

India CSR Outlook Report 2024



Introduction

With the introduction of the Section 135 of the Companies Act in 2013, India set a global benchmark by mandating Corporate Social Responsibility (CSR) for large corporations. Over the years, CSR in India has moved beyond just fulfilling statutory obligations, evolving into a more strategic effort to create long-lasting social and environmental impacts.

About the Report

The India CSR Outlook Report (ICOR) 2024, a flagship publication of CSRBOX, offers a detailed examination of CSR spending trends among 301 leading companies in India. This edition provides a mix of primary and secondary research insights, offering a holistic view of how CSR compliance is shaping up, the key focus areas under CSR, and contours of CSR funding priorities in India. The report also captures key nuances of CSR implementation side through data insights, based on the non-profit's organisations.

Section I, CSR Portfolio of Large 301 Companies delves into the CSR spending of top corporates in FY 2023-24, exploring compliance patterns, trends in sector-wise investment, and the presence of women in CSR committees. It also discusses the reasons behind unspent CSR funds and the sectors that saw the most significant contributions.



Section II, Corporate Perspectives on CSR Priorities, captures insights from major CSR decision-makers, outlining the strategic objectives, challenges, and emerging focus areas within corporate CSR agendas.



Section III, NGO Insights on CSR Trends and Collaborations, presents a deep dive into the role of NGOs in CSR projects, focusing on their funding sources, partnerships, and thematic priorities, as well as their approach to monitoring and evaluation.



Key Highlights

The **average actual CSR spend per company** increased to **INR 54 Cr in FY 2023-24** from **INR 22 Cr in FY 2014-2015**.

Education and Environment & Sustainability emerged as the most prioritized sectors, valued equally by both corporates and implementation partners.

59% of corporates expressed willingness for **government partnerships** in CSR projects, with **Education** being the most accessible thematic area, followed by **Livelihood and Skill Development and Health and WASH**.

Shifts in CSR funding is mainly driven by **changing donor priorities (59%)** and **increased competition for funding (37%)**, as reported by implementation partners.

72% of implementation partners either lack a structured data management system or rely on internal, customised systems as per donor requirements.

30% of companies do not have female representation on their CSR committees.

60% of corporate leadership and **67% of implementation partners** favored CSR projects with a duration of **2-3 years or more**, emphasising the preference for long-term initiatives.

71% of corporates prefer working with **implementing agencies**, reflecting the significance of external expertise in CSR project execution.

The major challenges for effective **monitoring and evaluation** faced by implementation partners include **insufficient funding (62%)**, **challenges in measuring intangible outcomes (47%)**, and **limited access to appropriate tools (37%)**.

Over **65% of Organisations** implemented fewer than **5 CSR projects** in FY 2023-24, with **51%** operating in only **1-2 states/UTs**.

Over **56% of implementation partners** have fewer than **50 staff members** within their Organisation.



Section 1: **CSR Portfolio of Large 301 Companies** (FY 2023–2024)

This section comprehensively presents the CSR portfolio of 301 leading companies, encompassing their investment pattern, modalities of allocation, project prioritisation, and profiling of the primary organisations contributing to CSR funds.

Criteria for Selecting Large 301 Companies



1.1 Actual vs. Prescribed CSR Budget

Prescribed CSR :

INR 14,266.5 Cr.

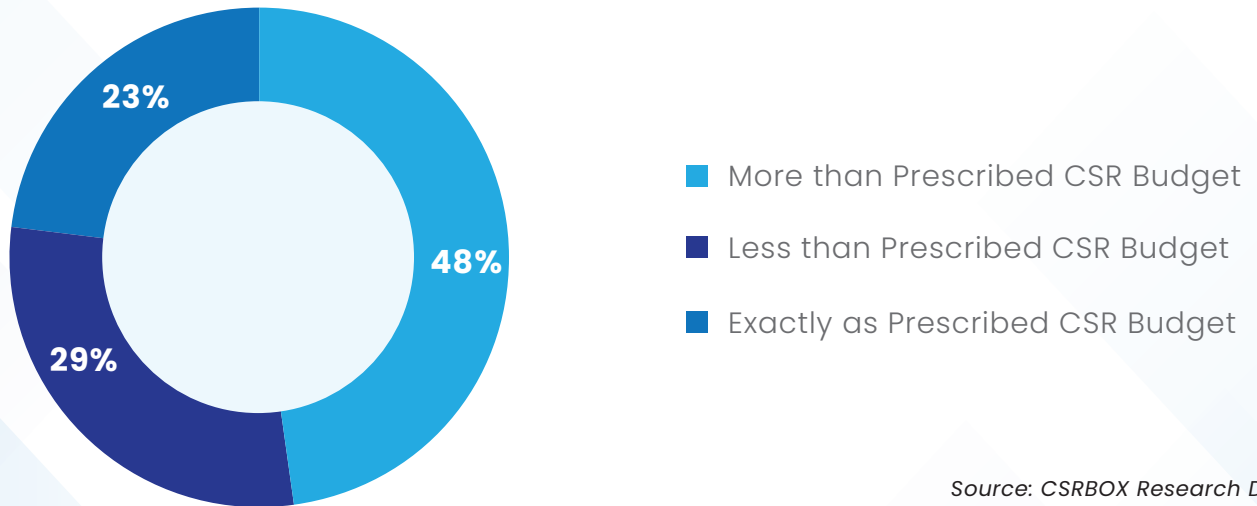
Actual Spent CSR :

INR 14,003.1 Cr.



1.2 Proportion and Type of Companies Meeting Respective CSR Compliance Requirements

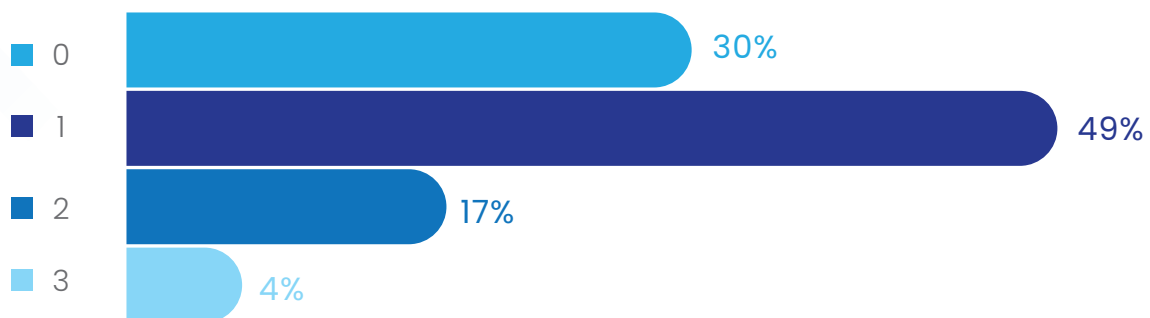
Proportion of Companies Meeting Respective CSR Compliance Requirements (n=301)



Source: CSRBOX Research Desk

1.3 Women's Representation in CSR Committees

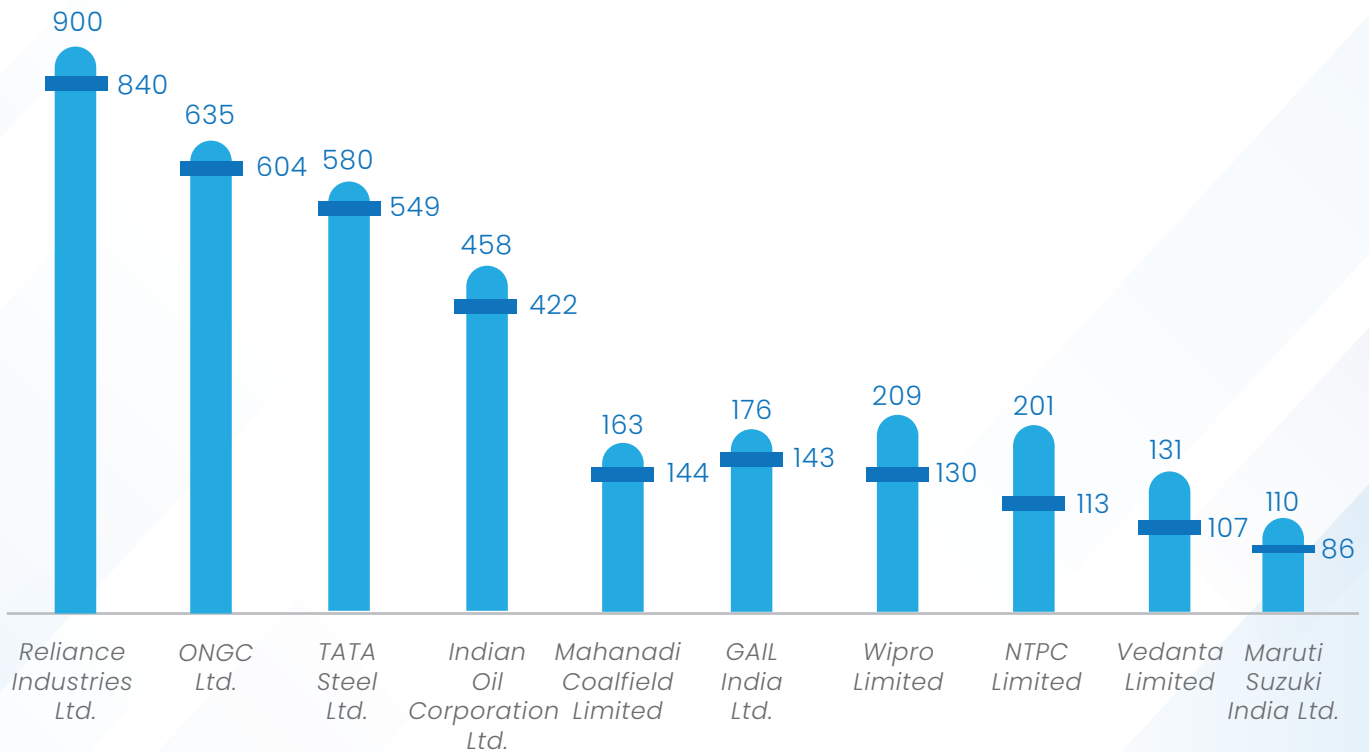
CSR Committees: Proportion of Female Members Across Companies (n=301)



Source: CSRBOX Research Desk

30% of the companies do not have female representation on their CSR committees.

1.4 Going Beyond CSR Compliance



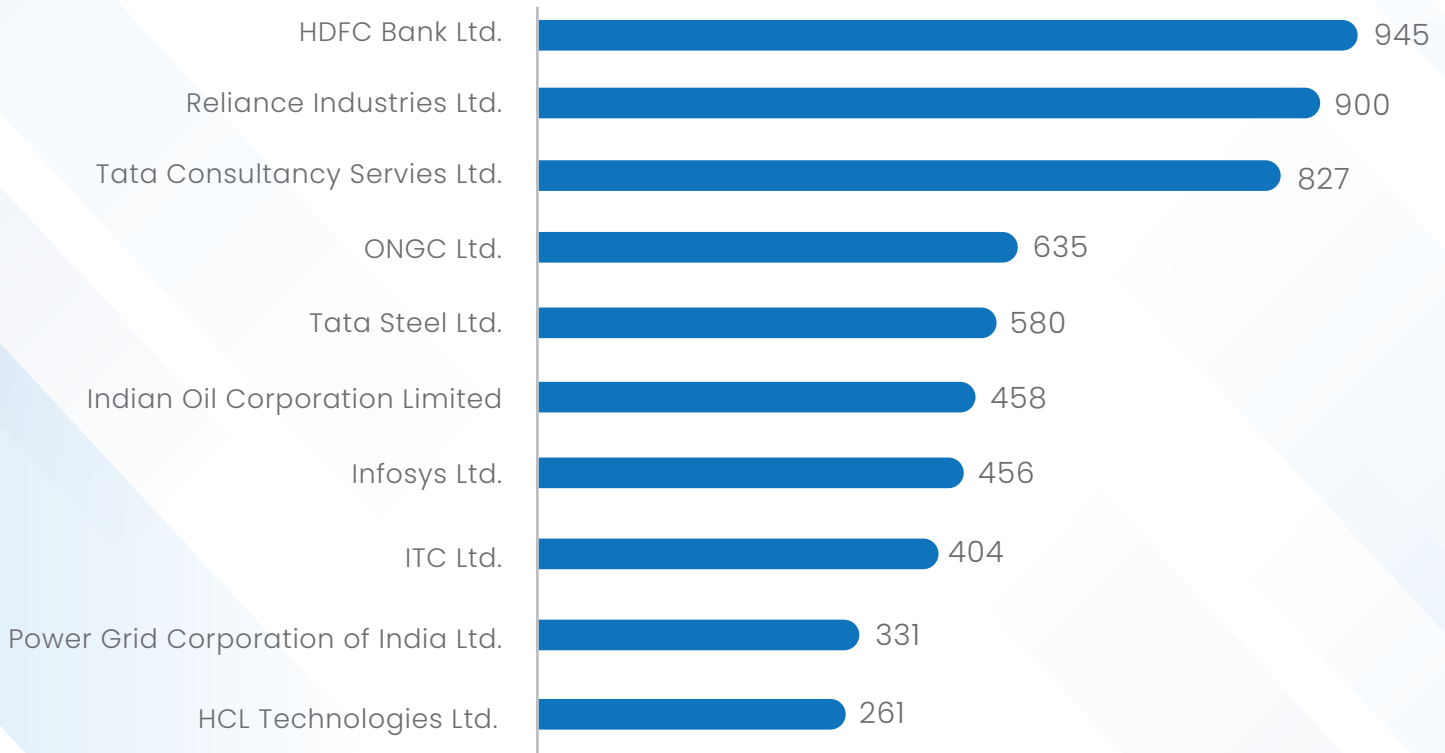
Source: CSRBOX Research Desk

— Prescribed CSR Budget (In INR Cr.) ■ Actual CSR Spent (In INR Cr.)

The data highlights a trend where several prominent companies exceeded their prescribed CSR obligations for FY 2023-24. Notably, multiple organisations surpassed their required spending, particularly in sectors like energy, manufacturing, and technology.

1.5 Companies with Highest CSR Spending

CSR Powerhouses: Top 10 Companies with the Largest CSR Spend (2023-24) (n=301)

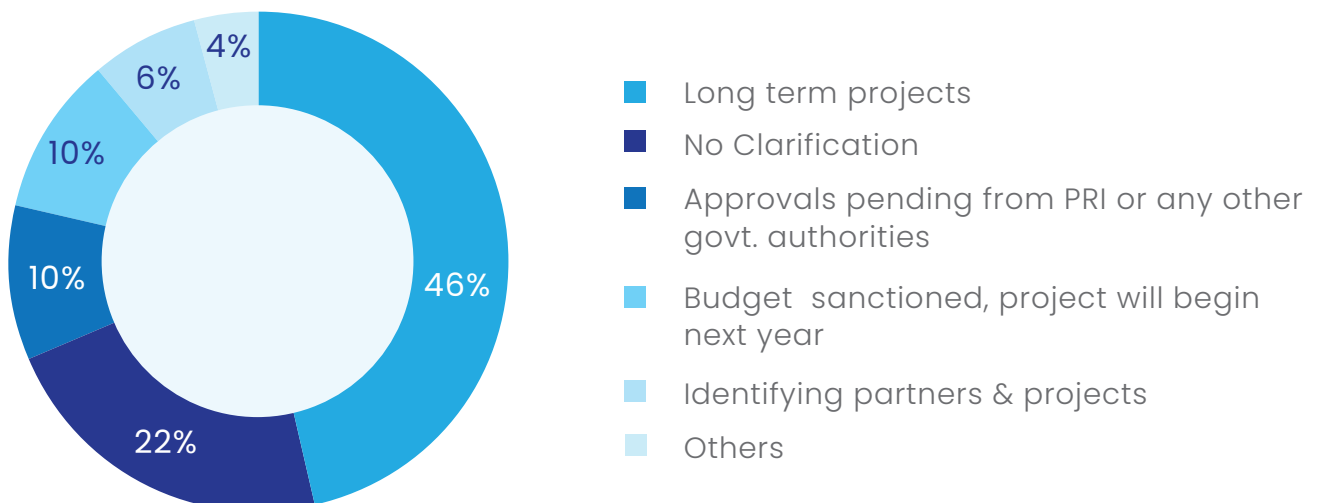


Source: CSRBOX Research Desk

1.6 Reasons Behind Unspent CSR Funds

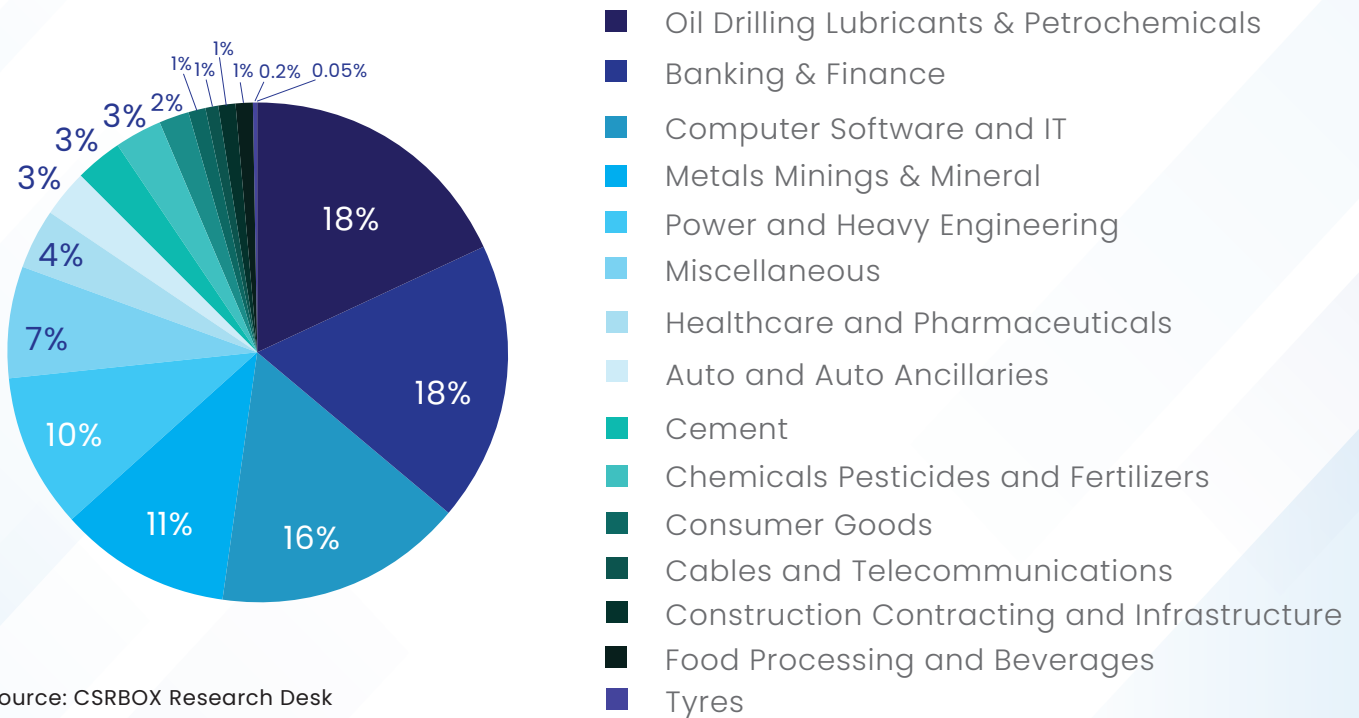
In fiscal year 2023-24, 68 companies in the cohort of 301 companies reported unspent CSR funds. These companies cited reasons for not fully utilising their CSR fund allocations.

Understanding Unspent CSR Funds: Key Reasons for Underutilisation (n=68)



1.7 Contribution to CSR Spending by Different Sectors

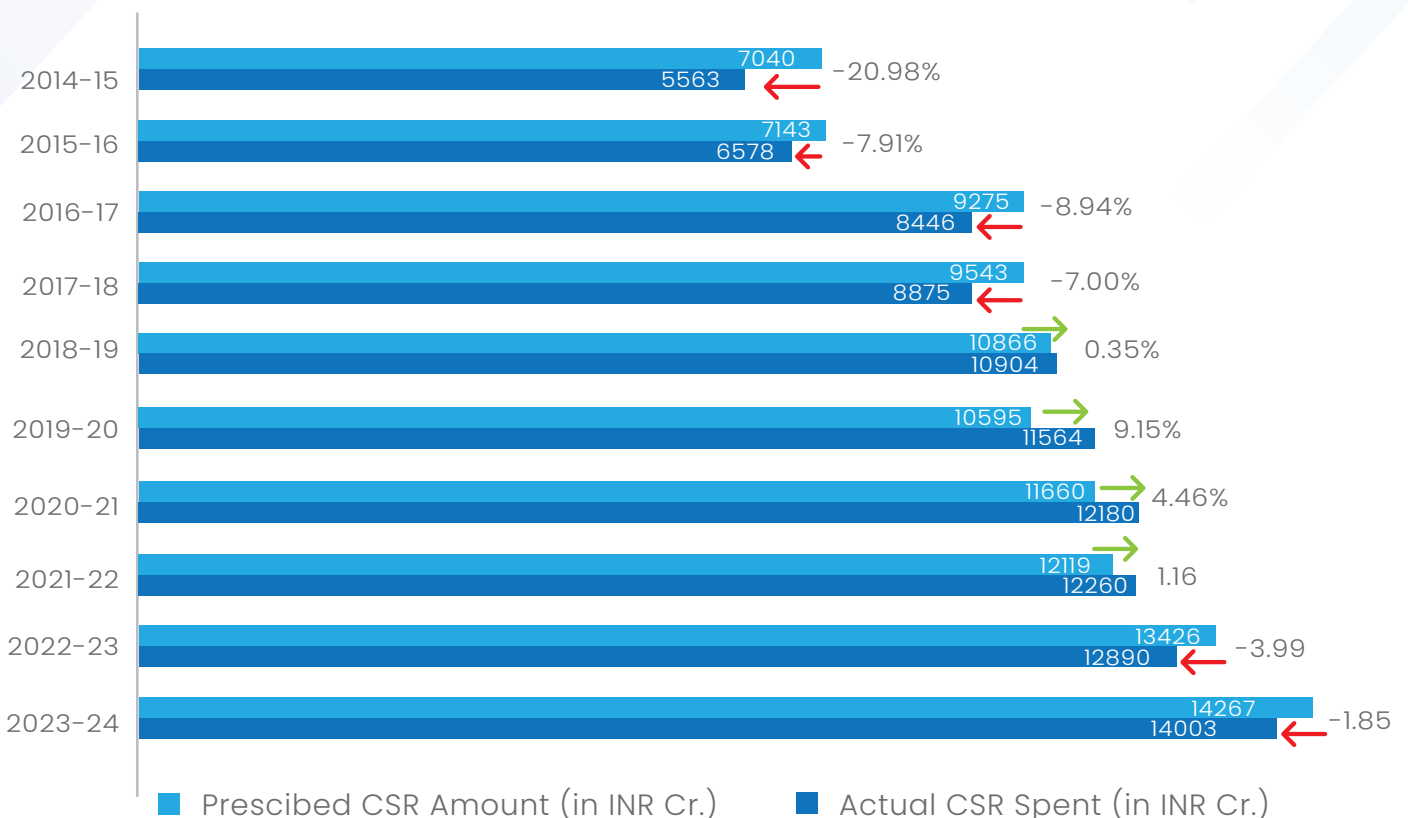
Sector-Wise Contribution to CSR Spending (n=301)



Source: CSRBOX Research Desk

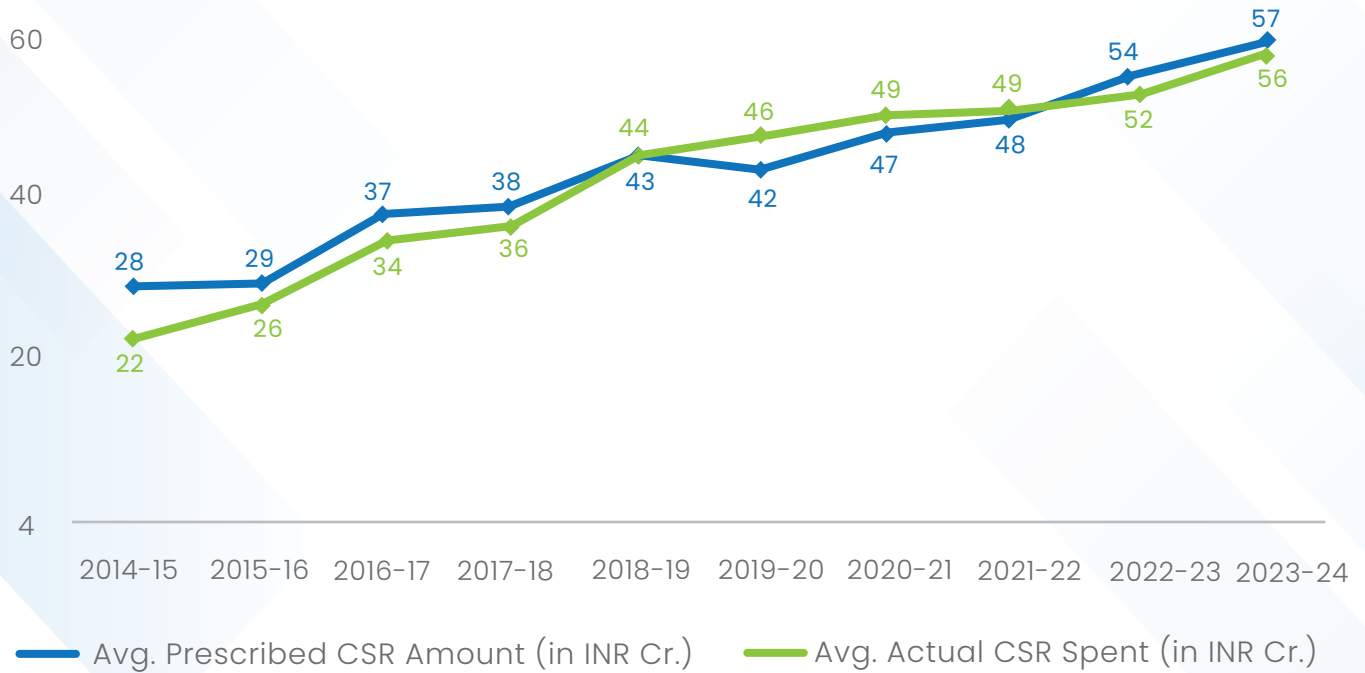
1.8 CSR Spending: Trends from FY 2014-15 to FY 2023-24

Year-wise Analysis of Prescribed and Actual CSR Spending: Trends from FY 2014-15 to FY 2023-24



During the COVID-19 years (FY 2019-20 to FY 2021-22), CSR spending went beyond compliance, as the corporate sector played a critical role in supporting pandemic relief efforts and health infrastructure.

Year-wise Analysis of Avg. Prescribed and Actual CSR Spending: Trends from FY 2014-15 to FY 2023-24



Source: CSRBOX Research Desk

Section 2: **Corporate CSR Practices and Future Pathways**

(Based on the primary survey
with CSR Leaders of leading
companies)

This section offers an overview of CSR strategies and practices from a diverse set of corporates, with the survey extended to 250 listed companies. The data, collected through quantitative surveys, provides a comprehensive perspective on the evolving priorities and approaches within CSR ambit.

Priority Areas

Education emerged as the most prioritised sector (**18%**), followed by Environment & Sustainability and Vocational Skill Development (**13%** each). Healthcare and WASH saw a lower focus (**12%**), reflecting a shift in priority post-COVID.

Government Collaboration

69% of projects highlighted government collaboration as key to success, while **31%** opted for independent or alternative approaches.

Long-Term Projects

60% of company leadership favoured CSR projects with durations of more than 3 years, indicating a strong preference for long-term impact.

Implementing Agencies

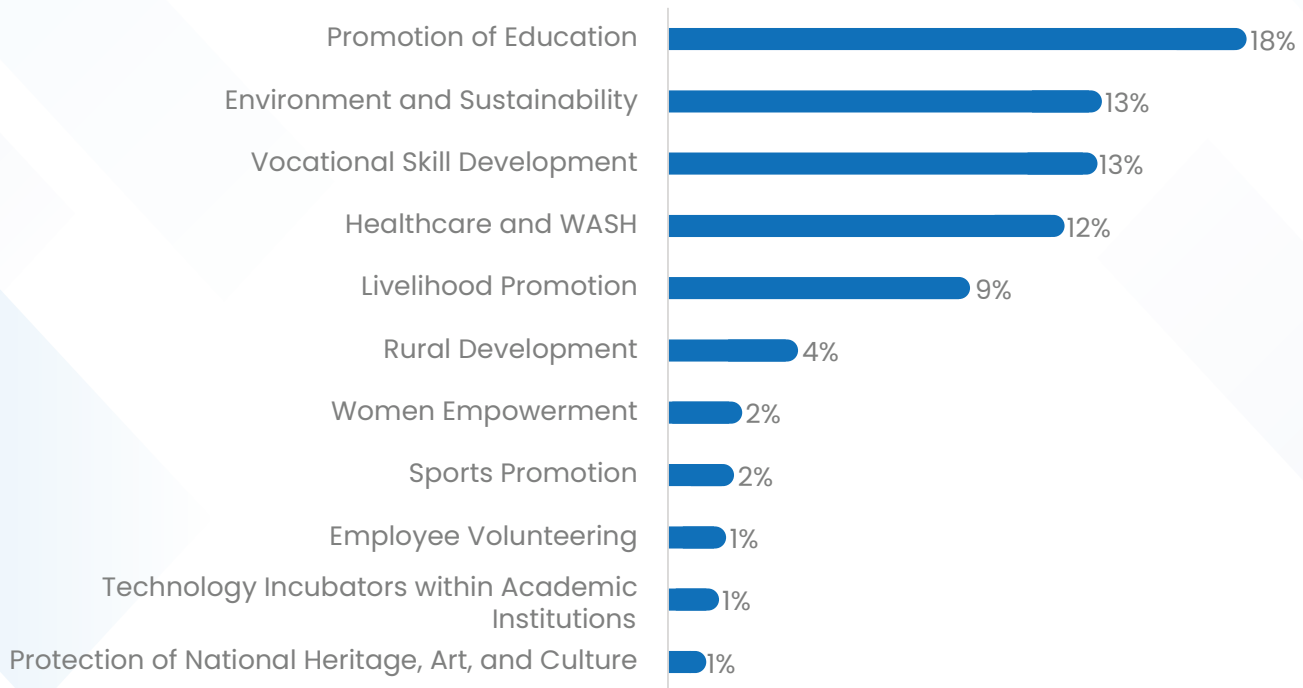
71% of organisations prefer working with implementing agencies, reflecting the importance of external expertise in executing CSR projects.

Long-Term Projects

60% of company leadership favoured CSR projects with durations of more than 3 years, indicating a strong preference for long-term impact.

2.1 Where do board-rooms want to spend CSR fund?

Top Priority Thematic Areas for CSR Projects



Education is the most prioritised area, receiving the highest focus at **18%**.



Environment and Sustainability and **Vocational Skill Development** are equally significant, each accounting for **13%**.

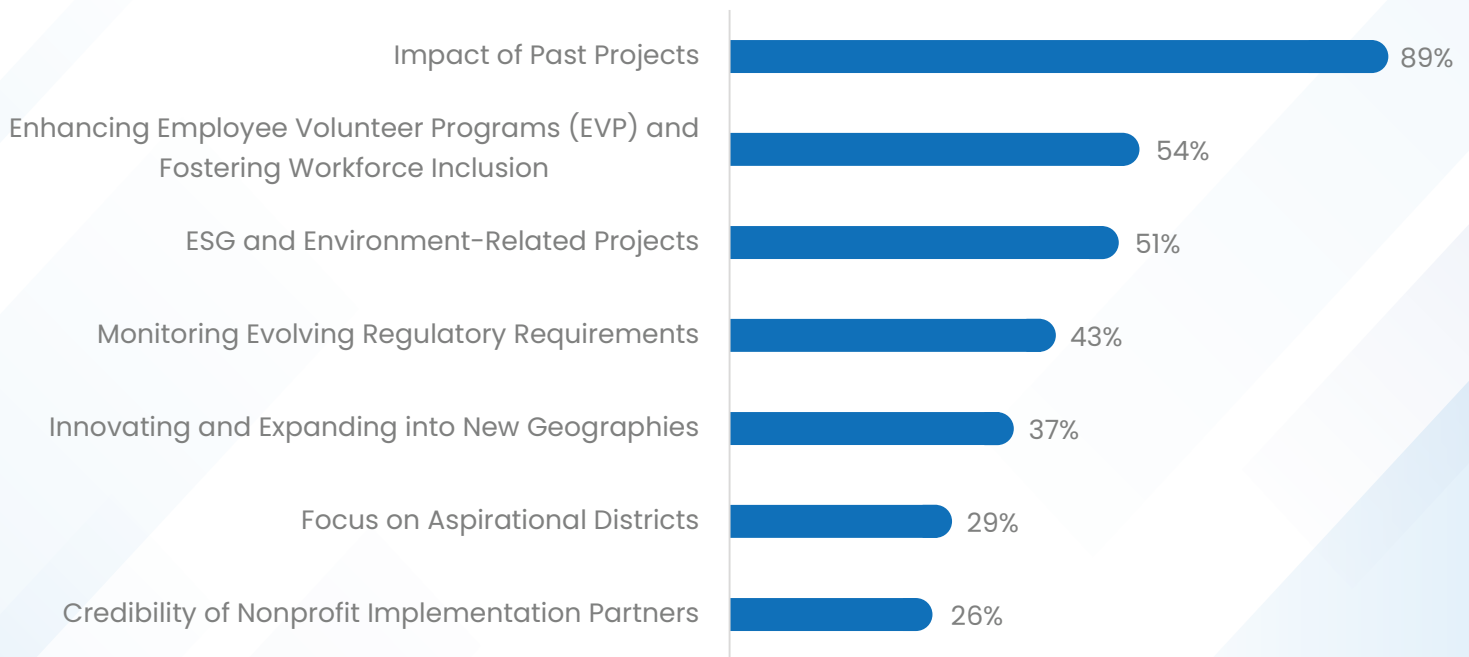
Healthcare no longer holds the same priority as it did during the pandemic, indicating a post-COVID shift in priorities.



Other areas like **Livelihood Promotion (9%)** and **Rural Development (4%)** receive moderate attention.

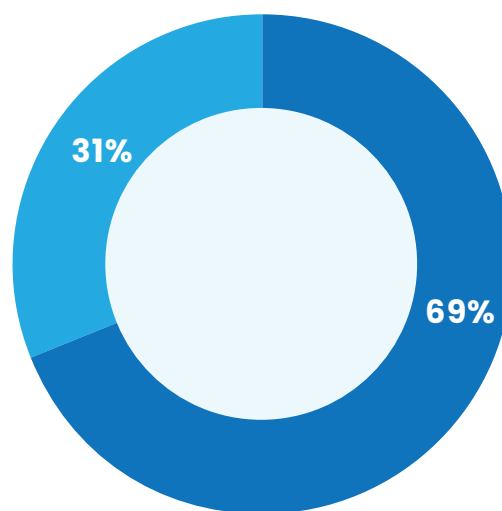
2.2 CSR Buzz in Board-rooms: What all they focus on?

Board Discussions: Leading CSR Priorities



2.3 Willingness to Have Government Partnerships in CSR Projects

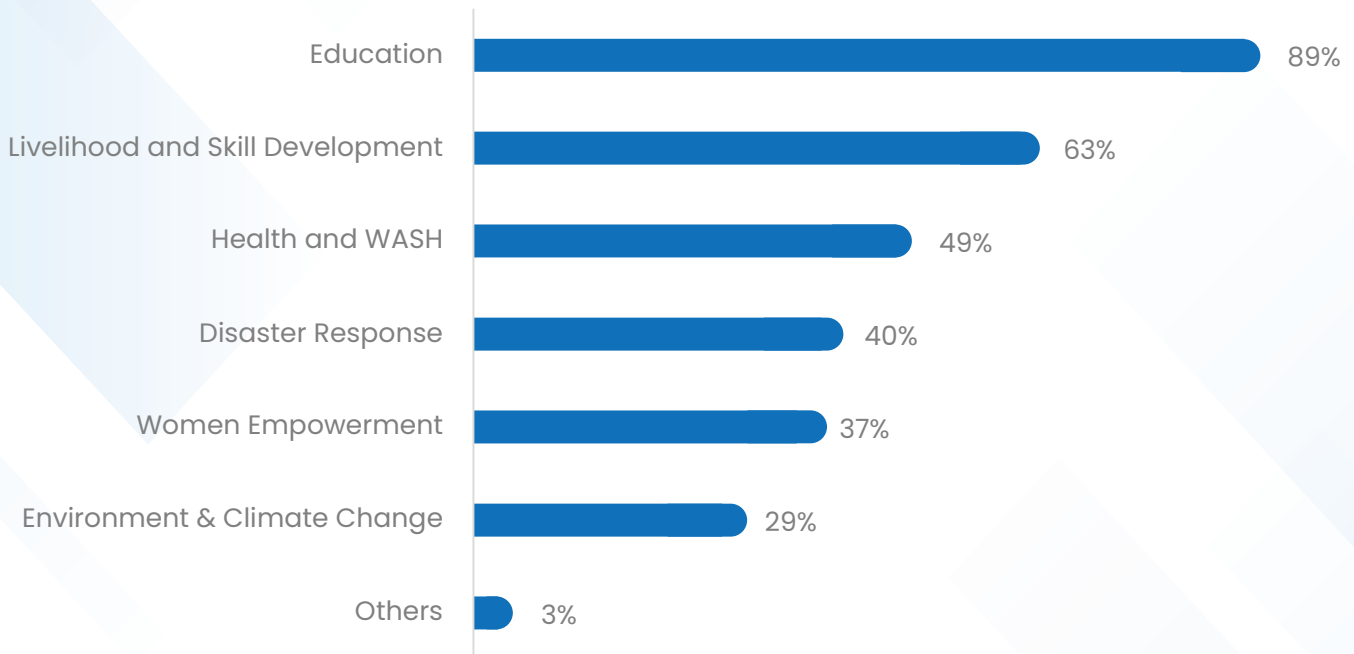
Government Partnerships in CSR Projects



■ Yes ■ No

2.4 Ease of Government Partnerships in Thematic Interventions: Experiences of CSR Teams

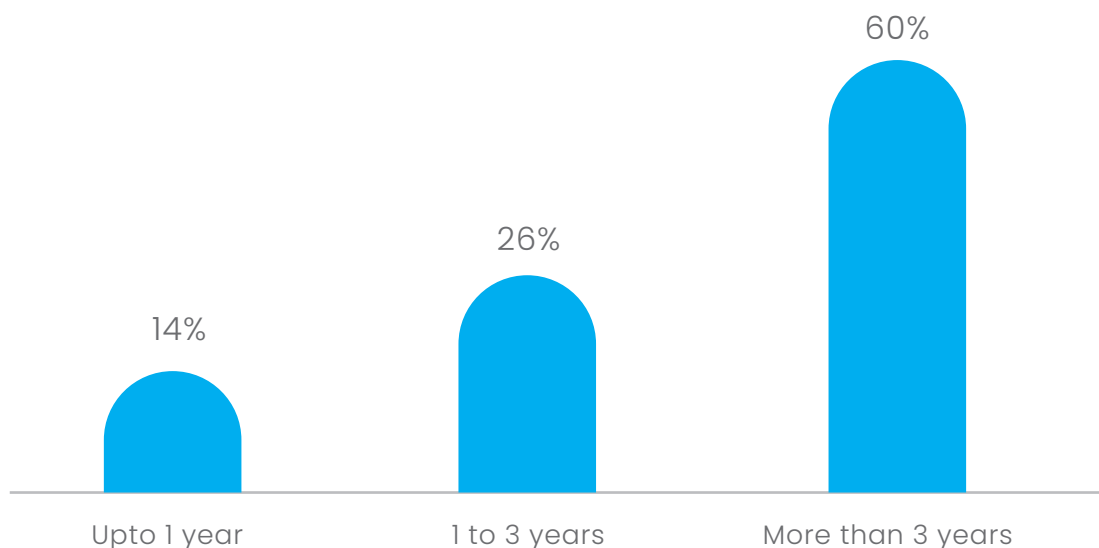
Ease of Govt Partnerships in CSR: Key Thematic Areas



Education is the most accessible area for obtaining government collaboration, followed by livelihood and skill development and health and WASH. Other areas such as disaster response, women empowerment, and environment and climate change also see collaboration, but at lower levels.

2.5 How Long Should a CSR Project Be?

Preferred Project Duration for CSR Initiatives: Leadership Perspective



The majority,

60%

of company leadership prefers CSR-funded projects lasting more than 3 years, indicating a strong inclination towards long-term initiatives.

26%

of leadership supports projects with a duration of 1 to 3 years, which may be viewed as a balanced timeframe for achieving measurable outcomes and impacts.

2.6 How do Businesses Want to Implement CSR Projects? (Our myth-busting question)

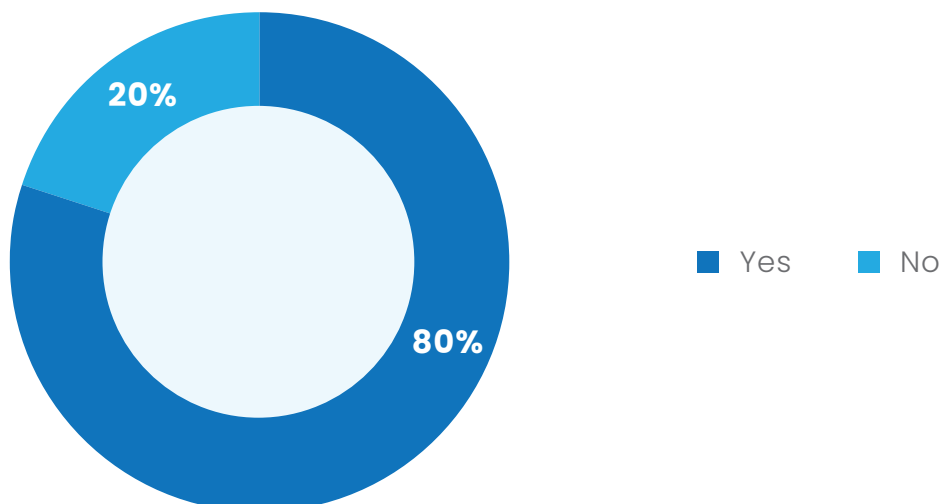


The majority, **71%**, of organisations prefer working with implementing agencies to carry out their CSR projects, suggesting a reliance on social sector expertise.

Only **3%** opt for direct implementation, showing that few organisations handle CSR activities without intermediaries, likely due to the complexity and resource requirements involved.

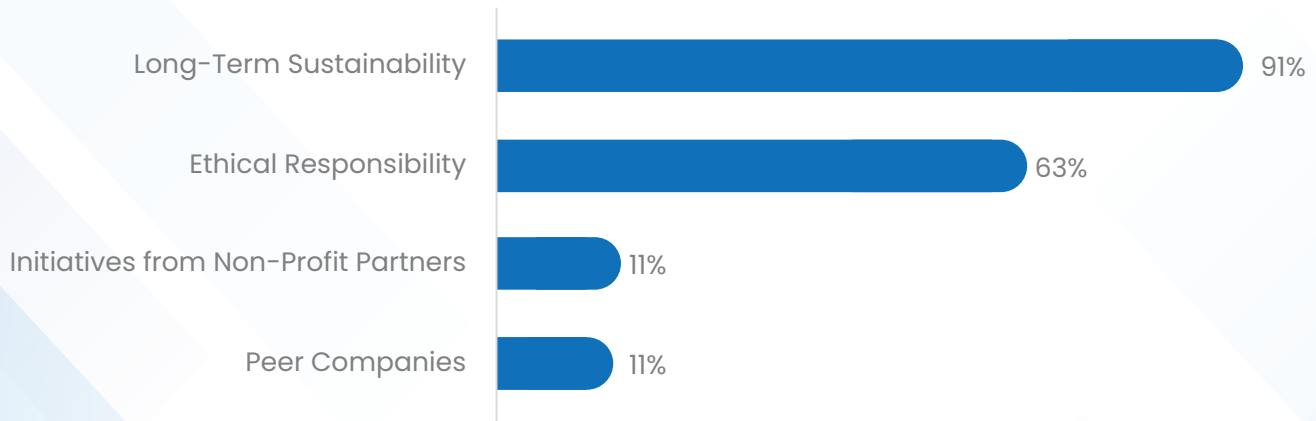
2.7 Employee Engagement in CSR Programs

Prioritisation of Employee Engagement Opportunities in CSR Initiatives



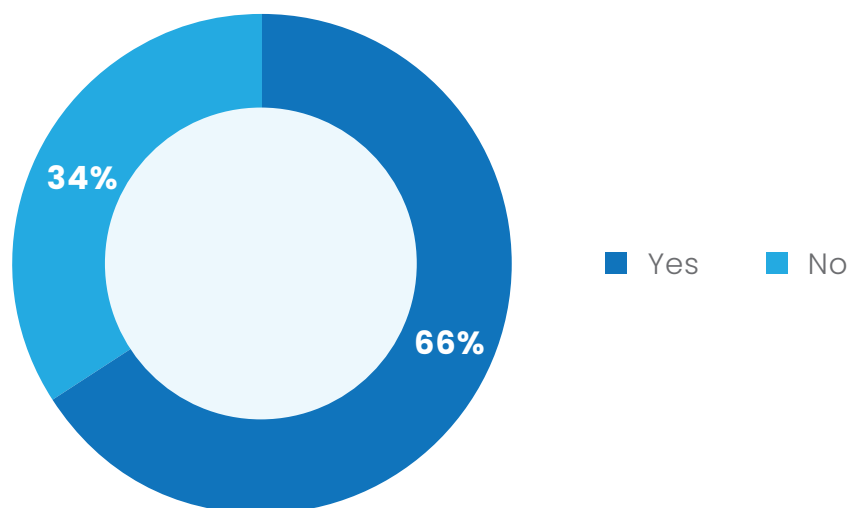
2.8 Why Would Businesses Invest CSR for Climate Resilience Projects?

Organisational Motivations for Climate Change and CSR Engagement



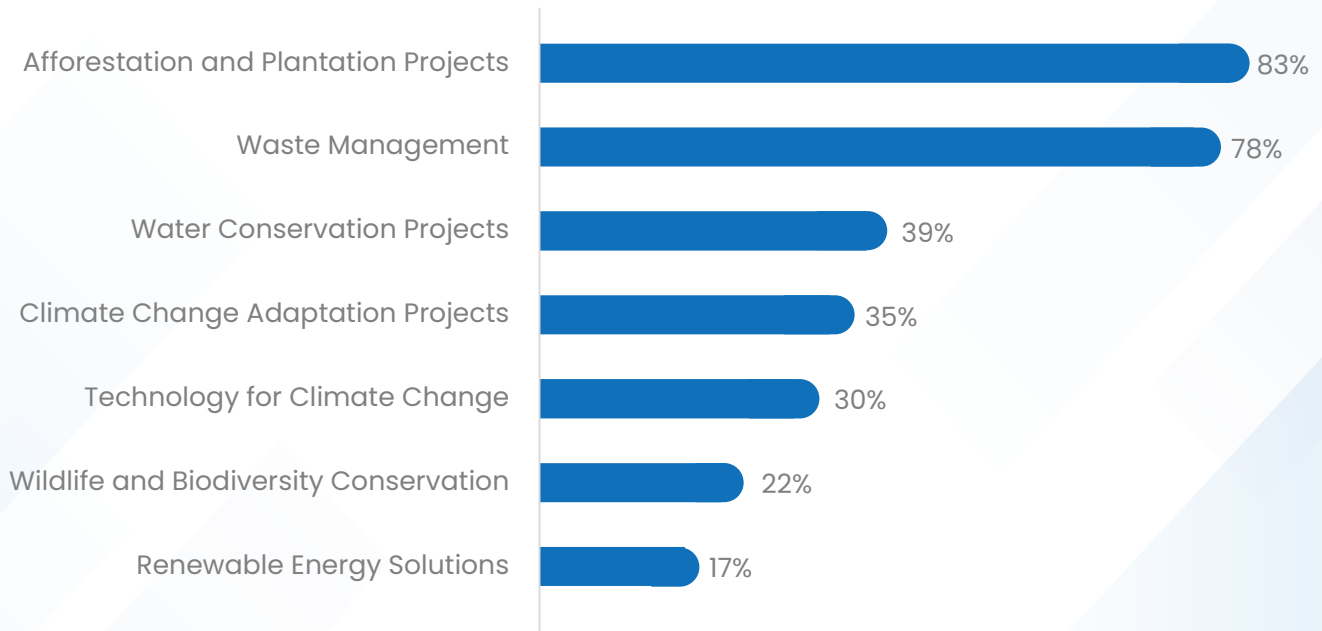
2.9 Why Would Businesses Invest CSR for Climate Resilience Projects?

Influence of Net Zero Ambition on CSR Projects in Environment Theme



2.10 Where do companies spend CSR in Environment Programs?

CSR Contributions Towards Environmental Conservation and Sustainability



The data highlights various initiatives, such as afforestation, water conservation, and waste management, that companies are investing in as part of their CSR efforts. The data provides a breakdown of the percentage of contributions dedicated to different areas, ranging from renewable energy solutions to wildlife conservation, offering insights into the prioritisation of specific environmental projects.

Majority of companies voluntarily invest in environment and climate initiatives beyond compliance or CSR funds, while a smaller proportion does not engage in such additional investments.

46% of organisations are involved in climate change coalitions

Organisations involved in coalitions, highlights that knowledge exchange is the most significant benefit, followed by resource sharing.

Improved credibility and enhanced impact are also seen as notable advantages, though at a lower level.

Section 3 : **Insights from NGOs on Evolving CSR Trends and Challenges**

This section presents a detailed analysis of the operational dynamics, funding structures, thematic priorities, and key challenges faced by organisations engaged in Corporate Social Responsibility (CSR) activities during FY 2023-24. The survey was extended to 600 implementing organisations, and the data collected reflects a diverse range of scales, thematic areas, and operational geographies.

01

Education continues to be the dominant focus area, complemented by significant investments in environmental sustainability and women empowerment.

02

CSR funding remains a crucial source of financial support, with many organisations noting increased funding trends over the past three years.

03

A growing preference for longer-term projects (beyond three years) is observed, highlighting a shift towards achieving more sustainable impacts.

04

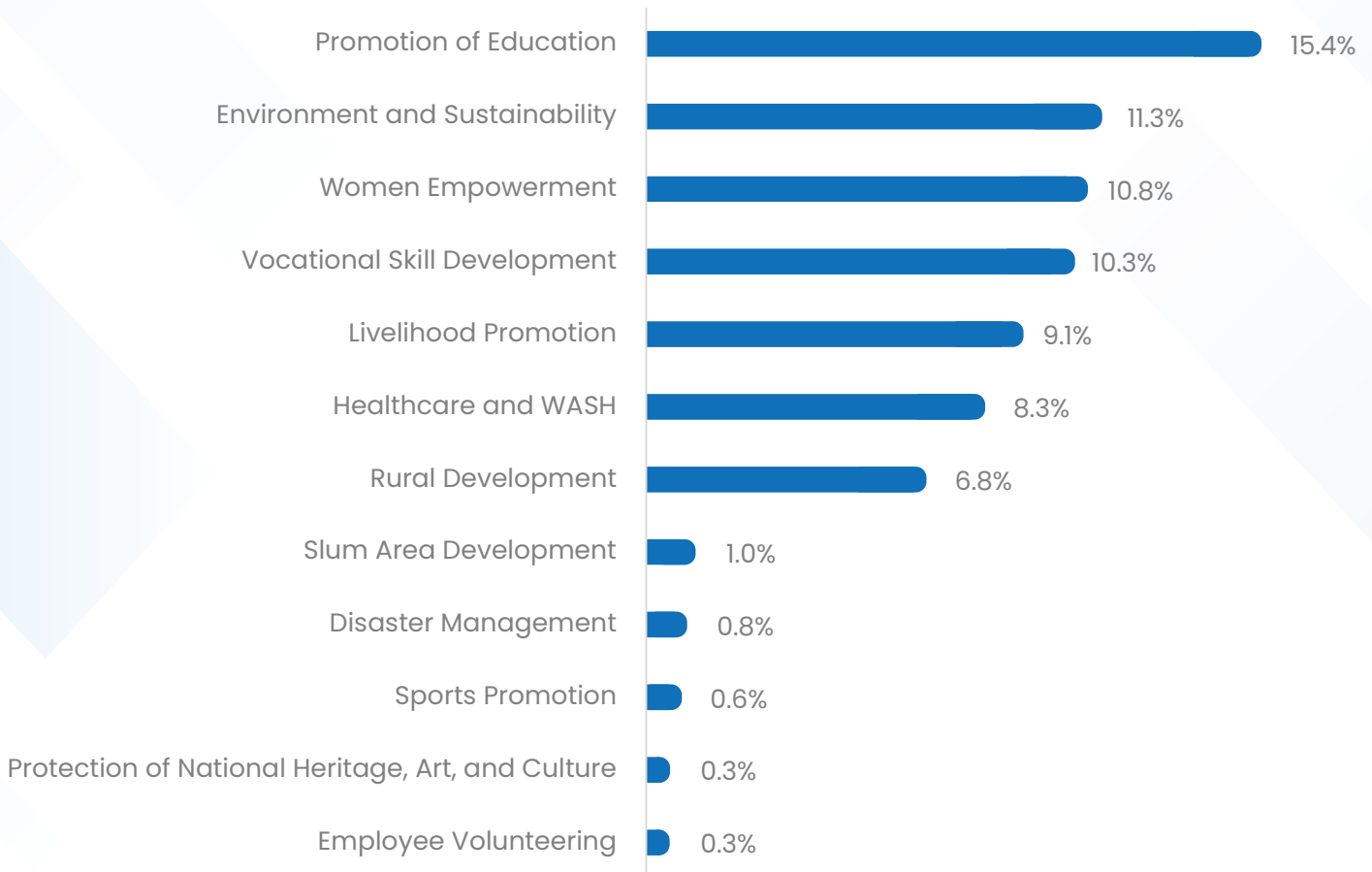
Insufficient funding for monitoring and evaluation, along with difficulties in measuring intangible outcomes, remains a major challenge.

05

Strong community involvement, innovative approaches, and measurable impacts are prioritised across flagship CSR projects.

3.1 Implementation Partners' Perspectives on Key Priority Areas for CSR Projects

Organisational Focus: Priority Areas for CSR Implementation



The **promotion of education** takes precedence, signifying its broad impact on societal advancement and the perceived high return on investment in human capital.

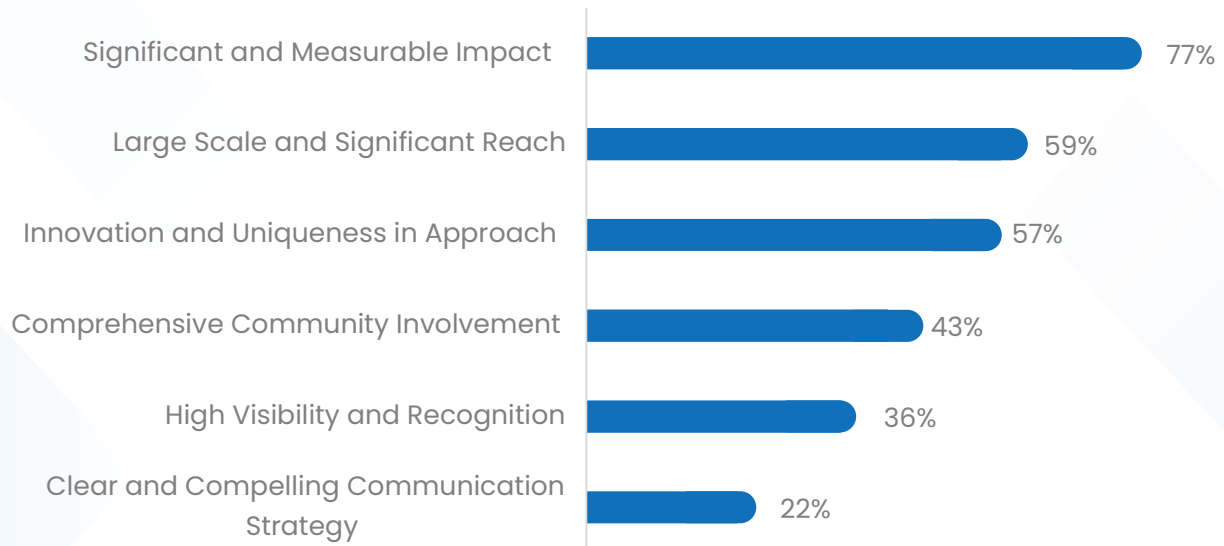
A significant focus on **environment and sustainability** indicates a shift towards integrating CSR efforts with climate resilience and long-term ecological goals.

The priority given to **women empowerment** highlights the recognition of gender equality as a key driver for social and economic progress.

Investment in **vocational skill development** and **livelihood promotion** underscores a strategic focus on creating sustainable economic opportunities and enhancing community self-reliance.

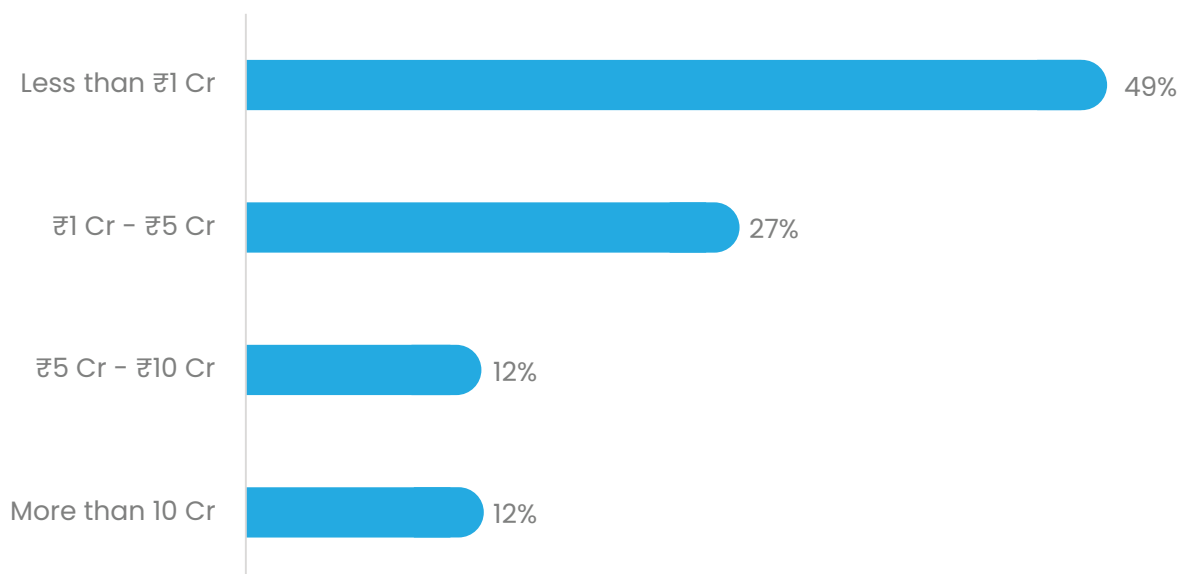
3.2 What Are the Key Features of a Successful Flagship CSR Project?

Key Features of Successful Flagship CSR Projects



3.3 Average Project Size Distribution Over the Past 3 Years (% of Implementation Partners)

Trends in Average Project Budget Sizes Over the Past Three Years (% of Organisations)

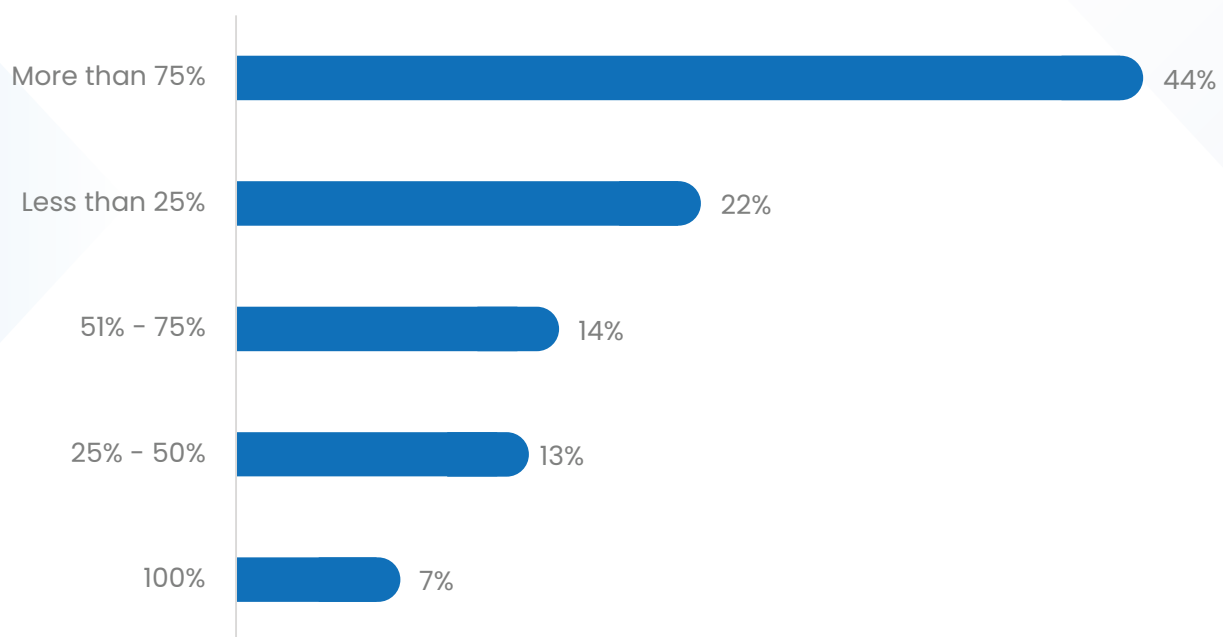


- Nearly half of the organisations operated with a project budget of less than **₹1 Cr**, emphasising the prevalence of smaller-scale initiatives.
- A notable portion of projects had budgets between **₹1 Cr and ₹5 Cr**, indicating a focus on moderate-scale activities.

- Around **12 %** of organisations had project budgets exceeding **₹10 Cr**, highlighting the limited number of large-scale CSR projects.
- Mid-sized project budgets ranging from **₹5 Cr to ₹10 Cr** were also common, pointing to a balanced distribution of funding among medium-sized initiatives.

3.4 What Is the Proportion of CSR Funding in the Overall Budget for FY 2023-24?

Analysis of CSR Funding within Total Organisational Budget for FY 2023-24



A large proportion of organisations, **44%**, reported that more than **75%** of their overall funding in FY 2023-24 came from CSR sources, indicating a strong reliance on CSR funding.

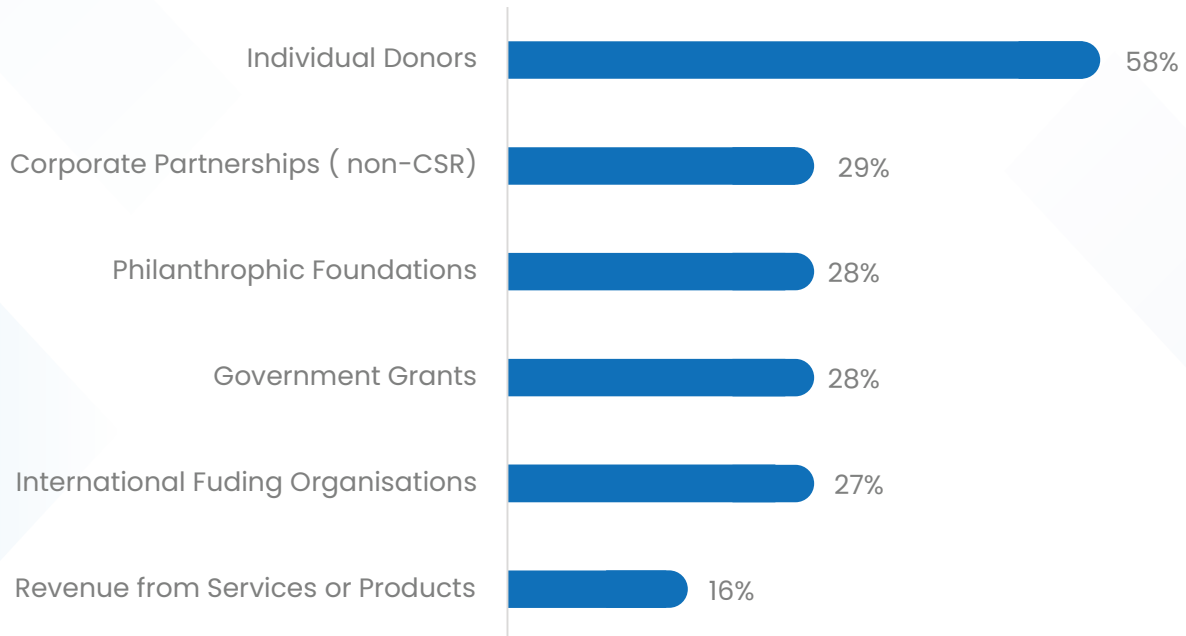
A smaller group, **22%**, received less than **25%** of their total funding from CSR, showcasing organisations with more diverse funding sources.

Moderate CSR dependency is reflected by the **14%** of organisations where CSR constituted **51% to 75%** of their funding, illustrating balanced fund diversification in some cases.

Only a handful of organisations (**7%**) relied entirely on CSR for their funding.

3.5 Alternative Funding Sources of Implementation Partners Beyond CSR

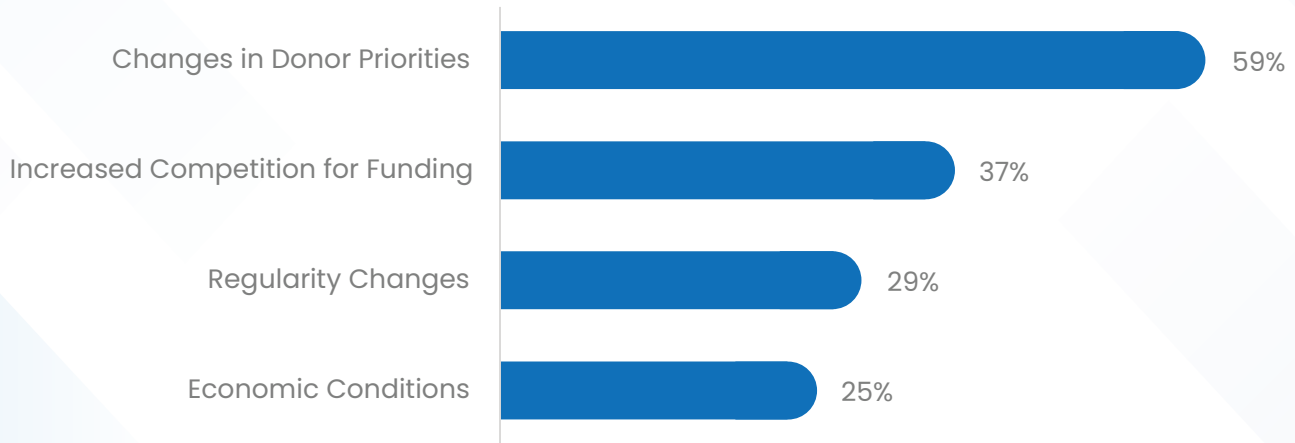
Overview of Alternative Funding Sources Beyond CSR (% of Organisations)



- *Individual donations emerged as the most significant source of funding, reflecting a robust base of community support and engagement.*
- *Corporate partnerships, outside of CSR contributions, also represent a substantial portion of funding, indicating a willingness among businesses to collaborate in ways that go beyond traditional CSR frameworks.*
- *Government grants and philanthropic foundations are equally important, showcasing reliance on institutional support for various projects.*
- *International funding organisations also play a key role, indicating a global dimension to the organisation's funding strategy.*

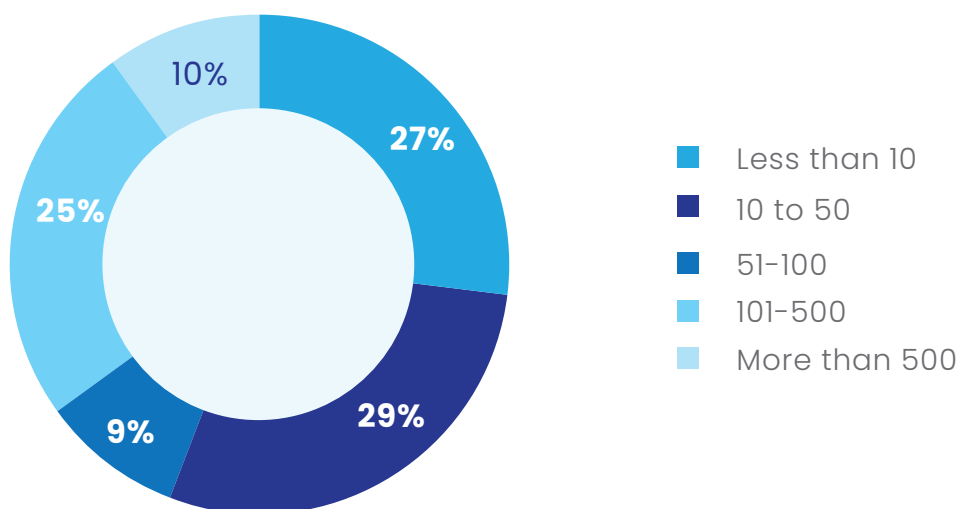
3.6 Influencing Factors for Shifts in CSR Funding

Assessing the Factors Driving Shifts in CSR Funding



3.7 Implementation Partner's Staff Size and Distribution

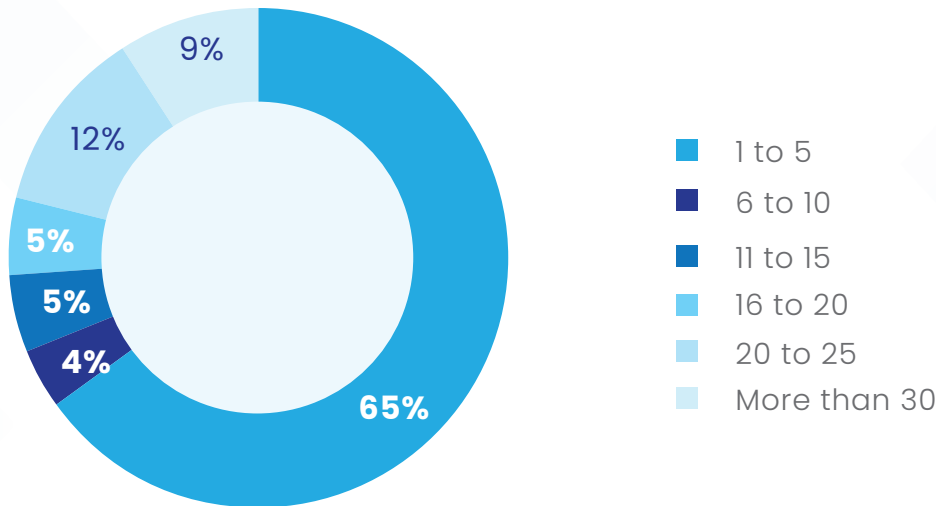
Distribution of Total Staff Members Across Organisations



- A significant portion of the organisation employs between 10 and 50 staff members, highlighting a moderately sized workforce that can effectively manage various projects and initiatives.
- The 101-500 staff category also represents a notable segment, suggesting that a considerable number of organisations operate with a larger team, potentially allowing for more comprehensive project execution.

3.8 Number of CSR Projects Implemented by Organisations in FY 2023-24

Number of CSR Projects Implemented in FY 2023-24 (% of Organisations)



The majority of organisations implemented **1 to 5 CSR** projects in FY 2023-24, indicating a focused approach rather than a wide-ranging portfolio of initiatives.

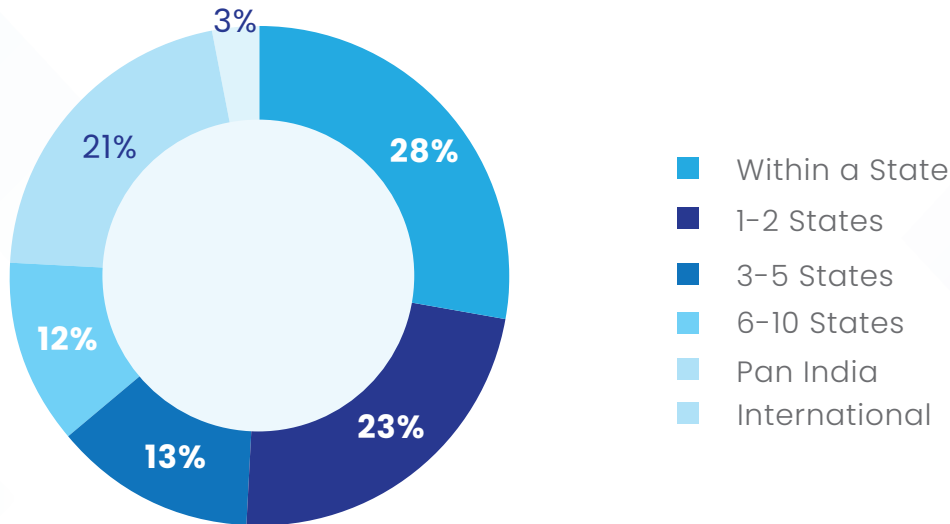
A smaller proportion of organisations executed **6 to 10** projects, suggesting that while some are expanding their efforts, the overall project count remains modest.

Very few organisations reported implementing more than **15** projects, highlighting potential limitations in capacity or resource allocation for CSR initiatives.

This data suggests that many organisations may prefer to concentrate their efforts on fewer projects to ensure quality and impact rather than spreading resources too thinly across multiple initiatives.

3.9 State and UT-wise Distribution of CSR Projects: A Geographic Overview

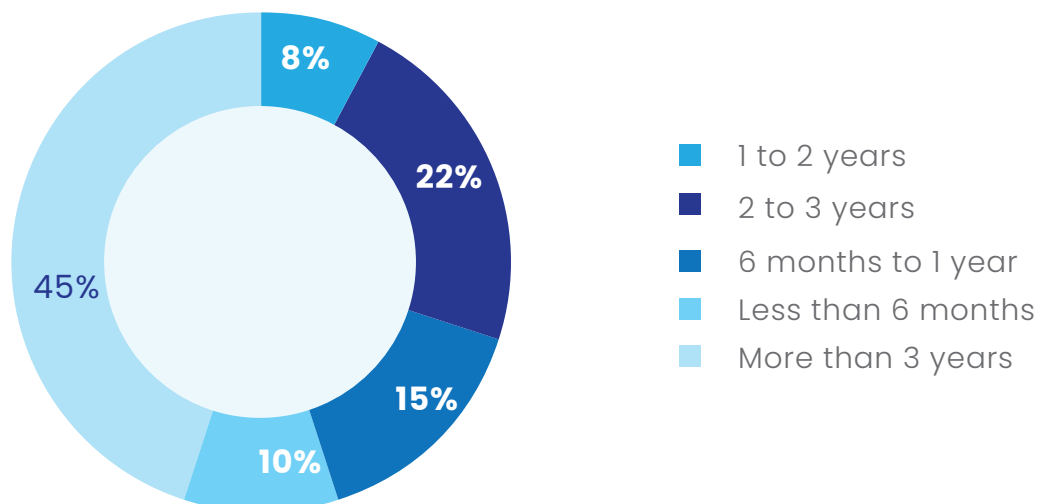
Geographic Distribution of CSR Projects Across States and UTs (% of Organisations)



- A significant portion of organisations has implemented projects within one to two states, indicating a focus on localised initiatives rather than widespread operations.
- Many organisations also engage in projects within a single state, reflecting a concentrated effort to address specific community needs.
- A notable number of organisations operate on a Pan India scale, suggesting broader national outreach and impact.
- Some organisations have extended their efforts internationally, albeit in a smaller proportion, highlighting a capacity for cross-border initiatives.

3.10 How Long Should a CSR Project Be?

Ideal Timeline Recommendations for CSR Projects



45% respondents believe that the ideal timeline for CSR projects should extend beyond 3 years, emphasizing the need for sustained efforts to achieve meaningful impact.

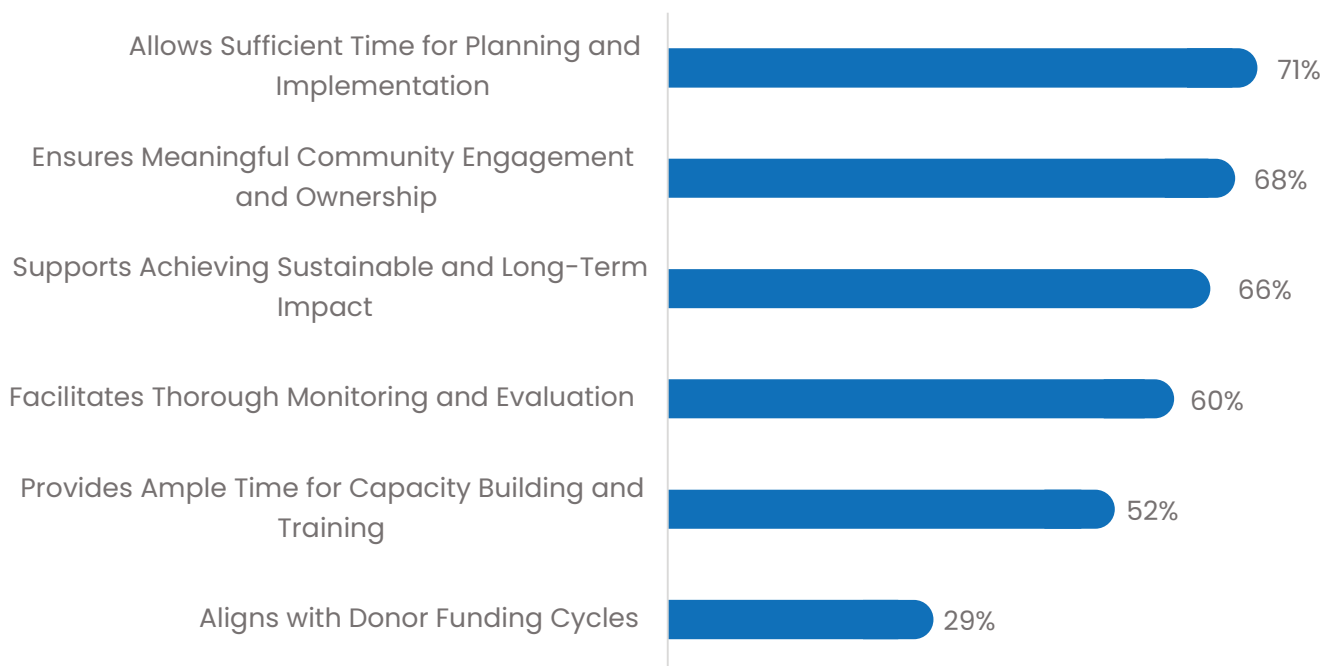
About **22%** of respondents advocate for a **2 to 3-year** timeframe, indicating a preference for projects that allow for in-depth engagement and measurable outcomes.

A smaller segment, **15%**, suggests a timeline of **6 months to 1 year**, which may suit more immediate or responsive initiatives.

Only **8%** of participants feel that an ideal project duration should be **1 to 2 years**, highlighting that shorter timelines are less favored in achieving lasting change.

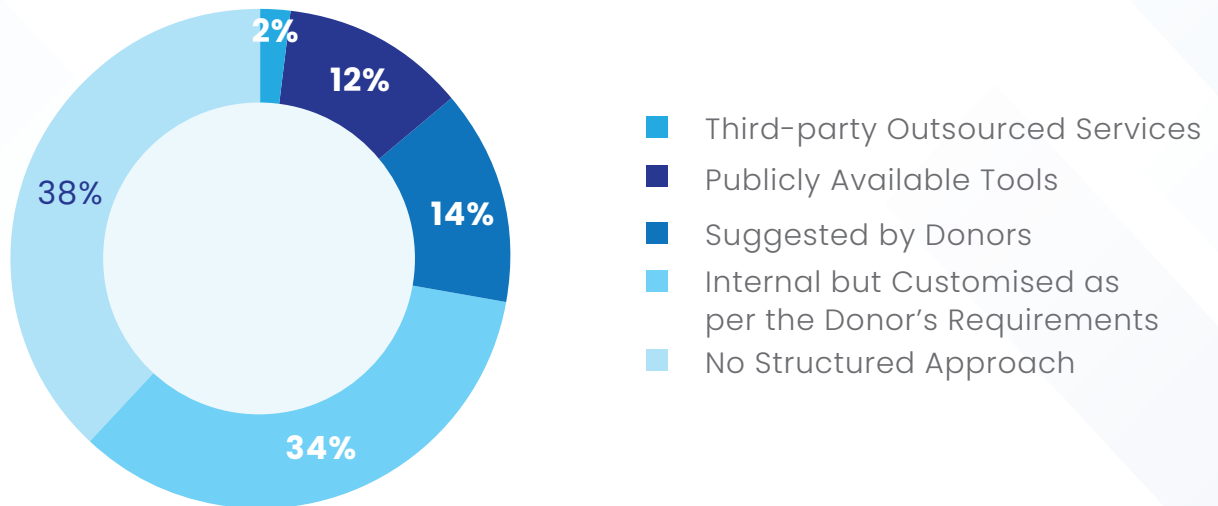
3.11 Understanding the Rationale Behind Ideal Project Durations in CSR Initiatives

Rationale Behind Ideal Project Durations in CSR Initiatives



3.12 Data Management Solutions Employed by Implementation Partners for CSR Initiatives

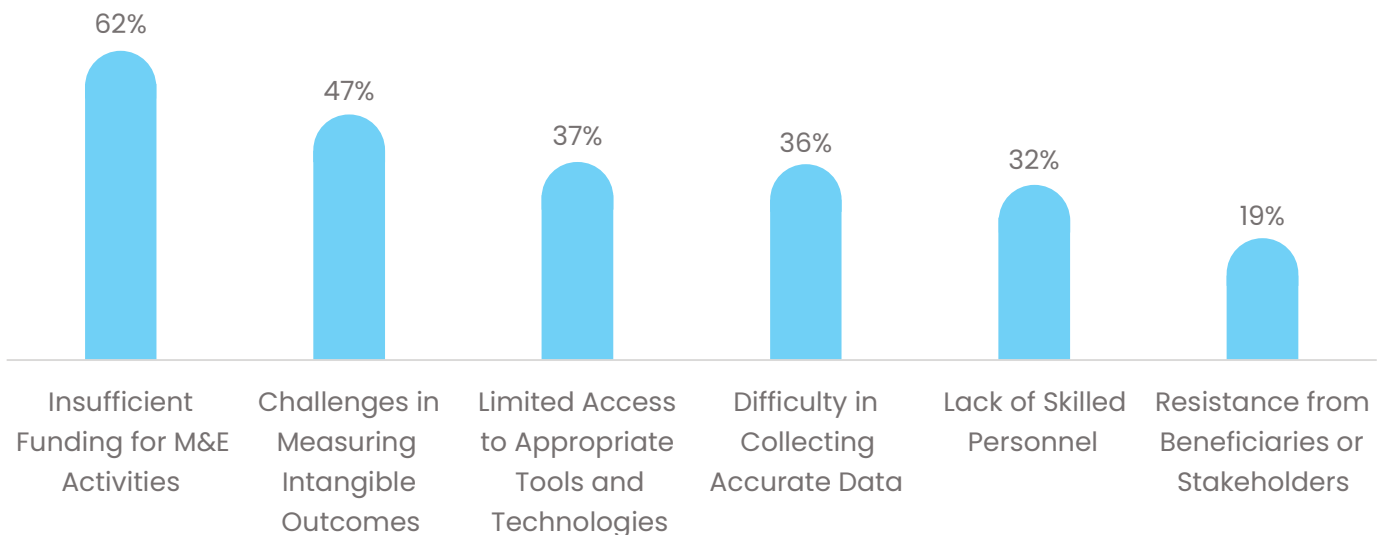
Sources of Data Management Systems for M&E



- Internal systems customised according to donor requirements also play a substantial role, reflecting the importance of aligning tools with funding partner expectations.
- Tools suggested by donors, while less common, highlight the collaborative nature of project monitoring, ensuring that donor preferences are considered.
- Publicly available tools and third-party outsourced services are used minimally, suggesting a trend towards reliance on in-house capabilities for data management and evaluation.

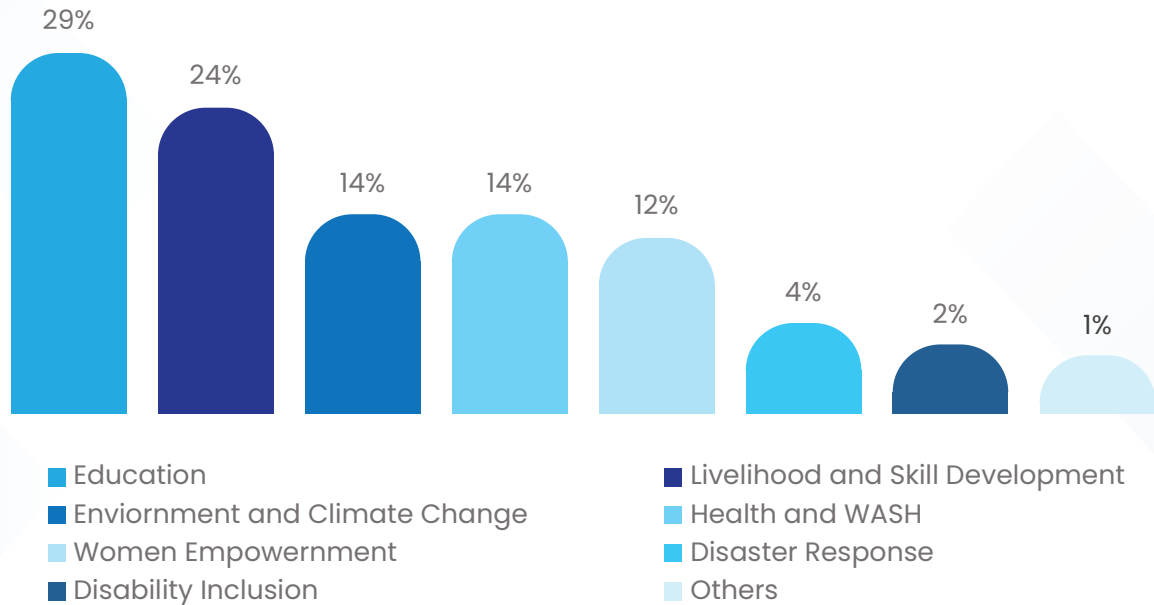
3.13 Barriers to Effective Monitoring and Evaluation of CSR Initiatives Faced by Implementation Partners

Barriers in Effective Monitoring and Evaluation of CSR Initiatives



3.14 Ease of Government Partnerships in Thematic Interventions: Experiences of Implementation Partners

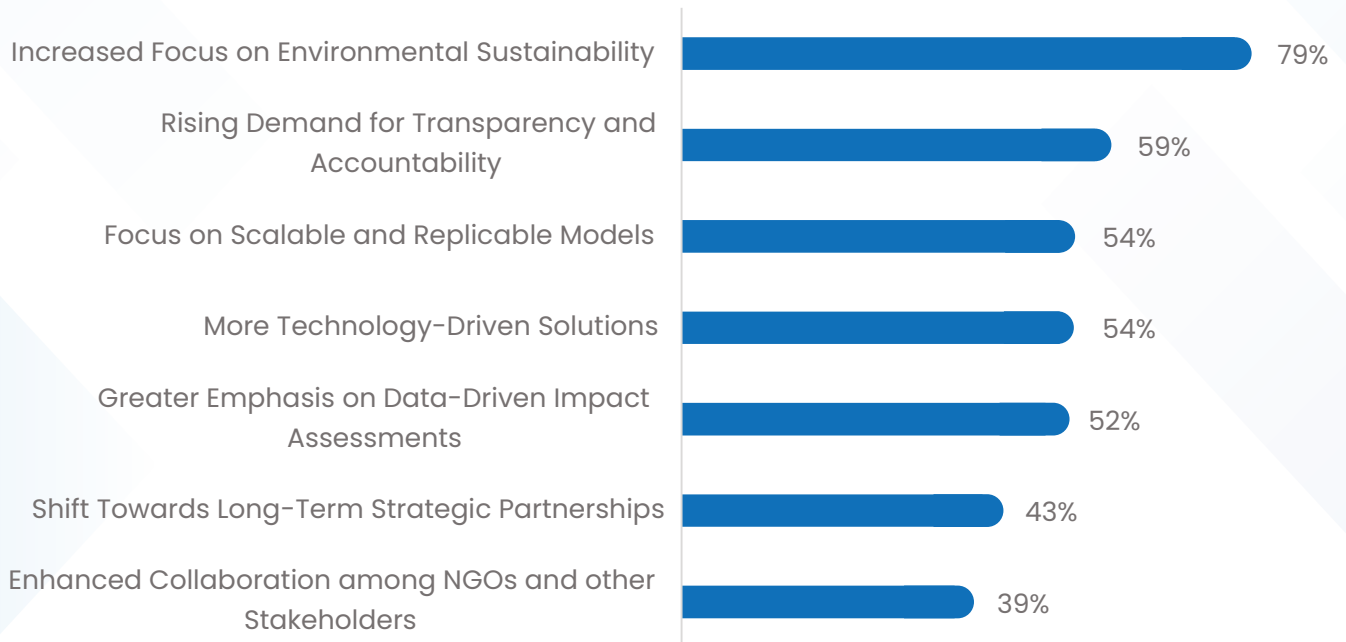
Thematic Areas Facilitating Government Collaboration for CSR Projects



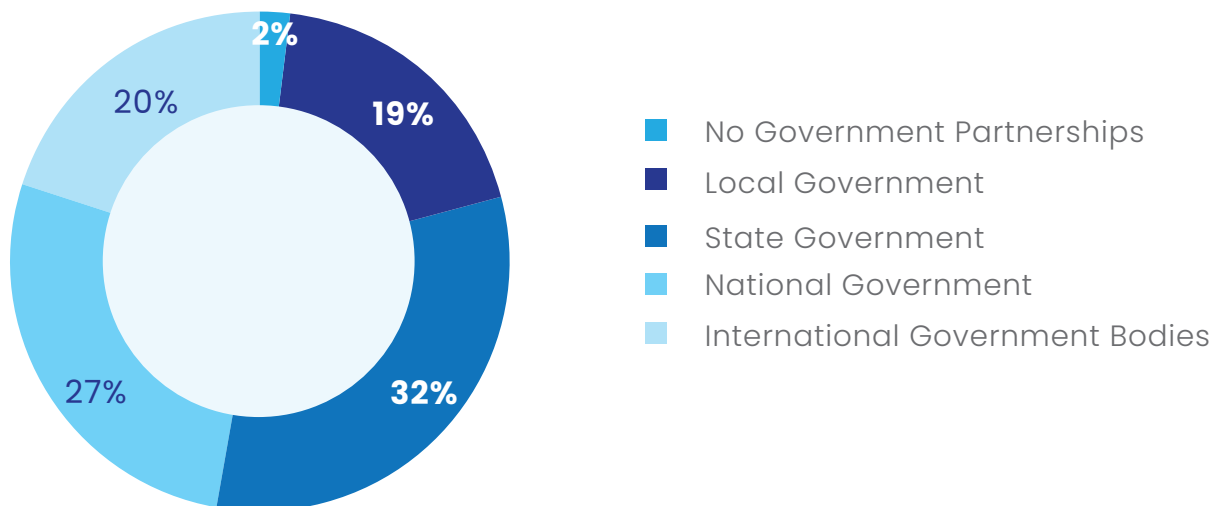
- Education emerges as the leading thematic area for securing government collaboration, indicating strong alignment between government priorities and CSR initiatives.
- Livelihood and skill development are also prominent areas for partnerships, suggesting that workforce enhancement is a shared focus for both sectors.
- Environment and climate change, along with health and WASH, are seen as viable areas for collaboration, reflecting growing awareness and action on sustainability and public health.
- Women empowerment and disaster response receive comparatively less attention, highlighting opportunities for organisations to foster partnerships in these critical areas.
- The low engagement in disability inclusion and other themes suggests that there may be untapped potential for collaboration in these sectors.

3.15 Emerging Expectations of Funding Partner in CSR Project Management Approach

Emerging Expectations of Funding Partner in CSR Project Management Approach



3.16 Analysis of Government Partnerships Secured in the Last Two Years



- A significant portion of organisations have established partnerships with local government entities, highlighting the importance of grassroots collaboration for effective project implementation.
- Partnerships with state governments are also notable, suggesting that regional initiatives play a vital role in achieving CSR objectives.

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 11th India CSR Summit 2024

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 three-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.

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Doing Good in a **Better** Way



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