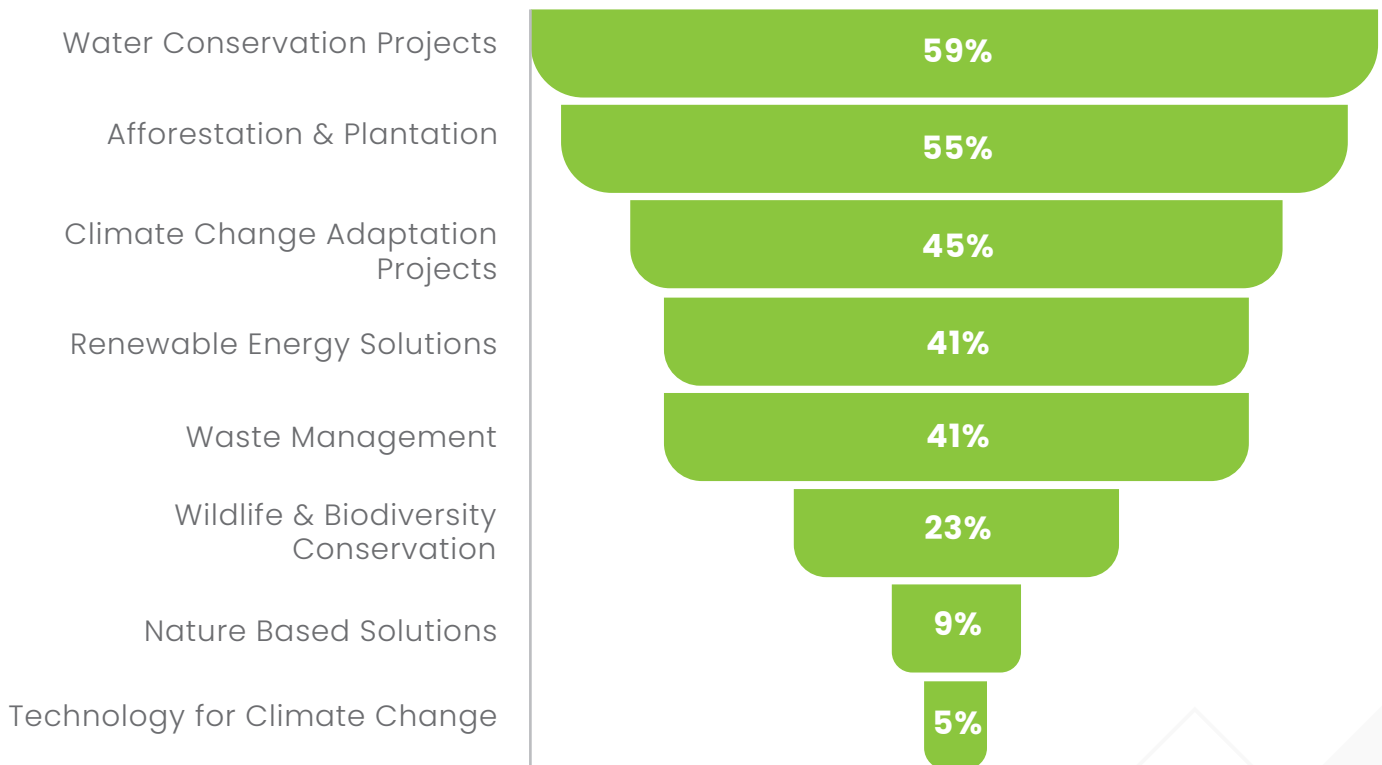
82%



Companies look at embedding Employee Volunteering with CSR projects

Preferred Intervention Areas in Environment Sustainability

%age of companies





Towards Better Impact Ecosystem

73%

Companies suggest better use of technology in CSR project management.

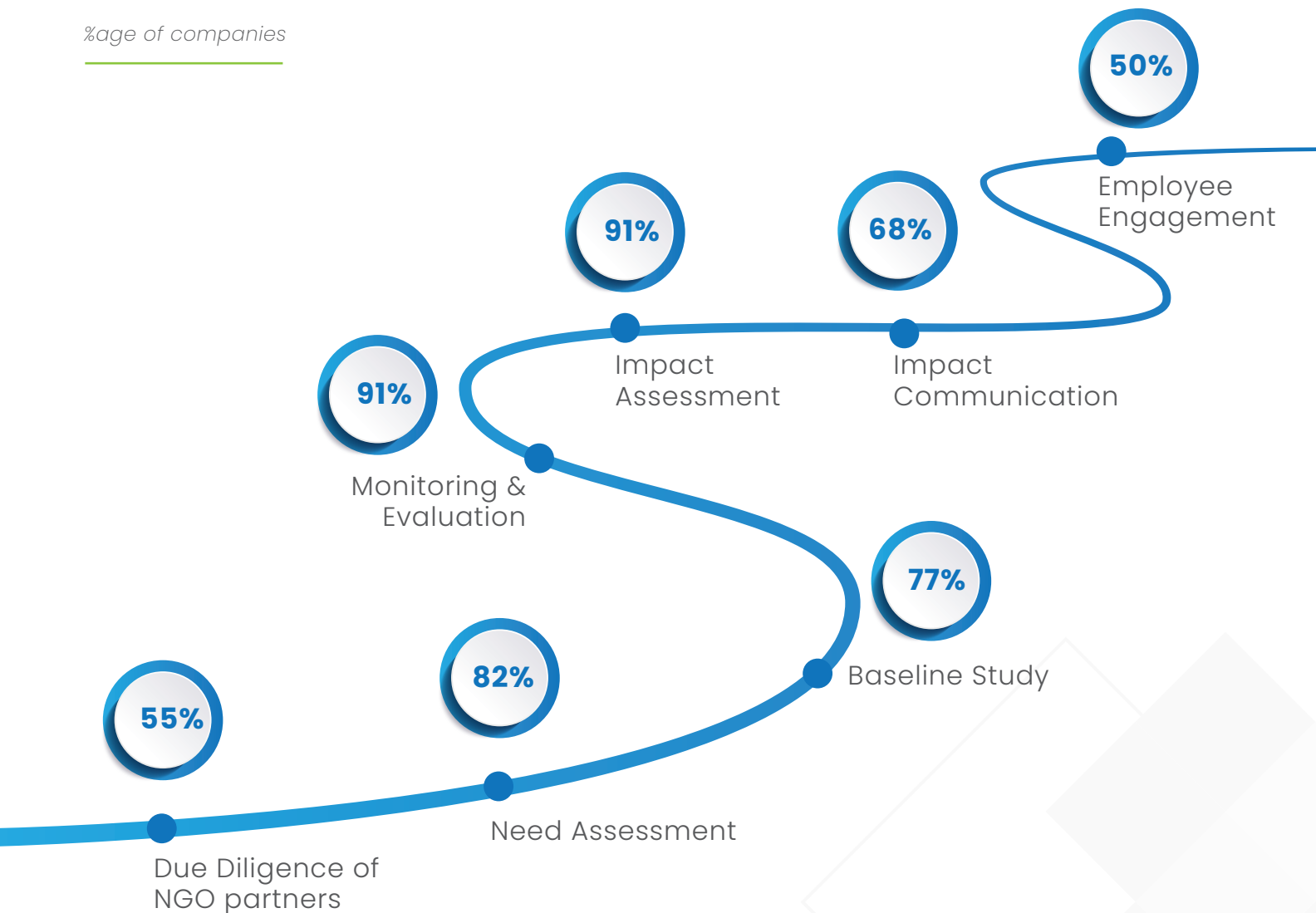
Almost

60%

Companies recommend capacity building of NGO partners .

There is an increased focus and expectations of funders towards better project planning and execution using the continuum of need assessment, baseline, M&E, and Impact Assessment.

%age of companies



Source: CSRBOX's survey of major CSR funders

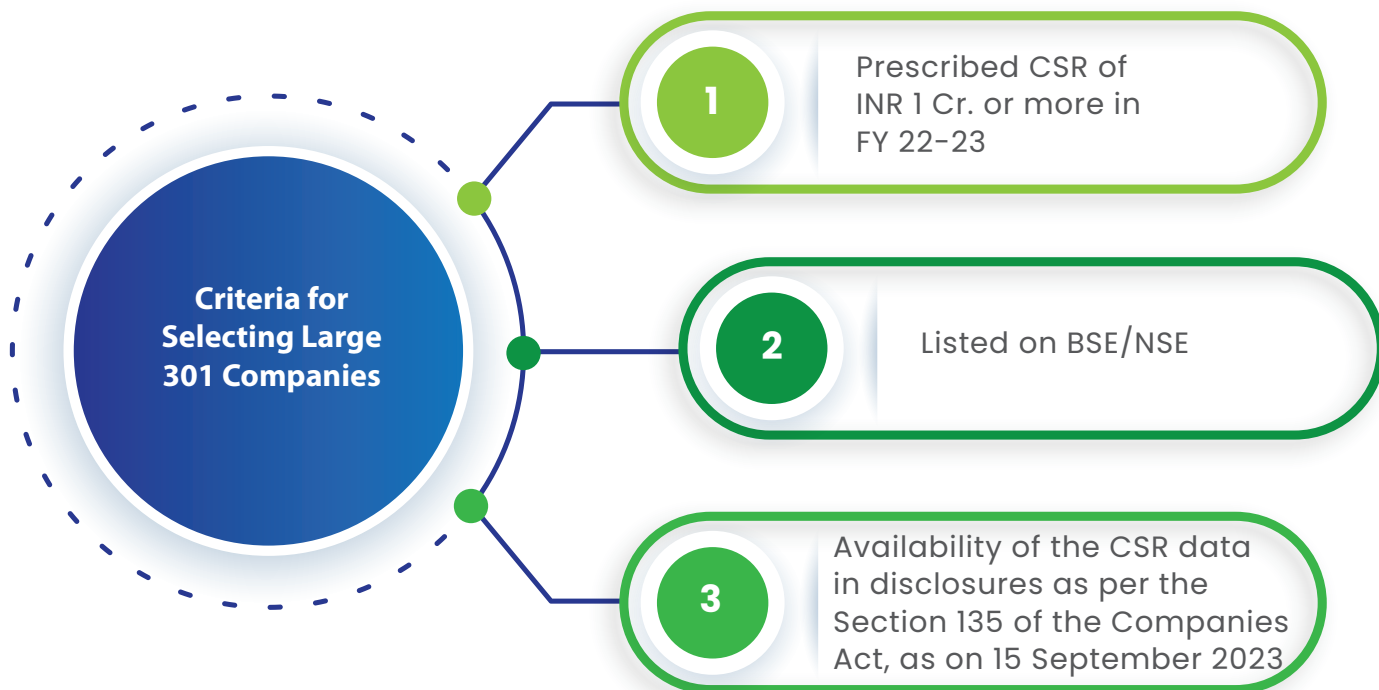
Section II

CSR Portfolio of Large 301 Companies (FY 2022-2023)





This section comprehensively presents the CSR portfolio of 301 large companies, encompassing their spending pattern, composition of CSR committee, and project prioritization.



Actual vs. Prescribed CSR Budget

Prescribed CSR :

INR 13,426 Cr.

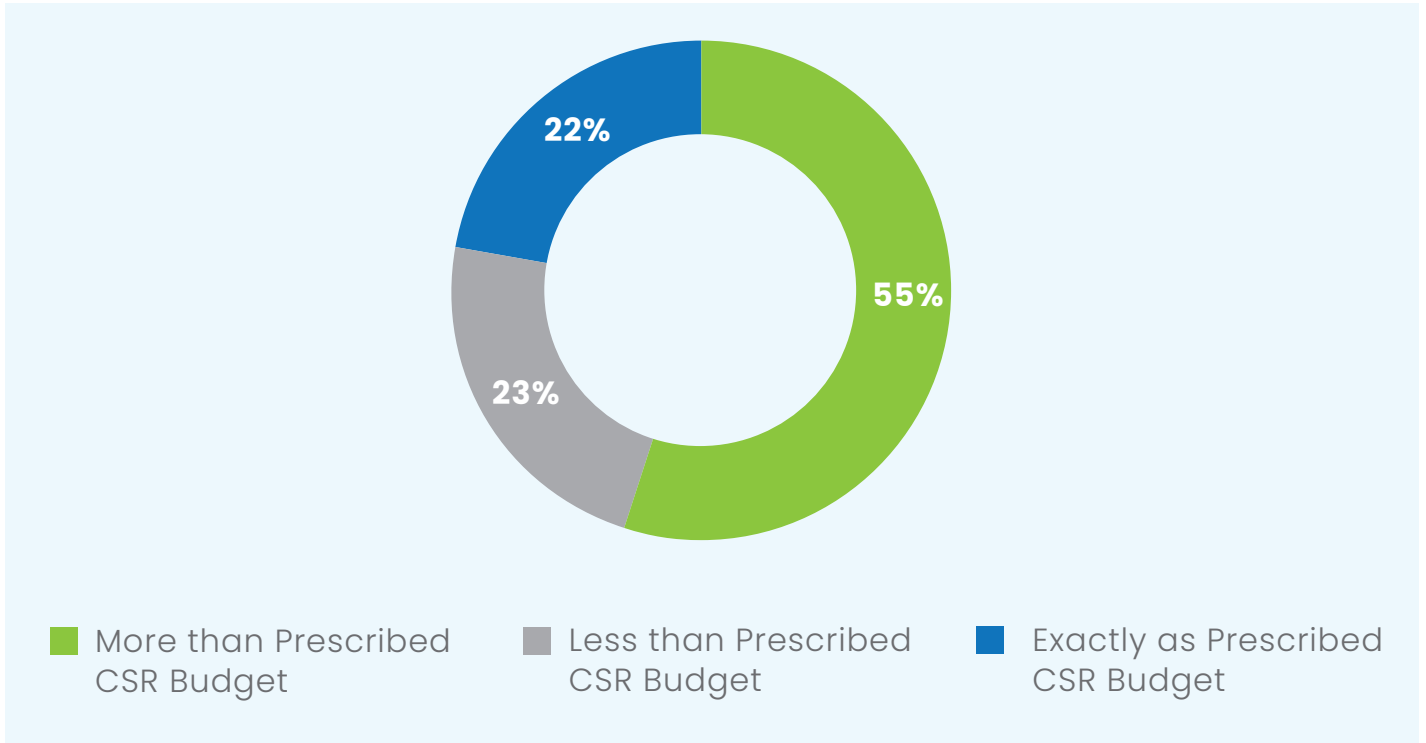
Actual Spent CSR :

INR 12,890 Cr.

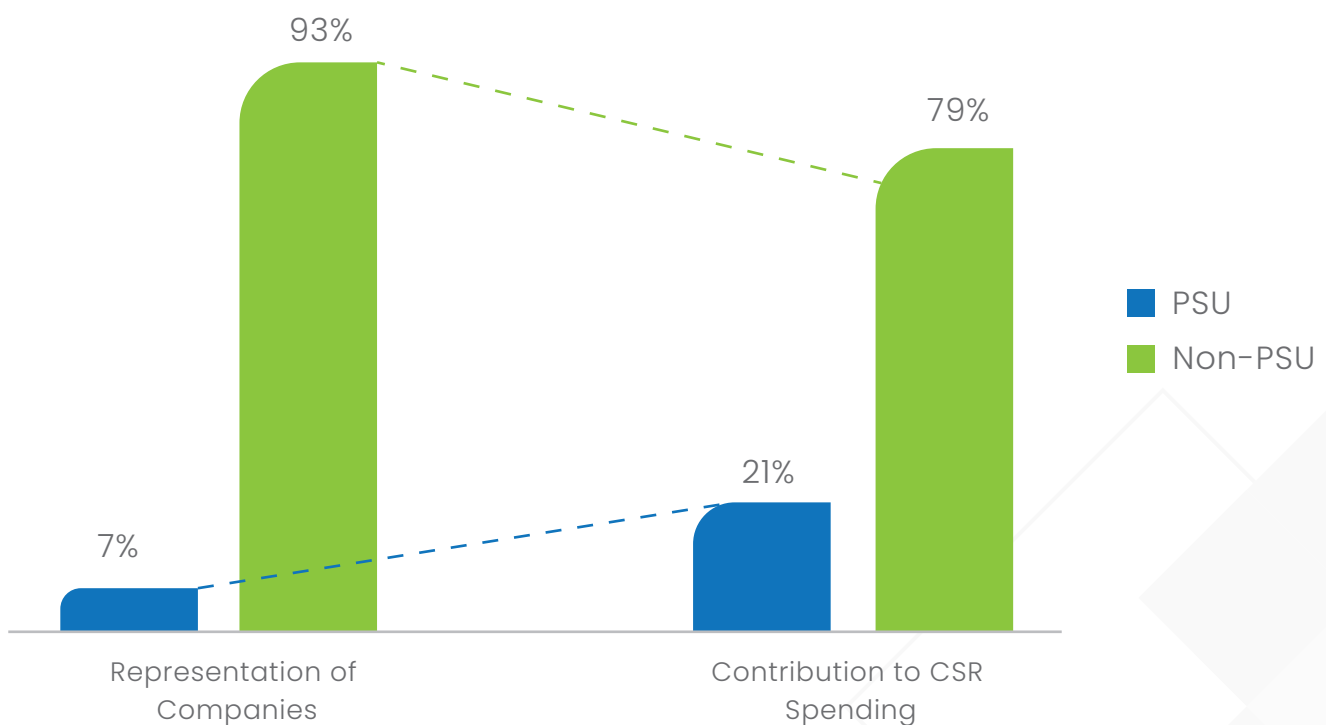




Proportion of Companies Meeting Respective CSR Compliance Requirements



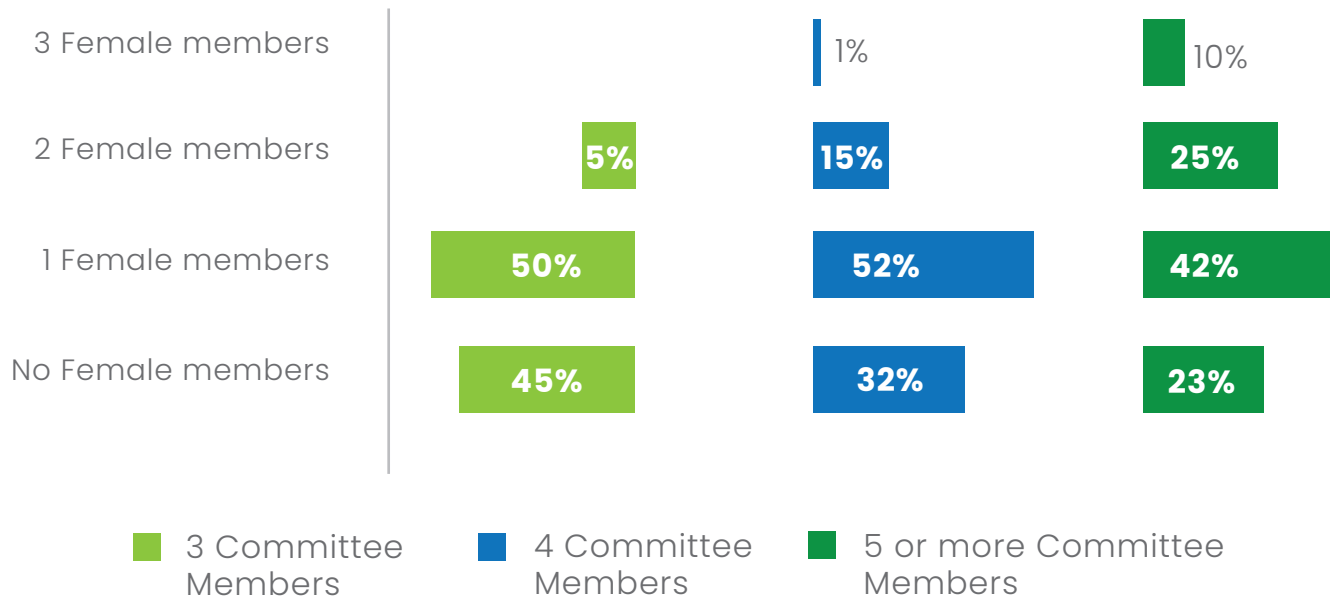
Type of Companies and Contribution to CSR Spent



Source: CSRBOX Research Desk

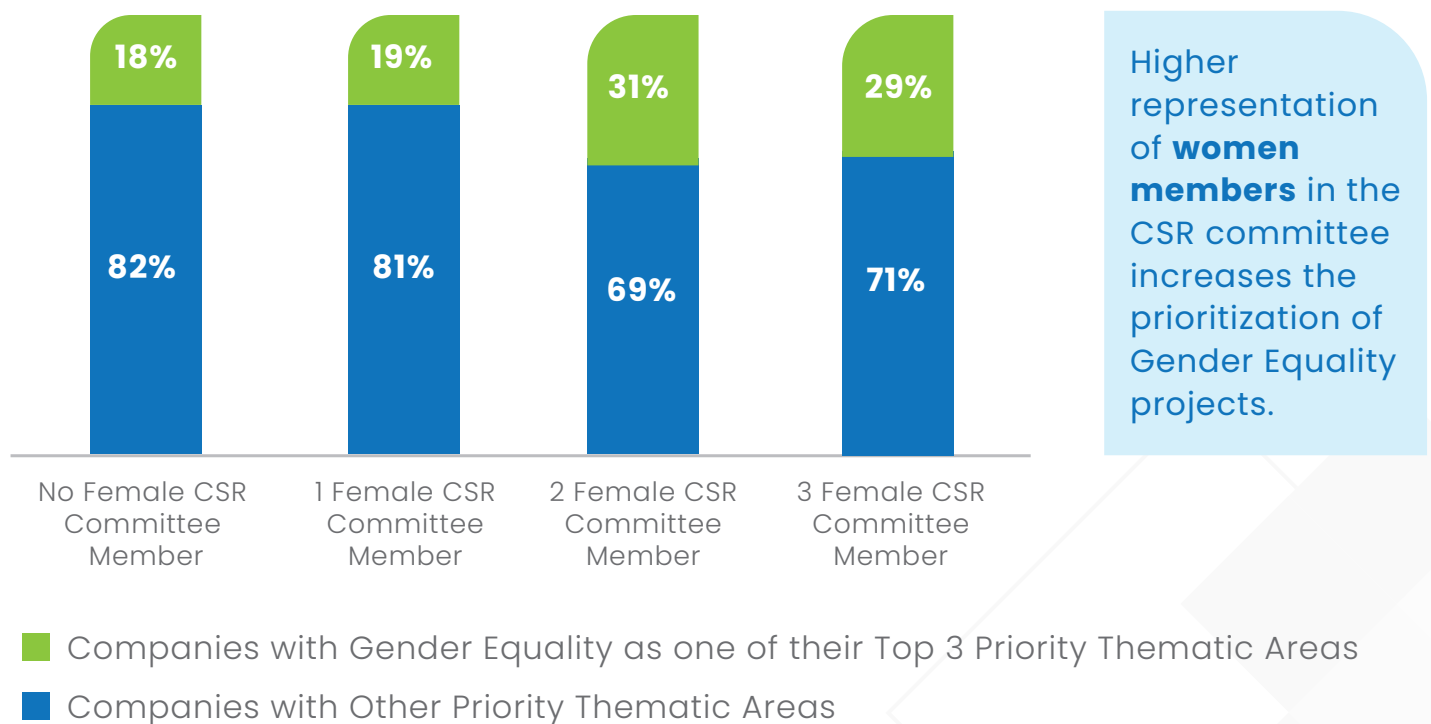


Women’s Representation in CSR Committee



→ Represents Total Number of Committee Members

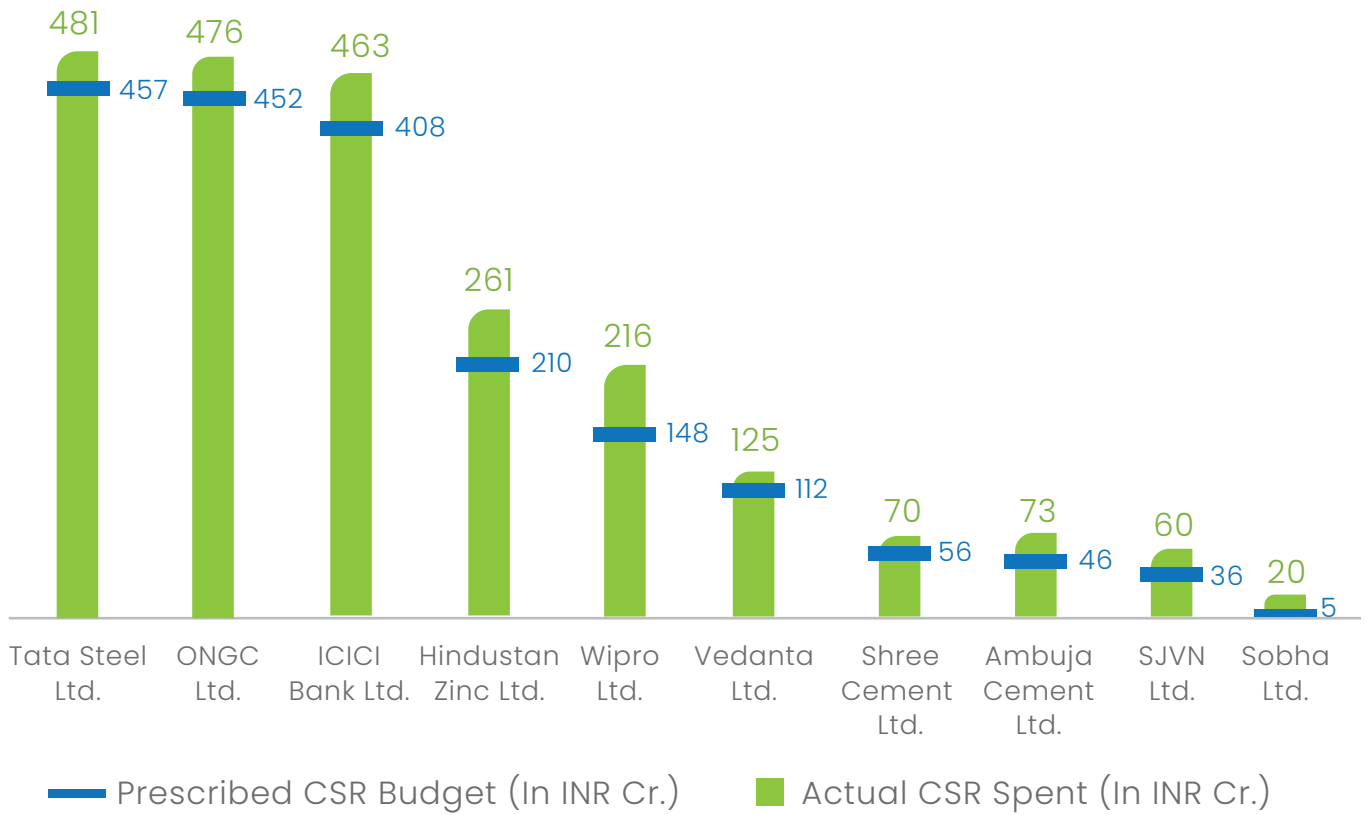
Gender Equality Prioritization & Women’s Participation in CSR Committee



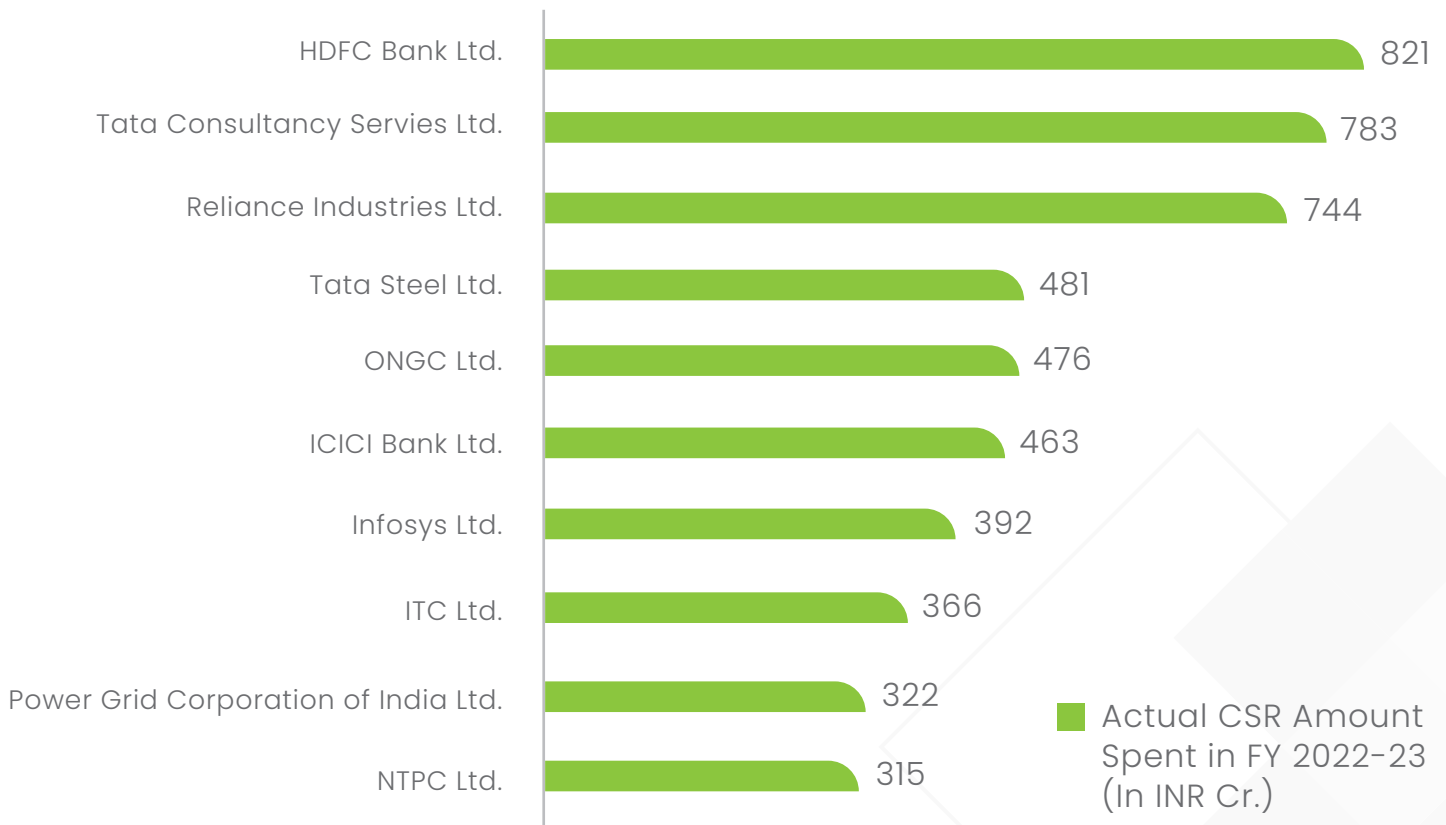
Source: CSRBOX Research Desk



Going Beyond CSR Compliance



Top 10 Companies with Highest CSR Spending



Source: CSRBOX Research Desk

Section III

CSR Trend

Analysis of Past 9 Years
(FY 2014-15 to FY 2022-23)

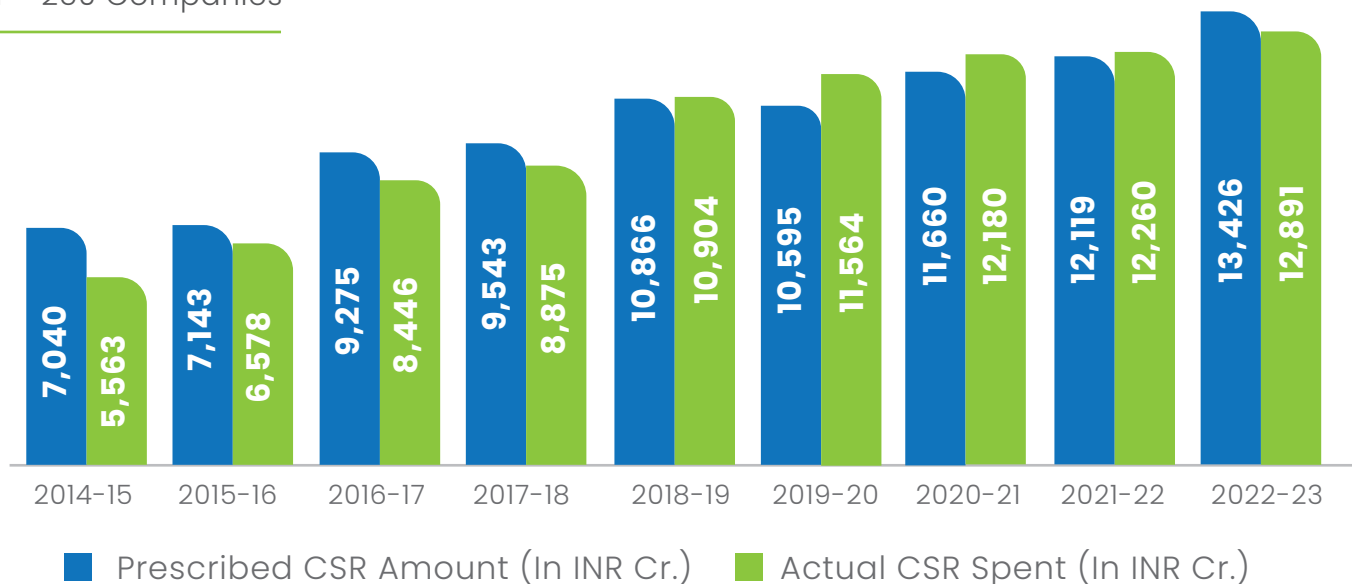




This chapter delves into a decade of CSR compliance, exploring the evolution of key trends in the CSR arena.

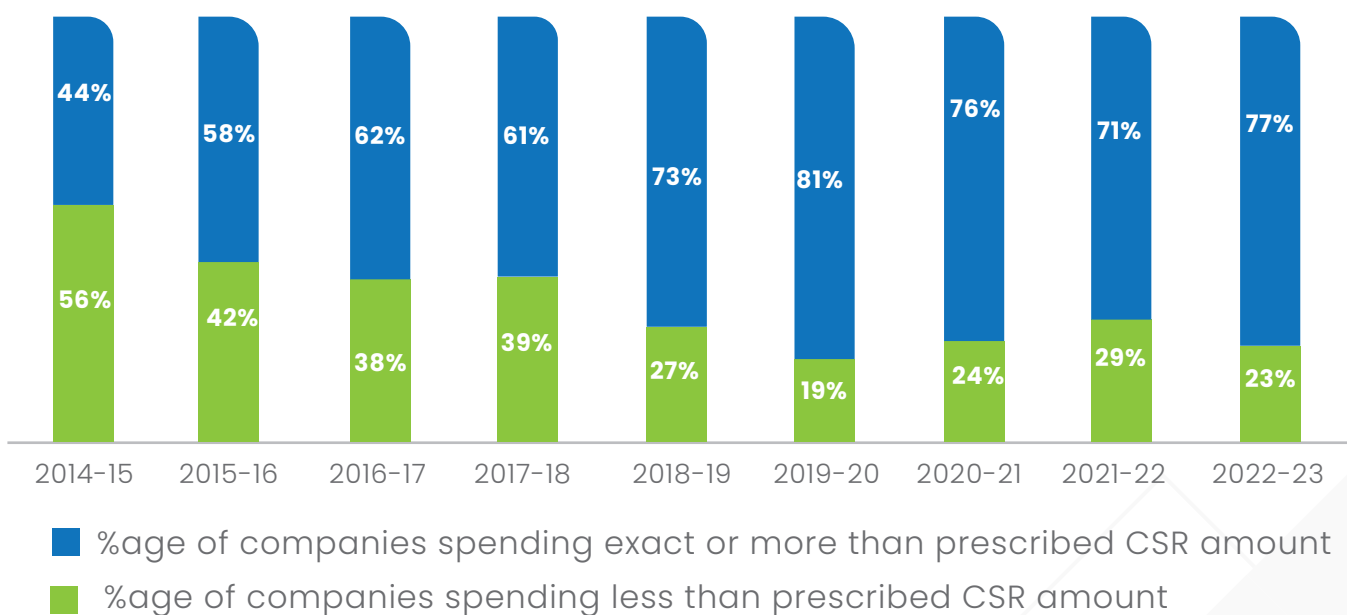
Comparison of CSR Spent

n = 250 Companies



Trend Analysis of CSR Compliance by Companies

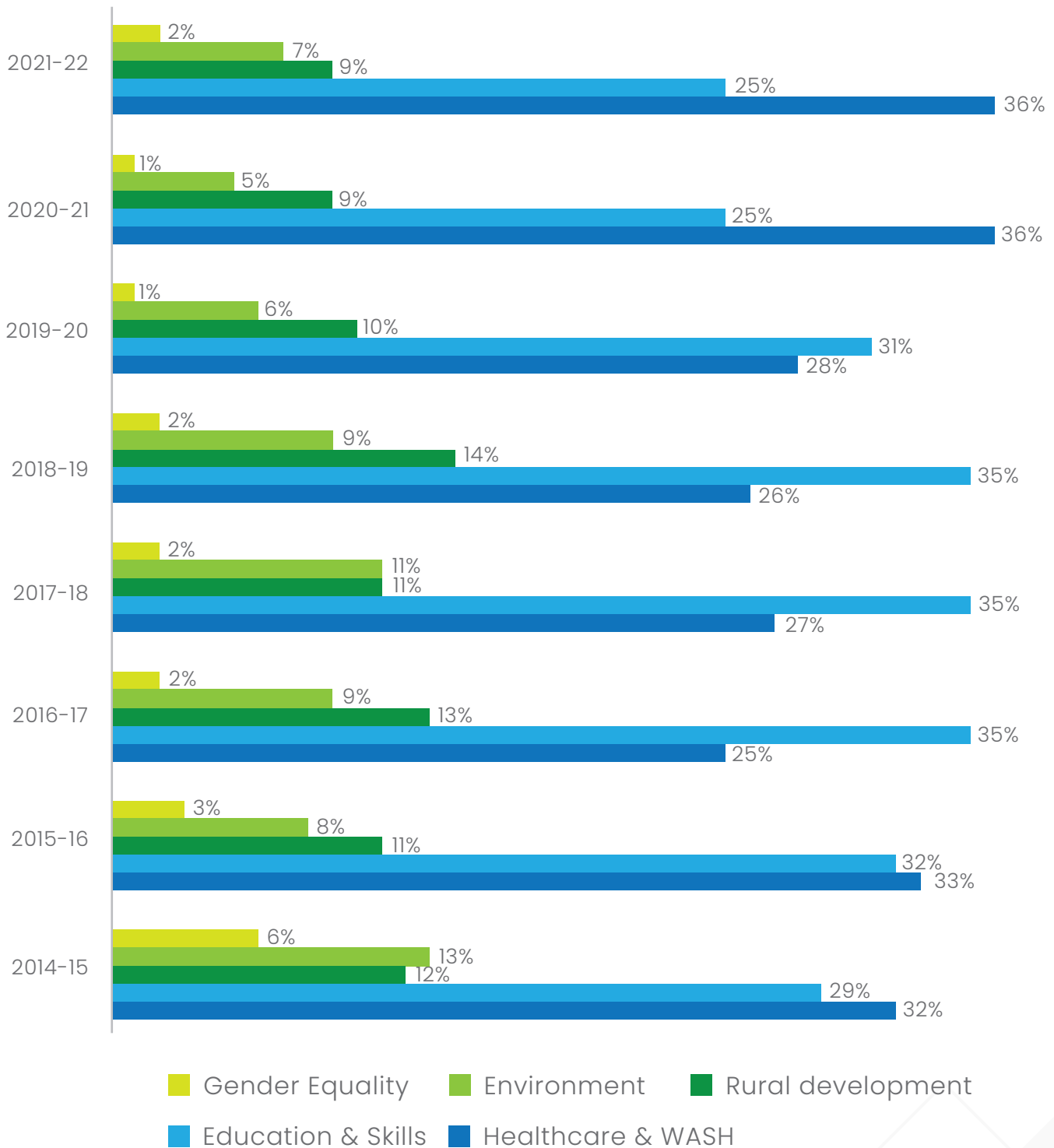
n = 250 Companies



Majority of the companies rolled over unutilized funds from the previous fiscal year to the next year’s CSR budget. This amount was accounted as their actual CSR expenditure for the forthcoming fiscal year.¹ The amendments in FY 2019-20, by the Ministry of Corporate Affairs has enabled companies to effectively implement this practice, and it continues to be adhered in the broader ecosystem.



CSR Spent Across Major Thematic Areas

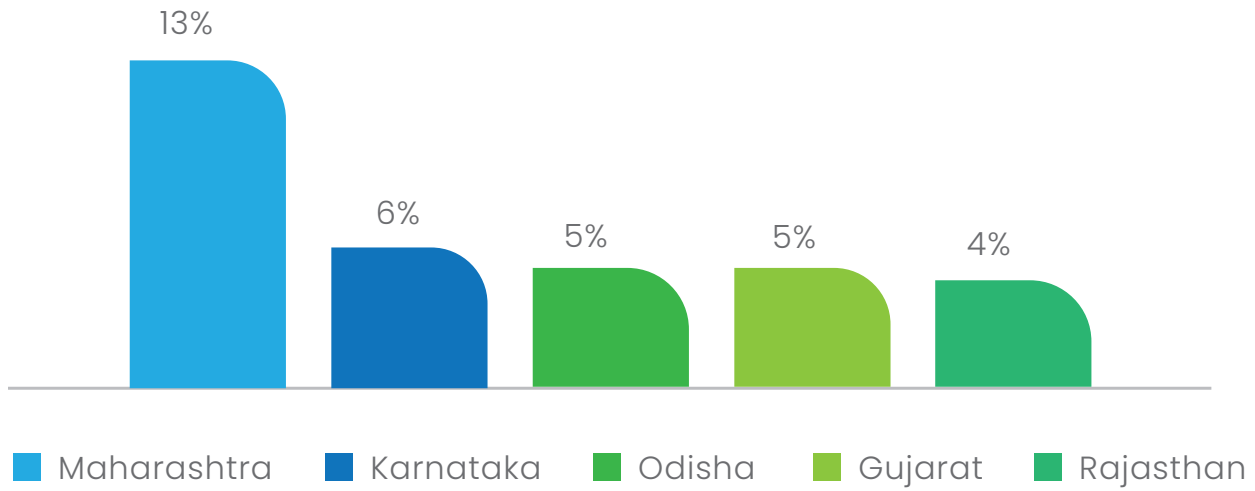


CSR funds have primarily focused on Education & Skills, and Healthcare & WASH projects over the years, in line with the categories specified in Schedule VII of the Companies Act, 2013. The other significant areas of funding include Rural Development, Environment, and Gender Equality.

Source: CSRBOX Research Desk

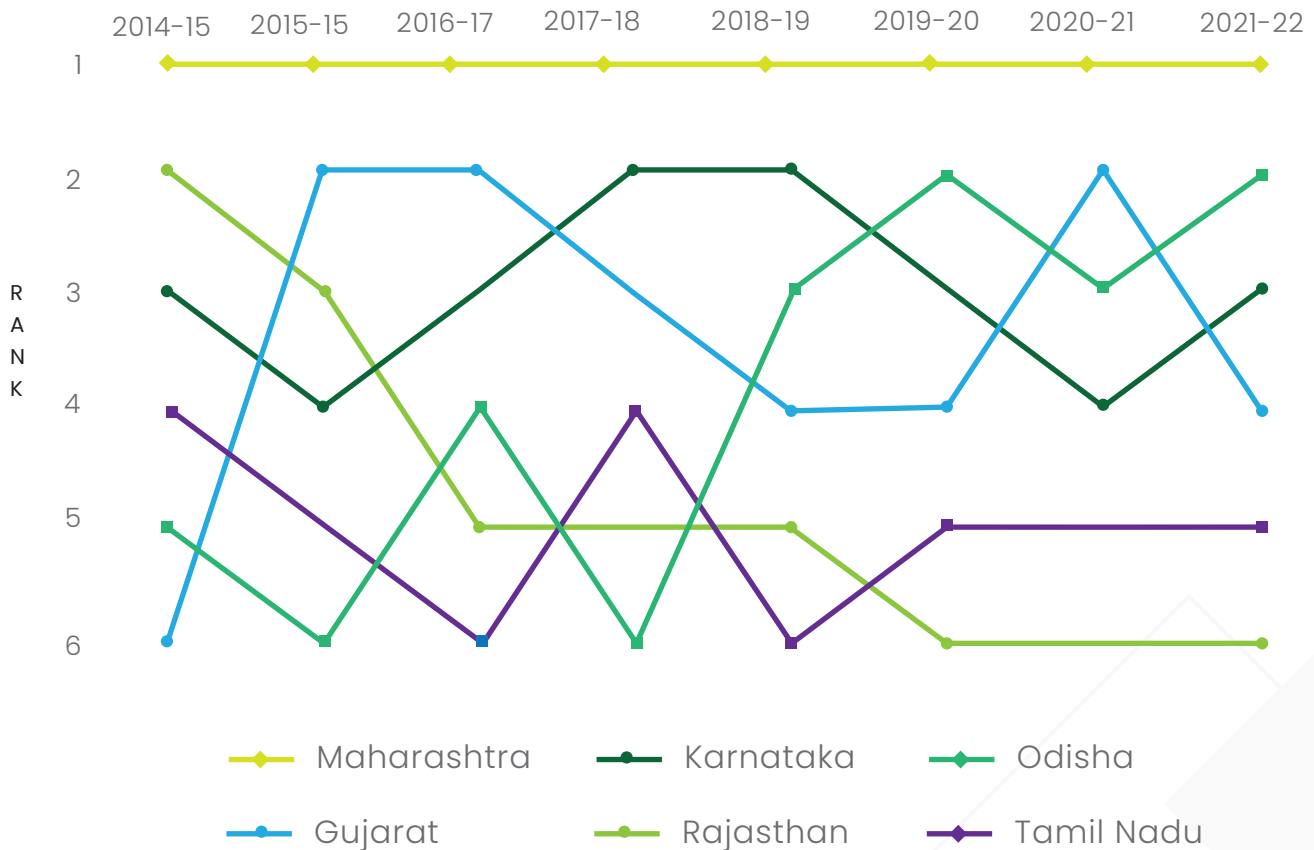


States Receiving the Highest CSR Funding



*Average of CSR fund received from FY 2014-15 to FY 2021-22

Year-wise Ranking of States on CSR Funds Received





About CSRBOX

CSRBOX is India's leading CSR knowledge and impact intelligence driven platform for the development sector, enabling collaboration and partnerships among CSR stakeholders. Serving over three million professionals, the platform offers a range of CSR-centric services to corporate organisations, NGOs and social enterprises. CSRBOX bridges the information deficit by enhancing organisational capacities, conducting research, planning interventions and publishing knowledge resources for greater impact amplification.

About the 10th India CSR Summit and ESG Forum 2023

Curated by CSRBOX and NGOBOX, the India CSR Summit and ESG Forum is Asia's largest CSR and Sustainability Forum, that brings together leaders from across the social impact spectrum to explore and discuss the evolving landscape of corporate social responsibility (CSR), sustainability and social impact. The two-day event features insightful panel discussions, informative keynote speeches, interactive workshops, and engaging networking opportunities, making it a must-attend event for anyone interested in CSR and sustainability space.

Research Credits



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