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| ***Article***  **Corporate Social Responsibility (CSR)- Review and Institutionalization of CSR**   |  |  | | --- | --- | | **Article History:** | **Abstract**: **Introduction**: The results, analysis, and interpretation of secondary data obtained through the use of compiled data from the Government’s website are presented herein in order to evaluate the CSR contribution towards society and businesses themselves. Indian private multinational corporations' corporate social responsibility in this study also examines government intervention in implementing corporate social responsibility. **Methodology**: The most effective CSR plans ensure that while organizations comply with legislation, their investments also respect the growth and development of marginalized communities and the environment. CSR should also be sustainable, involving activities that an organization can uphold without negatively affecting its business goals. Organizations in India have been quite sensible in taking up CSR initiatives and integrating them into their business processes. **Conclusion**: Introduction of CSR Audit and/or Institutionalization of CSR activities is a prospective and suggestive way to promote and regulate the CSR by the MCA. Both the nature of the rivalry and the wave of globalization that has been tearing across markets have significantly changed the corporate environment in recent years.  **Keywords**: Corporate Social Responsibility (CSR), Companies Act, 2013, Sustainable Business, CSR Spending, Section 135. | |  | | **Name of Author:** | | Rakesh Wadhwa1, Dr. Leena Chabbra2 and Dr. Savita Yadav3 | | **Affiliation**:  1Research Scholar, GD Goenka University  2Assistant Prof. (Supervisor, GD Goenka University)  3Assistant Professor, Co-Supervisor, GD Goenka University | | **Corresponding Author:**  Rakesh Wadhwa | | **How to cite this article:** Wadhwa R, et al. Corporate Social Responsibility (CSR) – Review and Institutionalization of CSR. J Int Commer Law Technol. 2025;6(1):117–125.  **Received**: 28-06-2025  **Revised**: 13-07-2025  **Accepted**: 25-07-2025  **Published**: 05-09-2025 | | ©2025 the Author(s). This is an open access article distributed under the terms of the Creative Commons Attribution License (http://creativecommons.org/licenses/by/4.0 | |

# INTRODUCTION

The general idea of CSR, at least in India, is limited to philanthropy. It is a well-established fact that CSR is regarded as a key determinant of sustainable business. However, there are difficulties in creating an innovative and robust CSR framework. Since the applicability of the mandatory CSR provision in 2014 through the Companies Act, 2013, CSR spending by corporate India has increased significantly. India is one of the only countries in the world to regulate Corporate Social Responsibility (CSR) under the Companies Act, 2013. Section 135 of the Companies Act, 2013 clearly states that Companies with a net worth of INR 500 crore or more or a turnover of INR 1,000 crore or more or a net profit of INR 5 crore or more are required to spend 2% of their average net profit from the last three years towards CSR activities listed in Schedule VII of the Act. In 2023, companies spent 313.82 percent more than in 2014-15, contributing 29,987.12 crores to CSR initiatives as per the annual report released by the Ministry of Corporate Affairs. It is a well-established fact that CSR is regarded as a key determinant of sustainable business. However, there are difficulties in creating an innovative and robust CSR framework.



The results, analysis, and interpretation of secondary data obtained through the use of compiled data from the Government’s website are presented herein in order to evaluate the CSR contribution towards society and businesses themselves. Indian private multinational corporations' corporate social responsibility in this study also examines government intervention in implementing corporate social responsibility.

As we learn more about the theory and practices of CSR, we see that it is similar to the proverb "Old wine in new bottles," which has been increasingly popular in the European Union and throughout the world. Additionally, we noted that CSR has improved as a business practice since the Industrial Revolution and has done so even more so since globalization.

The obvious practices adopted by industrialists in developed countries were improving working conditions for employees, spending on community development, welfare, and making charitable donations. Even in a nation like India, businesses like Tata, Birla, Hindustan Unilever, etc., were renowned for their ethical business methods, which included charitable work for local involvement. Although CSR programs and practices may not be as recent as we like to claim, they have unquestionably become more organized and professional.

Transactions that are planned and executed across international boundaries to meet the goals of individuals and organizations are referred to as international business. Importing, exporting, and direct foreign investment are the main forms of international business activity. Licenses, franchising, management contracts, and other forms of international business activity are other sorts. Both the nature of the rivalry and the wave of globalization that has been sweeping across markets have significantly changed the corporate environment in recent years. Companies are extending their reach beyond the nation of their origin to the developing countries' evolving marketplaces, often known as emerging markets.

**REVIEW OF LITERATURE**

Rabi Narayan Samantara et.al (2020) It is true that, according to Josiah Charles Stamp, a former director of the Bank of England, "It is easy to evade our obligations, but we cannot dodge the consequences of doing so." Businesses must be conscious of their actions in our contemporary, digitalized world, both in terms of what they do and how they do it. The reputation of a corporation is based not only on the caliber of the goods it sells to consumers but also on how its operations as a whole, affect society, the environment, and the economy. In a congested market, their feeling of social responsibility gives them an advantage over rival businesses. CSR is a comprehensive and integrated management concept that enables businesses to combine their social and environmental goals with their commercial goals. It employs a "triple bottom line" strategy, meaning that all of its stakeholders' expectations are met as the company concentrates on the three Ps: profit, planet, and people.

Eliza Sharma et.al (2022) The study seeks to quantify the relationship between CSR and economic expansion. This study looks into the sustainability of a rising country like India by examining the CSR expenditures reported by the banks. The human development index of India and its indicators, the GDP growth rate of India and state-level GDP for the years 2014-2015 to 2017-2018, the CSR spending of 21 commercial banks on nine economic development areas in India, as well as the human development index of India and its indicators, have all been used as secondary data for this study. The case analysis method, correlation, and descriptive analysis are the research methodologies used. In developing countries like India, where the majority of institutions are involved in such activities to win accolades and attract investors from around the world, the report indicates that CSR activities are more of a fantasy and a remote prospect.

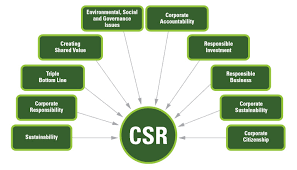
Varun Garg et.al (2022) Through corporate philanthropic initiatives known as Corporate Social Responsibility (CSR), businesses have demonstrated social responsibility to their stakeholders. The objectives of these initiatives are to meet societal demands and maximize stakeholder well-being. When it required some businesses to spend money on CSR initiatives on a mandatory basis in 2013, the parent legislation for Indian corporations, the Companies Act, 2013 brought about a paradigm shift. Since then, there have been numerous adjustments and clarifications to the CSR legislation. In the past two years, during COVID-19, several changes to CSR policies were made, including the transfer of CSR monies to COVID-19 relief funds, the carrying over of excessive CSR expenditure, and a 100% tax deduction on COVID-19-related activities. This has had an impact on how businesses deploy their CSR budgets.

Virendra Balon et.al (2022) This study investigates how required corporate social responsibility investment requirements affect firm performance in emerging economies like India by drawing on theoretical insights from Mike W. Peng's institution-based view. Thus, we begin by going over an overview of the statutory rules and disclosure requirements for corporate social responsibility in India, which took effect with the start of the 2014–2015 fiscal year. We, then, propose a contingency framework of the impact of mandatory corporate social responsibility investment on a firm's overall performance, including firm-specific advantages, financial outcome, and competitive advantage, because, in the emerging economy, formal institutional environments such as the rule of law greatly influence a firm's strategic decisions and performance. In this way, we also investigate how third-party contractual provisions will mediate the interaction between the social investment objectives and the performance of the focal firm and intermediary organizations implementing corporate social responsibility.

Sritam Das et.al (2021) CSR is a widely discussed and misunderstood topic in every country. The business community has a proverb that goes, "Business is business, and nothing else." Profit is the sole and overriding goal of the company because it is essential to its operation and expansion. There has been a significant shift in the objectivity and importance of business over time. The company has evolved from a commercial entity to a social one with corporate citizenship. CSR is quickly evolving into a more important company strategy on a national and international level. The Companies Act of 2013 added a statutory requirement requiring every Indian company and foreign entity with a presence in India to spend 2% of their average net profits from the three most recent financial years under their corporate social responsibility policies, giving CSR practices in India a significant boost. Companies have different perspectives on social issues, and they have different CSR policies and practices.

**METHODOLOGY**

Corporate Social Responsibility of Indian Private Multinational Corporations and the inventive and distinctive approaches are used to improve the lives of clients, employees, and society at large. Therefore, it was determined to employ explorative and descriptive designs that match the investigational paradigm. The methodology of CSR is the procedure for assessing an organization's impact on society and evaluating its responsibilities through CSR contribution and implications. It begins with an assessment of the following aspects of each business: Customers; Suppliers; Environment; Communities; and, Employees.



The most effective CSR plans ensure that while organizations comply with legislation, their investments also respect the growth and development of marginalized communities and the environment. CSR should also be sustainable, involving activities that an organization can uphold without negatively affecting its business goals. Organizations in India have been quite sensible in taking up CSR initiatives and integrating them into their business processes. It has become progressively projected in the Indian corporate setting because organizations have recognized that, besides growing their businesses, it is also important to shape responsible and sustainable relationships with the community at large. Companies now have specific departments and teams that develop specific policies, strategies, and goals for their CSR programs and set separate budgets to support them. Most of the time, these programs are based on well-defined social beliefs or are carefully aligned with the company’s business domain

A thorough CSR-reported data is evaluated, and investigations are made into how CSR affected customer loyalty, purchasing patterns, and a company's reputation. The researcher himself studied and analyzed the resource data and statements.

To enhance transparency in the CSR framework, the Ministry issued a notification on 11th February 2022, introducing a web-based e-form CSR-2. This form must be submitted by CSR-eligible companies starting from the financial year 2020-21 onwards. Additionally, the Companies (CSR Policy) Rules, 2014 were amended through Notification No. GSR 715(E) dated 20th September 2022. These amendments aimed to:

* Broaden the range of implementing agencies eligible to carry out CSR activities.
* Increase the spending limit for companies conducting Impact Assessments for their CSR initiatives.

**CSR TRENDS IN INDIA**

India is the first country in the world to make corporate social responsibility (CSR) mandatory, following an amendment to the Companies Act, 2013 in April 2014. Businesses can invest their profits in areas such as education, poverty, gender equality, and hunger as part of any CSR compliance.

Amid the COVID-19 (coronavirus) outbreak, the Ministry of Corporate Affairs has notified that companies' expenditures to fight the pandemic will be considered valid under CSR activities. Funds may be spent on various activities related to COVID-19, such as the promotion of healthcare, including preventive healthcare and sanitation, and disaster management. The amendment notified in the Companies Act, 2013 requires companies with a net worth of INR 5 billion (US$70 million) or more, an annual turnover of INR 10 billion (US$140 million) or more, or a net profit of INR 50 million (US$699,125) or more, to spend 2 percent of their average net profits of three years on CSR.

Before that, the CSR clause was voluntary for companies, though it was mandatory to disclose their CSR spending to shareholders. CSR includes but is not limited to the following:

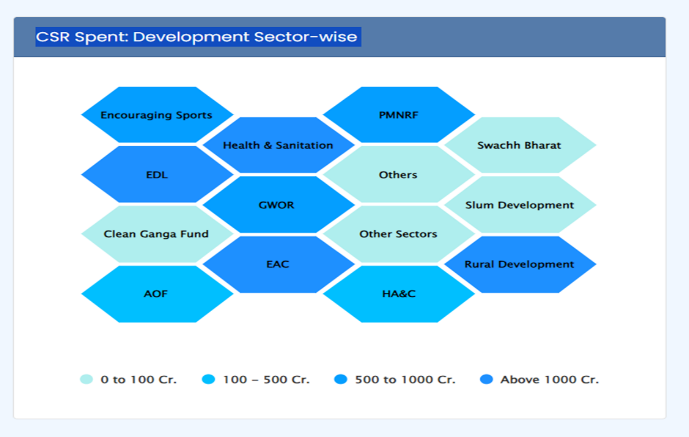
* Projects related to activities specified in the Companies Act; or
* Projects related to activities taken by the company board as recommended by the CSR Committee, provided those activities cover items listed in the Companies Act.

Businesses must note that the expenses towards CSR are not eligible for deduction in the computation of taxable income. The government, however, is considering a re-evaluation of this provision, as well as other CSR provisions recently introduced under the Companies (Amendment) Act, 2019 (“the Act”).

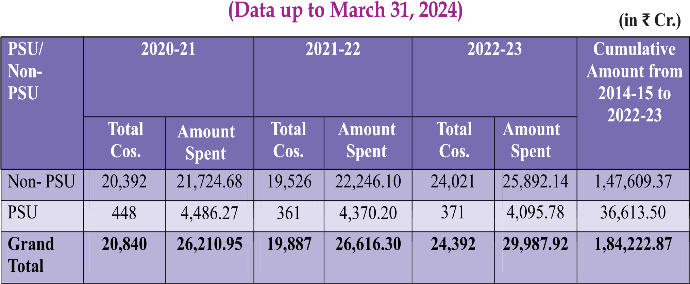
Since the applicability of the mandatory CSR provision in 2014, CSR spending by corporate India has increased significantly. In 2023, companies spent 313.89% percent higher as compared to the amount in 2014-15, contributing US$300 billion to CSR initiatives, according to a survey.

Schedule VII of the Companies Act, 2013 lists key areas where CSR funds can be allocated. Recent trends show increased focus on:

* Environmental Sustainability (Clean energy, waste management, afforestation)
* Education & Skill Development (Digital literacy, vocational training)
* Healthcare & Nutrition (Ayushman Bharat, mental health, rural healthcare)
* Women Empowerment & Gender Equality (Beti Bachao Beti Padhao, SHGs)
* Rural Development & Sanitation (Swachh Bharat Mission, Jal Jeevan Mission)
* Startup & Innovation Support (Incubators, agri-tech initiatives)
* India’s CSR expenditure in FY 2023-2024 reached INR 29,986.92 crore (approximately), an increase from INR 26,579.78 crore in FY 2022-2023. Key highlights include:
* Sector-wise Spending: Education received the highest share at INR 10,085 crore, followed by health, rural development, and sustainability.
* CSR Projects: The number of CSR projects grew from 44,425 in FY 2022 to 51,966 in FY 2023.
* Private Sector Contribution: 84% of CSR spending came from private companies.
* State-wise Spending: Maharashtra spent the most, with around INR 5,500 crore.
* CPSEs Spending: CSR spending by Central Public Sector Enterprises increased by 19%, reaching INR 4,911 crore in FY 2024.



The details of the cumulative amount spent as per filings made by companies up to March 31, 2024 in the MCA21 registry for the financial years 2014 15 to 2022-23 is provided as below-



CSR Expenditure for FY 2020-21 to 2022-23

Examples of CSR in Indian Private Multinational Corporations



Tata Group, conglomerate in India carries out various CSR projects, most of which are community improvement and poverty alleviation programs. Indian private multinational corporations (MNCs) have been at the forefront of innovative Corporate Social Responsibility (CSR) initiatives, aligning business goals with sustainable development. The Tata Group, for instance, has implemented comprehensive programs like Tata STRIVE, a skill development initiative that has trained over 500,000 youth in sectors such as retail, healthcare, and automotive, achieving a 70% placement rate since its inception in 2015. Additionally, their Tata Water Mission addresses water scarcity in drought-prone regions like Maharashtra and Rajasthan by installing clean water infrastructure, impacting millions of lives.

Ultratech Cement, India’s biggest cement company, is involved in social work across 407 villages in the country aiming to create sustainability and self-reliance. Its CSR activities focus on healthcare and family welfare programs, education, infrastructure, environment, social welfare, and sustainable livelihood. The company has organized medical camps, immunization programs, sanitization programs, school enrollment, plantation drives, water conservation programs, industrial training, and organic farming programs.

Mahindra & Mahindra, an Indian automobile manufacturer Mahindra & Mahindra (M&M) established the K. C. Mahindra Education Trust in 1954, followed by Mahindra Foundation in 1969 to promote education. The company primarily focuses on education programs to assist economically and socially disadvantaged communities, emphasizing gender equality and environmental sustainability. The Nanhi Kali project supports education for underprivileged girls, benefiting over 550,000 students, while their "Project Hariyali" has planted millions of trees to combat deforestation.

Infosys, another leader in CSR, focuses on education and sustainability through its Infosys Foundation, which has built over 22,000 classrooms and digital labs in government schools, bridging the digital divide in rural India. Their "Zero Waste to Landfill" program ensures 98% of waste from campuses is recycled or reused, showcasing their commitment to environmental stewardship.

Reliance Industries has made significant strides in healthcare and rural development. Their Reliance Foundation Hospitals provide free medical care to underserved communities, while the Bharat India Jodo initiative connects farmers with modern agricultural technologies, boosting productivity and incomes.

ITC Group, a conglomerate with business interests across hotels, FMCG, agriculture, IT, and packaging sectors has been focusing on creating sustainable livelihood and environmental protection programs. The company has been able to generate sustainable livelihood opportunities for six million people through its CSR activities. Their e-Choupal program, which aims to connect rural farmers through the internet for procuring agriculture products, covers 40,000 villages and over four million farmers. Its social and farm forestry program assists farmers in converting wasteland to pulpwood plantations. Social empowerment programs through micro-enterprises or loans have created sustainable livelihoods for over 40,000 rural women.

**Key Government Initiatives Influencing CSR in India (2024-2025)**

The Indian government has introduced several policies and amendments to strengthen Corporate Social Responsibility (CSR) compliance and align it with national development goals. Below is an expanded analysis of the most impactful government initiatives shaping CSR trends in India.

**1. Amendments to CSR Rules (2024) – Stricter** Compliance

The Ministry of Corporate Affairs (MCA) has introduced stricter CSR regulations to enhance accountability and transparency. Under the latest amendments, companies are required to carry forward unspent CSR funds if they are not utilized within three years, transferring them to designated funds such as PM CARES. Additionally, businesses must now disclose their CSR expenditures in real-time through the MCA-21 portal, ensuring greater visibility and compliance. The penalties for non-compliance have also been intensified, with fines reaching up to twice the unspent CSR amount, and directors facing potential imprisonment. Furthermore, CSR Committees must now provide detailed justifications for fund allocations, including impact assessments, to ensure strategic and measurable outcomes. These changes have compelled companies to adopt more rigorous planning and execution of their CSR initiatives.

**2. Focus on National Development Programs (CSR Alignment)**

The government actively encourages CSR spending in alignment with its flagship development programs. Initiatives such as the Swachh Bharat Mission (Clean India) have seen significant CSR contributions, with companies like HUL, Tata, and ITC funding waste management, sanitation projects, and toilet construction in rural areas. Similarly, the Jal Jeevan Mission (Water for All) has attracted CSR investments in water conservation, groundwater recharge, and piped water supply, often leveraging technology like IoT-based monitoring systems. The Smart Cities Mission has also benefited from CSR funds, with corporations like L&T and Infosys supporting urban infrastructure, digital governance, and green mobility projects. Additionally, agricultural modernization under PM-KISAN has drawn CSR support for farmer training, agri-tech startups, and Farmer Producer Organizations (FPOs), focusing on precision farming and sustainable irrigation techniques.

**3. Digital India & Skill Development Push**

The government’s Digital India initiative has spurred CSR investments in digital literacy and skill development. Programs like Pradhan Mantri Gramin Digital Saksharta Abhiyan (PMGDISHA) have benefited from CSR funds, enabling village-level digital training programs to bridge the digital divide. Tech giants such as Microsoft, Google, and TCS have launched skilling initiatives to empower rural and underserved communities. Similarly, the Skill India Mission and Pradhan Mantri Kaushal Vikas Yojana (PMKVY) have seen CSR contributions directed towards vocational training centers, apprenticeships, and upskilling programs, with a growing emphasis on automation, AI, and robotics training to prepare the workforce for future job markets.

**4. PM CARES Fund – CSR Contributions**

The Prime Minister’s Citizen Assistance and Relief in Emergency Situations (PM CARES) Fund has emerged as a major recipient of CSR contributions, particularly during crises like the COVID-19 pandemic and natural disasters. Companies such as Reliance, Adani, and Wipro have allocated substantial CSR funds to PM CARES for emergency relief efforts. However, this trend has sparked debates, with critics arguing that CSR funds should be directed towards NGOs and grassroots organizations for greater transparency and localized impact. Despite the controversy, PM CARES remains a key avenue for corporate contributions in disaster response and national emergencies.

**5. SEBI’s BRSR (Business Responsibility & Sustainability Reporting)**

The Securities and Exchange Board of India (SEBI) has mandated Business Responsibility and Sustainability Reporting (BRSR) for the top 1,000 listed companies from the financial year 2023-24. This framework requires detailed disclosures on environmental impact (carbon emissions, water usage), social initiatives (CSR, diversity, labor practices), and governance (anti-corruption, ethics). The BRSR compels companies to integrate CSR with broader ESG (Environmental, Social, and Governance) strategies, fostering greater accountability and sustainable business practices. This move aligns India’s corporate sector with global sustainability standards and enhances investor confidence in responsible businesses.

**6. National Education Policy (NEP 2020) – CSR in Education**

The National Education Policy (NEP) 2020 has reshaped CSR investments in education, emphasizing digital learning, STEM education, and teacher training. CSR funds are increasingly directed towards digital classrooms, e-learning tablets, and smart boards to enhance accessibility in government schools. Initiatives like coding and robotics labs are being set up to promote STEM education, while teacher training programs focus on upskilling educators in technology-driven pedagogy. Organizations such as the Infosys Foundation have launched "Education for All" campaigns, demonstrating how CSR can bridge gaps in India’s education system.

**7. Renewable Energy & Climate Action (India’s Net-Zero Goal)**

With India’s commitment to achieving net-zero emissions by 2070 , CSR funds are increasingly channeled into renewable energy and climate resilience projects. Solar energy initiatives, EV infrastructure, and green hydrogen projects are gaining traction, supported by corporate contributions. CSR investments also extend to afforestation under the Green India Mission and waste-to-energy plants to promote sustainable urban development. Companies like Tata Power have led by example, funding solar electrification projects in rural villages, showcasing how CSR can drive India’s clean energy transition.

The Indian government is playing a proactive role in shaping CSR trends by enforcing stricter compliance, aligning CSR with national development goals, and promoting sustainable, tech-driven initiatives. The future of CSR in India lies in public-private partnerships (PPPs) and impact-driven models, where businesses integrate social responsibility into their core strategies. As CSR evolves from a mandatory obligation to a strategic priority, companies are expected to adopt more innovative and measurable approaches to drive meaningful change.

The Ministry has also developed a National CSR Exchange Portal as interactive platform for the companies and implementing agencies to list, search, interact, engage and manage their CSR projects on a voluntary basis. The portal provides an interactive platform to the stakeholders-companies and implementing agencies, to bridge demand-supply gap by facilitating interaction between the stakeholders. The same is available on the website of the Ministry.

CSR amendments under the Companies (Amendment) Act, 2019

Until now, if a company was unable to fully spend its CSR funds in a given year, it could carry the amount forward and spend it in the next fiscal year, in addition to the money allotted for that year.

The CSR amendments introduced under the Act now require companies to deposit unspent CSR funds into a fund prescribed under Schedule VII of the Act by the end of the fiscal year. This amount must be utilized within three years from the date of transfer, failing which the fund must be deposited into one of the specified funds.

The new law prescribes a monetary penalty as well as imprisonment in case of non-compliance. The penalty ranges from INR 50,000 (US$700) to INR 2.5 million (US$35,000) whereas the defaulting officer of the company may be liable to imprisonment for up to three years, or a fine up to INR 500,000 (US $7,023), or both.

The government, however, is reviewing these rules after the industry objected to the strict provisions, especially concerning the jail terms for CSR violations, and is yet to operationalize them.

**MONITORING AND EVALUATION**

Monitoring is a periodically recurring task that allows results, processes, and experiences to be documented and used as a basis to steer decision-making and learning. It is a progress checking mechanism created to see whether the project is on track and meeting the outputs set within the time limits as mentioned in the project design and implementation plan. It helps clarify project objectives, link activities & resources to the objective and translates them into performance indicator to set targets. It allows results, processes and experiences to be documented and helps us understand the status of the project at any given time. Monitoring acts as an alert that warns us about a problem to be remedied. The data acquired through monitoring is used for comparing actual results with the target for evaluation. Evaluation of a CSR project revolves around how well or how badly has the project been implemented, to what extent it has achieved the results (outputs & outcomes), the challenges faced during the implementation and how they have or could have been mitigated. It also provides a base to see whether the same can be scaled up and if the model is replicable. Evaluation is the systematic and objective assessment of an on-going or completed project, program or policy, its design, implementation and results. The aim of evaluation of a CSR program, is therefore to determine the relevance and fulfilment of objectives, development efficiency, effectiveness, impact and sustainability. Such an evaluation should provide information that is credible and useful, enabling the incorporation of lessons learned into the decision-making process of both recipients and donors. Evaluation also refers to the process of determining the worth or significance of an activity, policy or program. It deals with the questions of cause & effect. It looks at relevance, effectiveness, efficiency and sustainability of particular intervention. One of the most pertinent factors to be kept in mind is that monitoring happens during project implementation while evaluation takes place after the project has been implemented.

Thus, even mid-term evaluations fall in the category of monitoring as it is focused on what type of hindrances are occurring which is holding back the successful implementation of the project and what type of course corrections needs to take place in order to put the CSR project implementation back on track. It is critical to determine the 3-4 key indicators that are most important for your program, to understand if the program is working on the ground. This involves plotting the long-term impact you want to make, Mid-terms outcomes which will get you there, Short-term outputs of your program.

**INSTITUTIONALISATION OF CSR ACTIVITIES**

Institutionalization of Corporate Social Responsibility (CSR) refers to the process of integrating CSR principles and practices into the core operations and culture of an organization, making it a standard and expected part of how the business functions. This involves embedding CSR considerations into decision-making processes, organizational structures, and performance metrics, rather than treating it as a separate or optional activity

**Key Aspects of Institutionalized CSR:**

* Integration: CSR is not just a set of activities, but a way of doing business. It's embedded in the company's mission, values, and strategic planning.
* Formalization: Organizations develop formal policies, procedures, and reporting mechanisms related to CSR.
* Accountability: CSR performance is tracked, measured, and reported, holding individuals and departments accountable for their contributions to social and environmental goals.
* Stakeholder Engagement: Companies actively engage with stakeholders (employees, customers, communities, etc.) to understand their needs and expectations regarding CSR.
* Culture: A strong CSR culture is fostered within the organization, where social and environmental responsibility is valued and practiced at all levels.
* Why is Institutionalization Important?
* Sustainability: It ensures that CSR efforts are not just temporary initiatives but are sustained over the long term, leading to greater positive impact.
* Effectiveness: By integrating CSR into core operations, companies can achieve greater efficiency and effectiveness in their social and environmental initiatives.
* Credibility: Institutionalized CSR enhances the credibility and reputation of the organization among stakeholders.
* Competitive Advantage: Companies with strong CSR records can attract and retain customers, employees, and investors who value social and environmental responsibility.

After the introduction of Mandatory provision on CSR activities under the companies act, 2013, India’s CSR expenditure in FY 2023-2024 reached INR 29,986.92 crore from 9553.72 crore in FY 2014-15 an increase of INR 20,434 crore (314%) showing large scope in the CSR contribution in the years to come. Therefore, the Ministry of Corporate Affairs may consider to establish a centralized Regulator to take care and manage the CSR activities out of CSR contributions made by the companies. The area or eligibility of CSR applicability may also be increased considering the impact in the last years and accordingly, the CSR contribution by the Companies may increase to Rs. 1,00,000 crore in the next 5 years. The ultimate objective of the Regulator and CSR is to bring social impact at ground level benefitting the society as well as corporates contributing to the CSR Kitty. For successful implementation of any of the Government initiative, it is required that the same is regulated and managed in systematic manner. In the last 10 years, the concept of CSR is welcomed and accepted by the corporate sector and therefore, its high time to take major steps to increase the criteria of applicability of CSR provisions and the way in which CSR contribution is spent in such a manner that the desired social impact may be achieved and leakage of CSR funds, if any, may be stopped. The MCA may set up a Regulator to control and regulate the CSR contribution and uses thereof.

The findings indicate that the distribution of CSR expenditure by Indian companies into various development heads is unbalanced. Some of the heads such as “Education”, “Healthcare”, “Development Projects”, “Employment” and “Environment” attract more CSR contributions, whereas some other equally important heads such as “Art & Culture”, “Sports”, “Armed Forces” and “Technology Incubators” have comparatively received much less contributions in all the years of assessment.

The institutionalized back up has replaced the randomness in stakeholders’ approach followed by Indian companies. To ensure the balanced development of the country, the disproportionate contribution into various development heads in all the years of mandatory CSR era calls for further assessment of CSR guidelines issued by the Ministry of Corporate Affairs (MOCA).

**CONCLUSION**

Despite the continuous discussions about what it means and what it accepts, it has grown and changed in academic and professional circles all over the world. CSR aims to align corporate strategy, culture, and daily decision-making with the demands of stakeholders by incorporating moral business conduct and the principle of social good. No matter how you feel about it, you cannot ignore it. Regardless of size or industry, CSR must be practiced by Indian businesses. CSR initiatives benefit all parties involved, including businesses, consumers, and other stakeholders. Introduction of CSR Audit and/or Institutionalization of CSR activities is a prospective and suggestive way to promote and regulate the CSR by the MCA. Both the nature of the rivalry and the wave of globalization that has been tearing across markets have significantly changed the corporate environment in recent years.

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