

# Impact of Companies Act 2013 on Corporate Social Responsibility: A Case Study on Selected Indian Companies

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**Abstract-** The objective of the study is to find out the areas of the expenditure of the top ten companies in India for the period from 2014-15 to 2021-22. For the purpose of the study secondary data is collected from annual report of the companies. It is being found that mostly the companies are incurring in the health, education, development of rural infrastructure and sustainable livelihood. Ministry of Corporate Affairs notified Section 135 and Schedule VII of the Companies Act specifies that Companies who are qualifying need to spend at least 2% of its average net profits for the immediately preceding 3 financial years on CSR activities. This study concludes that mostly the companies are incurring the obligatory amount which is to be incurred under section 135 of the Companies Act 2013. But in some cases, the amount of expenditure is less than the obligatory amount, in these cases the competent authority should look into the matter.

**Keywords:** Companies Act, CSR, India, Expenses sector, percentage of expenses.

## 1. INTRODUCTION

Decades ago companies focused on stockholders. There was no concept of thinking about the stakeholders. But in last few decades the companies are thinking about the stakeholders. As a result of that they have to balance economic, social and environmental issues now. This has given the birth of Corporate Social Responsibility (CSR). Initially the companies thought this is an extra burden they have to encounter. But it is being argued that if the companies discharge their social responsibilities that will be instrumental for the increase of profit (Milton Friedman 1970). Over the time it is being realized that the necessity for CSR should grow up due to the increased need of globalization of economy (Herrmann, 2004)

India has a rich heritage of CSR since old times in the form of assistance and compassion motives like building temples and helping people during food crisis, epidemics etc. Before independence CSR was mainly the result of political, religious and cultural motives. After independence, public sector undertakings (PSUs) were the main facilitators of equal distribution of wealth and socio-economic development and CSR in India. There were no precise provisions regarding CSR in the Companies Act, 1956, amount of expenditure by corporate sector on CSR was purely voluntary. The Companies Act, 1956 focused on investors' protection rather than impact over social groups and other aspects Hirani (1997).

After the introduction of Companies Act 2013 in India several new provisions have been introduced which has changed the face of corporate business. One of such new provisions is Corporate Social Responsibility (CSR). The concept of CSR rests on the philosophy of give and take. Companies need to take resources in the form of raw materials, human resources and other resources from the society. By complying the task of CSR activities, the companies are giving something back to the society in return. Ministry of Corporate Affairs notified Section 135 and Schedule VII of the Companies Act as well as the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014 (CRS Rules) which has come into effect from 1 April 2014. This section 135 of the Companies Act is applicable to the following companies (i) net worth of the company to be Rs 500 crore or more, (ii) turnover of the company to be Rs 1000 crore or more, and (iii) net profit of the company to be Rs 5 crore or more. It should be noted here that as per the CSR Rules, the provisions of CSR are applicable to Indian companies and as well as to branch and project offices of a foreign company in India.

Companies who are qualifying need to spend at least 2% of its average net profit for the immediately preceding 3 financial years on CSR activities. According to the act the companies who are qualifying need to form a committee (CSR Committee) of the Board of Directors consisting of at least 3 directors. This committee shall formulate the policy regarding the CSR activity of the company mentioning the amount and the activities on which CSR obligation of the company be discharged. After receiving the recommendations from CSR committee the Board shall approve the CSR policy of the company. The current study mainly focuses on the fact that how the selected companies have complied the legal obligation as per Companies Act, 2013 to incur the amount for corporate social responsibilities.

## 2. LITERATURE REVIEW

There are a large number of literatures in the field of CSR. Some of them are depicted here.

Aggarwal & Singh (2019) examined the corporate social responsibility (CSR) and sustainability reporting (SR) practices of Indian organizations disclosure practices quantitatively and qualitatively taking data from yearly reports about business responsibility reports (BRR) or CSR or sustainability reports of 60 top organizations in India. They found that 18 things of the list are not uncovered by most of organizations in India. SR quality is found fundamentally lower than the SR quantity. Pradhan (2018) investigated the impact of the CSR on consumer decision making after meeting 60 respondents and found that it support the idea of legitimacy theory, as most respondents trusted it was the obligation of a firm to reward the general public. Fahad & Nidheesh

(2020) examined the attributes which decides corporate social responsibility (CSR) disclosure. They examined BSE 500 record over a period of 10 years from 2007 to 2016 using panel data regression technique. Seven factors are scrutinized, in particular, firm age, financial leverage, firm size, foreign ownership, promoter ownership, export performance, innovation and firm popularity. They found that firm age and financial leverage are particularly affecting CSR, environmental and social disclosure score and both are obstinately impacting governance score. Firm size is particularly connected with every one of the four disclosure scores. Among ownership factors, foreign ownership positively and promoters ownership negatively related with CSR, climate and social disclosures. Ownership factors and governance disclosure score are not related. Hemingway (2002) in her article has advocated that Corporate Social Responsibility (CSR) can imply various things to different people. CSR is generally viewed as a multi-disciplinary subject and its definitions vary with respect to scope and responsibility of corporations. CSR can be perceived as the concept of charity. Ahuja (2012) has looked into the fact that how a carpet weaving company like Jaipur Rugs succeeds. It is found that the company succeeded not because of their financial criteria, but because of the reason contribution to the society. The company developed a business model which is the pillars of social responsibility. The company has explored the essence of helping those who create value. Migle Sontaite & Petkeviciene (2015) tried to find the relationship between CSR and reputation of the firm. They found that some of the reasons behind CSR are improved financial performance, contribution to market share, improved product quality, increased employee turnover, increased employee commitment and better corporate reputation. They also found that out of these reasons increased corporate reputation is the most wanted out benefit for the companies. They concluded that CSR has become one of the most important drivers of corporate reputation. Singh (2017) investigated the areas of expenditure for CSR activities undertaken by Bharti Airtel to comply Companies Act, 2013. He found that the company carried out its CSR activities mainly in the areas of Education, Eradicating Hunger and Poverty, Gender Equality and Women Empowerment, Environment, Disaster Relief and Waste Management. Doke and Dadas (2021) discussed about the overview of CSR. They concluded that CSR activity cover various areas like poverty alleviation, education, gender equality. Maharajothi priya & Kalpanadevi (2016) wanted to analyse the impact of the New Companies Act 2013 on the Indian and foreign companies towards CSR. They studied some Indian companies like Mahindra and Mahindra, Tata Steel, L & T and Infosys and some foreign companies like Microsoft, Goggle and PepsiCo. They concluded that contribution of the companies towards CSR Initiatives has been increased by 100% in compare to the previous financial years. The change in the companies' act 2013 which made CSR mandatory for major large scale industries in India carries both pros and cons to the companies. Kadam (2021) explains the importance of corporate social responsibility in today's global era and gives a picture about the CSR focus areas in which the large-scale companies are carrying out their activities more intensively. He concluded that many companies are performing their social responsibility in the areas mentioned in the Act much before its Amendment. But still, some of the focus areas like slum development, protection of national heritage art and culture, etc. are not yet taken into consideration by the companies and that should be looked into. Jain & Mishra [15] tried to find the relationship between firm characteristics and CSR ratings in India based on 500 Indian companies. They found that the number of employees and sales volume are significant variables of CSR rating. But there is no association between profit before tax and age of the firm. They concluded that, large firms that are having large number of employees and high sales volume are incurring more to social responsibility.

From the above literatures it is found that there is no study on the top ten Indian companies regarding expenditure pattern on CSR. The objectives of the study are as follows:

- i) To observe the legal obligation of the selected companies for the study regarding corporate social responsibility
- ii) To make out whether the companies discharged their legal liabilities or not
- iii) To perceive in which sector the companies incurred the amount which are to be incurred for CSR

### 3. DATA AND METHODOLOGY

The study is based on selected Indian companies. These companies are being selected on the basis of market capitalization of the companies. Top Ten Indian Companies are being selected for the study. This study is based on secondary data collected from annual report of the companies for a period from 2014-15 to 2021-22. The period started from the financial year 2014-15 as the companies Act 2013 have been implemented by the companies in India from the financial year 2014-15. This study will show the obligation of the companies for corporate social responsibilities as per section 135(5) of the Companies Act 2013 and how this obligation is being discharged by the companies of the study period. For this purpose, I have used percentage of the expenses incurred in different sector by the companies.

### 4. RESULTS AND ANALYSIS

#### Adani Enterprise Limited

Table number 1 depicts the expenditure pattern of Adani enterprises limited.

**Table – 1: Expenditure pattern of Adani Enterprises Limited**

Year	(Rupees in Crores)							
	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
2% of Profit	14.76	12.57	8.68	6	6.03	Loss	Loss	1.76
Obligation for expenditure [Section 135(5)]	12.33	12.57	8.68	6	6.03	NIL	NIL	1.76
Actual Expenditure	12.87	15	9	6	6.03	NIL	NIL	2.08

Sector of Expenses								
Health Facility	9.43(73.27)		0.7798(8.66)	0.16(2.66)				0.01(0.48)
Education	1.93(15.08)		5.6822(63.14)	5.04(84)	5.4771(90.83)			1.96(94.23)
Sports	1.31(10.09)		0.6875(7.64)					
Donation to army central fund	0.10(0.78)							
Donation to IAF	0.10(0.78)							
PM cares Fund		15(100)						
Rural Infrastructure			1.3526(15.03)	0.5(8.33)	0.5531(9.17)			0.11(5.29)
Sustainable Livelihood			0.465(5.16)	0.3(5)				
Cultural			0.05(0.37)					

Figures within bracket is percentage of expenditure incurred

From the above table 1 it is found that obligation of the company towards expenditure for CSR has increased over the time as the profit has increased over the study period. In all the years during the study period the company incurred atleast the obligatory amount as per company act 2013. It is also found that the company incurred majorly on education sector and on rural infrastructure till the financial year 2019-20 from 2014-15. But for the financial year 2020-21 and 2021-22 the company mostly incurred on health sector that is may be due to Covid-19.

### Bharti Airtel Limited

Table number 2 depicts the expenditure pattern of Bharti Airtel limited.

**Table No-2: Expenditure pattern of Bharti Airtel Limited**

(Rupees in Million)								
Year	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
2% of Profit	Loss	Loss	Loss	1117.66	2146.26	2079	1890	1400
Obligation for expenditure [Section 135(5)]	NIL	Nil	Nil	1117.66	2146.26	2079	1890	1400
Actual Expenditure	16.43	86.10	318.54	495.65	277.96	55.84	399.09	273.8
Sector of Expenses								
Health Facility	0.50(3.04)	62.66(72.77)		9.37(1.91)	10.81(3.89)		102.6(25.72)	6.1(2.23)
Education	15.93(96.96)	2.78(3.23)	302.15(94.85)	376.08(75.87)	207.34(74.59)	34.59(61.83)	294.49(73.79)	267.7(97.77)
Sports								
PM cares Fund		7.66(8.9)						
Sustainable Livelihood		13(15.1)	14.04(4.42)	89.65(18.07)	22.22(8)	16.25(29.18)	2(0.05)	
Cultural					5(1.80)	5(8.99)		
Miscellaneous			2.35(0.73)	20.55(4.15)	32.59(11.72)			

Figures within bracket is percentage of expenditure incurred

From the above table 2 it is found that obligation of the company towards expenditure for CSR has increased from 2014-15 to 2017-18 as the profit has increased over that period. But in the year 2018-19 the obligation for CSR expenditure has decreased as the profit has decreased. More over from the year 2019-20 to 2021-22 there is no legal obligation for incurring expenditure for CSR but the company incurred certain amount. In all the years during the study period the company incurred atleast the obligatory amount as per company act 2013. It is also found that the company incurred majorly on education sector, health sector and for sustainable livelihood till the financial year 2019-20 from 2014-15. But for the financial year 2020-21 and 2021-22 the company mostly incurred on health sector that is may be due to Covid-19.

### HDFC Bank

Table number 3 depicts the expenditure pattern of HDFC Bank.

**Table No-3: Expenditure pattern of HDFC Bank**

<b>(Rupees in Crores)</b>								
<b>Year</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>	<b>2018-19</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>	<b>2014-15</b>
2% of Profit	733.86	627.86	183.9	439.2	5.21	304	248	197.13
Obligation for expenditure [Section 135(5)]	733.86	627.86	183.9	439.2	5.21	304	248	197.13
Actual Expenditure	736.01	634.91	211.77	443.8	5.21	305.42	194.81	118.55
<b>Sector of Expenses</b>								
Health Facility	127.36(17.3)	106.86(16.83)	88.16(41.63)	17.34(3.91)	1.804(34.63)	23.56(7.71)	8.26(4.24)	7.24(6.11)
Education	65.2(8.86)	117.7(18.54)	71.42(33.73)	48.52(10.93)	2.9(55.66)	25.48(8.34)	25.59(13.14)	16.15(13.62)
Sports	0.73(0.1)	1.25(0.2)	2.36(1.11)					
Environment	24.34(3.31)	13.75(2.17)	10.42(4.92)	0.72(0.16)		1.01(0.33)	0.72(0.37)	0.95(0.80)
Rural Infrastructure	388.31(52.75)	284.36(44.79)		352.77(79.49)		224.96(73.66)	142.25(73.02)	81.17(68.47)
Sustainable Livelihood	117.13(17.68)	110.99(17.48)	39.41(18.61)	24.45(5.51)	0.506(9.71)	30.41(9.96)	17.99(9.23)	13.04(11)

Figures within bracket is percentage of expenditure incurred

From the above table 3 it is found that obligation of the company towards expenditure for CSR has increased over the time as the profit has increased over the study period. In all the years during the study period the company incurred atleast the obligatory amount as per company act 2013. It is also found that the company incurred majorly for the development of the rural infrastructure except 2017-18. In the year 2017-18 the company mostly incurred on education sector. Over the study period expenses on education sector is moderate. In the year 201-20 expenses on health sector was highest. But for the financial year 2020-21 and 2021-22 the expenses on health sector was below 20% even of the fact of Covid-19.

### **Hindustan Unilever Limited**

Table number 4 depicts the expenditure pattern of Hindustan Unilever limited.

**Table No-4: Expenditure pattern of Hindustan Unilever Limited**

<b>(Rupees in Crores)</b>								
<b>Year</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>	<b>2018-19</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>	<b>2014-15</b>
2% of Profit	184.43	161.7	142.2	124.19	112.2	101.71	91.94	79.82
Obligation for expenditure [Section 135(5)]	184.43	161.7	142.2	124.19	112.2	101.71	91.94	79.82
Actual Expenditure	157.58	165.08	143.74	126.45	116.09	103.88	92.12	82.35
<b>Sector of Expenses</b>								
Health Facility	132.6(84.15)	69.26(41.96)		51.99(41.12)	33.56(28.91)	28.09(27.04)	19.17(20.81)	4.31(5.23)
Education			95.77(66.63)	43.35(34.28)	41.77(35.98)	44.13(42.48)	43.42(47.13)	4.06(4.93)
Sports								
Environment	24.98(15.85)	84.52(51.2)	27.28(18.97)	8.95(7.08)	33.17(28.57)	22.88(22.03)	22.51(24.44)	26.06(31.65)
Rural Infrastructure			7.24(5.04)	6.08(4.81)	5.61(4.83)	6.54(6.3)	5.08(5.51)	

Sustainable Livelihood		11.3(6.84)	13.45(9.36)	16.08(12.71)	1.98(1.71)	2.24(2.15)	1.94(2.11)	47.92(58.19)
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Figures within bracket is percentage of expenditure incurred

From the above table 4 it is found that obligation of the company towards expenditure for CSR has increased over the time as the profit has increased over the study period. In all the years during the study period the company incurred atleast the obligatory amount as per company act 2013. It is also found that the company incurred majorly for sustainable development in the year 2014.-15. From the year 2015-16 HUL incurred mostly on education sector, health sector and for the safeguard of the environment. In the year 2019-20 there was no expenses on health sector. During the year 2020-21 and 2021-22 there was no expenses on education sector. In the year 2021-22 the expenses on health sector was over 80%.

### ICICI Bank Limited

Table number 5 depicts the expenditure pattern of ICICI Bank limited.

**Table No-5: Expenditure pattern of ICICI Bank Limited**

(Rupees in Million)								
Year	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
2% of Profit	2617.3	1845.3	1273	118.4	1702	2000	2120	8.076
Obligation for expenditure [Section 135(5)]	2596.1	1845.3	1273	118.4	1702	2000	2120	8.076
Actual Expenditure	2665.2	2005	1343.5	118.4	1703.8	1823.6	1715.1	8.076
Sector of Expenses								
Health Facility	1019.7(38.26)	216.3(10.79)		0.9(0.76)		36.1(1.98)	0.9(0.05)	0.5853(7.25)
Education	441.3(16.56)	570.7(28.46)	524.1(39.01)	104.8(88.51)	613.2(35.99)	484.3(26.56)	462.8(26.98)	6.461(80)
Sports	8.1(0.30)							
Environment	308.6(11.58)	57.6(2.87)	288.9(21.5)					
Army welfare					50(2.93)			
PM cares Fund		500(24.95)						
Rural Infrastructure	340.2(12.76)	482.1(24.04)	530.5(39.49)		1040.6(61.08)	1303.2(71.46)	1196.6(69.78)	
Sustainable Livelihood	547.3(20.54)	176.6(8.81)		7.7(6.53)			10(0.58)	
Cultural		1.7(0.08)						
Miscellaneous				5(4.2)			44.8(2.61)	1.6617(12.75)

Figures within bracket is percentage of expenditure incurred

From the above table 5 it is found that obligation of the company towards expenditure for CSR has increased over the time as the profit has increased from 2014-15 to 2021-22 but there was some fluctuations in between as the profit has fluctuated in the middle of the study period. In all the years during the study period the company incurred atleast the obligatory amount as per company act 2013 except 2015-16 and 2016-17 when they incurred amounts lower than legal obligation. It is also found that the company incurred majorly for education sector, for rural infrastructure development till 2020-21. In the year 2021-22 most amounts incurred on health sector (38.26%) and the other sector on which most amount incurred are sustainable livelihood (20.54%), education (16.56%) and rural infrastructure (12.76%).

### Infosys Limited

Table number 6 depicts the expenditure pattern of Infosys limited.

**Table No-6: Expenditure pattern of Infosys Limited**

(Rupees in Crores)								
Year	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
2% of Profit	396.7	372.39	359.56	340.35	310.25	287.42	256.01	243

Obligation for expenditure [Section 135(5)]	396.7	372.39	359.56	340.35	310.25	287.42	256.01	243
Actual Expenditure	344.91	325.32	359.94	342.04	312.6	289.44	202.3	239.54
<b>Sector of Expenses</b>								
Health Facility	181.3(52.56)	135.8(41.74)	132.46(36.80)	33.5(9.69)	32.32(10.34)	56.39(19.48)	48.36(23.91)	39.51(16.49)
Education	6.58(1.91)	51.97(15.98)	90.23(25.07)	89.85(26.17)	5.1(1.63)	93.46(32.29)	38.6(19.08)	96.03(40.09)
Sports	0.95(0.28)							
Environment		59.27(18.22)	10.41(2.89)	169.28(49.30)	206.24(65.98)	93.91(32.45)	27.89(13.79)	
Army welfare	9.12(2.64)	6.03(1.85)	6.14(1.71)	10.1(2.95)		29.46(10.18)		
PM cares Fund								
Rural Infrastructure	49.15(14.25)	7.62(2.34)	10.41(2.89)	28.87(8.84)	27.75(8.88)		45.87(22.67)	31.55(13.17)
Sustainable Livelihood	36.45(10.57)		47.99(13.33)			4(1.38)	28.74(14.21)	41.16(17.18)
Cultural	1.1(0.32)	4(1.23)			25.49(8.15)	8(2.76)	6.5(3.21)	16.35(6.83)
Metro Rail	23.83(6.91)	30(9.22)	30.27(8.41)					
Miscellaneous	36.43(10.56)	30.63(9.42)	32.03(8.9)	10.44(3.05)	15.7(5.02)	4.22(1.46)	6.34(3.13)	14.94(6.24)

Figures within bracket is percentage of expenditure incurred

From the above table 6 it is found that obligation of the company towards expenditure for CSR has increased over the time as the profit has increased during the study period. In most of the years during the study period the company incurred atleast the obligatory amount as per company act 2013 but during the years 2014-15, 2015-16, 2020-21 and 2021-22 infosys Ltd incurred amounts lower than legal obligation. A mix pattern is observed regarding the expenditure pattern. It is seen that from the year 2014-15 to 2016-17 the company mostly incurred on education, health and rural infrastructure. It is noteworthy that Infosys Ltd has incurred on safeguard of environment and for the welfare of army. It is also noted that during the year 2019-20 to 2021-22 expenses on health sector has been increased.

### ITC Limited

Table number 7 depicts the expenditure pattern of ITC limited.

**Table No-7: Expenditure pattern of ITC Limited**

(Rupees in Crores)								
<b>Year</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>	<b>2018-19</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>	<b>2014-15</b>
2% of Profit	354.89	352.84	326.17	306.55	290.47	275.27	246.76	212.92
Obligation for expenditure [Section 135(5)]	354.27	352.84	326.17	306.55	290.47	275.27	246.76	212.92
Actual Expenditure	351.13	353.46	326.49	306.95	290.98	275.96	247.5	214.06
<b>Sector of Expenses</b>								
Health Facility	51.01(14.53)	32.95(9.32)	115.02(35.23)	127.83(41.65)	102.16(35.11)	105.44(38.21)	57.95(23.41)	23.9(11.17)
Education	43.84(12.49)	28.39(8.03)	44.19(13.53)	44.5(14.50)	44.18(15.18)	43.39(15.75)	44.88(18.13)	37.68(17.60)
Sports								0.01(.01)
Environment	167.31(47.65)	143.68(40.65)	97.75(29.94)	62.5(20.36)	73.04(25.10)	73.99(26.81)	72.13(29.17)	55.89(26.10)

PM cares Fund		100(28.29)						
Rural Infrastructure	55.87(15.91)	36.34(10.28)	45.77(14.02)	53.47(17.42)	52.01(17.87)	36.57(13.25)	50.85(20.55)	16.06(7.51)
Sustainable Livelihood	10.14(2.89)	3.29(0.94)	2.02(0.62)	14.87(4.84)	17.16(5.90)	14.39(5.21)	20.76(8.36)	38.93(18.19)
Cultural	2.3(0.66)	3.81(1.08)	21.74(6.66)	3.78(1.23)	2.43(0.84)	2.18(0.77)	0.93(0.38)	21.42(10)
Miscellaneous	20.66(5.87)	5(1.41)						20.17(9.42)

Figures within bracket is percentage of expenditure incurred

From the above table 7 it is found that obligation of the company towards expenditure for CSR has increased over the time as the profit has increased from 2014-15 to 2021-22. In all the years during the study period the company incurred atleast the obligatory amount as per company act 2013 except 2021-22 when they incurred amounts lower than legal obligation. It is also found that the company incurred for the safeguard of the environment consistently over the study period and the expenses in this sector is highest. The other major sectors of expenses are education, health, sustainable livelihood and rural infrastructure.

### Reliance Industries Limited

Table number 8 depicts the expenditure pattern Reliance Industries limited.

**Table No-8: Expenditure pattern of Reliance Industries Limited**

(Rupees in Crores)								
Year	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
2% of Profit	737	884	874.95	811.16	703.08	620.41	557.78	532.96
Obligation for expenditure [Section 135(5)]	737	884	874.95	811.16	703.08	620.41	557.78	532.96
Actual Expenditure	813	922	908.71	849.32	745.04	659.2	651.57	760.58
Sector of Expenses								
Health Facility	475(58.43)	256(27.77)	34.7(3.82)	113.4(13.35)	147.89(19.85)	256.59(38.92)	310.35(47.9)	599.58(78.83)
Education	202(24.85)	452(49.02)	253.82(27.93)	527.34(62.09)	370.94(49.79)	219.35(33.28)	222.15(34.09)	17.28(2.27)
Sports	27(3.32)	49(5.31)	41.65(4.58)	48.65(5.73)	43.11(5.79)	26.89(4.08)	4.99(0.77)	4.06(0.53)
Environment	109(13.40)	55(5.97)	519.2(57.14)	26.45(3.11)	1.43(0.19)	28.05(4.26)	0.85(0.13)	0.11(0.01)
Rural Infrastructure		110(11.93)	58.54(6.44)	132.64(15.62)	180.81(24.27)	92.3(14)	86.69(13.04)	122.07(16.05)
Sustainable Livelihood							26.26(4.03)	
Cultural			0.8(0.09)	0.84(0.10)	0.86(0.11)	1.01(0.15)	0.28(0.04)	
Miscellaneous						35.01(5.31)		17.48(2.31)

Figures within bracket is percentage of expenditure incurred

From the above table 8 it is found that obligation of the company towards expenditure for CSR has increased over the time as the profit has increased from 2014-15 to 2020-21. In the year 2021-22 profit decreased a bit in compare to 2020-21. In all the years during the study period the company incurred more than the obligatory amount as per company act 2013. It is also found that the company mostly on health sector, education sector, for the development of rural infrastructure sector and for the safeguard of the environment. It is noteworthy that over the study period Reliance Industries has incurred consistently for the development of sports. It is also to be mentioned here that out of the total amount incurred on education most of the allocation was for JIO University (Annual report of Reliance Industries).

### State Bank of India

Table number 9 depicts the expenditure pattern of State Bank of India.

**Table No-9: Expenditure pattern of State Bank of India**

(Rupees in Crores)								
Year	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15

1% of Profit	204.1	144.88	8.62					
Obligation for expenditure [Section 135(5)]	204.1	144.88	8.62	Not Disclosed				
Actual Expenditure	204.1	144.88	27.47		112.96	109.82	143.92	115.8
<b>Sector of Expenses</b>								
Health Facility	40.49(19.84)	40.57(28)	1.75(6.37)		18.33(16.23)	52.24(47.57)	56(38.91)	42.2(36.44)
Education	18(8.82)	11.59(8)	1.13(4.1)		10.88(9.63)	3.92(3.57)	19.5(13.55)	41.2(35.50)
Sports	8.14(3.99)	10.14(7)						
Environment	11.47(5.62)	4.35(3)	0.18(0.65)			9.73(8.86)	4.78(3.32)	4(3.54)
Army welfare	32.35(15.85)							
Rural Infrastructure	62.82(30.78)	43.46(30)	12.38(45.06)			8.36(7.61)	5.41(3.99)	
Sustainable Livelihood	7.98(3.91)	20.28(14)	0.93(3.4)		68.71(60.83)	19.24(17.52)	44.66(31.03)	24.24(20.93)
Cultural	20.80(10.19)				6.60(5.84)	3.43(3.12)	11.41(7.93)	
National Donation			9(32.76)		4.5(3.98)		2.16(1.5)	
Miscellaneous	2.04(1)	14.49(10)	2.1(7.66)		3.94(3.49)	12.9(11.75)		4.16(3.59)

Figures within bracket is percentage of expenditure incurred

Reports regarding CSR are disclosed in Directors report of the annual report of any company. But in case of SBI the information regarding obligation of SBI for the period from 2014-15 till 2018-19 is not disclosed in the annual reports. But as far as expenditure regarding CSR is concern from the above table 9 it is found SBI incurred mostly on health sector, education sector, for sustainable livelihood. From the year 2019-20 to 2021-22 SBI incurred atleast the obligatory amount. It is observed that SBI has incurred mostly on the development of rural infrastructure and other are of expenses are health and education. It is not worthy that in the financial year 201-22 SBI incurred for welfare of army (15.85%) and for cultural development (10.19%).

### Tata Consultancy Services Limited

Table number 10 depicts the expenditure pattern of Tata Consultancy Services limited.

**Table No-10: Expenditure pattern of Tata Consultancy Services Limited**

(Rupees in Crores)								
<b>Year</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>	<b>2018-19</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>	<b>2014-15</b>
1% of Profit	716	663	600	542	497	446	360	285
Obligation for expenditure [Section 135(5)]	716	663	600	542	497	446	360	285
Actual Expenditure	727	674	602	434	400	379.71	294.23	218.42
<b>Sector of Expenses</b>								
Health Facility	24(3.30)	373(55.34)	176(29.24)	296(68.20)	131(32.75)	85.63(22.55)	71.3(24.28)	18.85(8.63)
Education	15(2.06)		114(18.94)	36(8.29)	86(21.5)	88.08(23.2)	71.16(24.19)	32.44(14.85)
Sports								
Environment			6(1)	3(0.69)	1(0.25)			0.04(0.02)
PM cares Fund		256(37.98)						
Sustainable Livelihood		22(3.26)					1.15(0.42)	0.26(0.12)
Cultural		1(0.15)				0.8(0.21)	0.30(0.01)	1.68(0.77)
National Donation						0.02(0.01)	4.44(1.52)	1.49(0.68)



Miscellaneous (Sch VII)	688(94.64)	22(3.27)	306(50.82)	99(22.82)	182(45.5)	205.18(54.33)	145.88(49.58)	163.66(74.93)
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Figures within bracket is percentage of expenditure incurred

From the above table 10 it is found that obligation of the TCS towards expenditure for CSR has increased over the time as the profit has increased from 2014-15 to 2021-22. In all the years during the study period the company incurred at least the obligatory amount as per company act 2013. From the table it can be seen that TCS incurred in higher percentages in health sector consistently. In the year 2020-21 expenses on health sector was 55.334% and donation to Pm Care fund was 37.98%. It is also observed that expenses in some of the years on miscellaneous areas which are under schedule VIII of the Companies act 2013 is substantially high.

## 5. CONCLUSION

From the data of the companies under study it is observed that the companies mostly incurred the amount to discharge their legal obligation for CSR on health sector, education sector, for the development of rural infrastructure and sustainable livelihood. There are certain examples to incur amount of the safeguard of the environment, development of sports and culture. But these are not incurred by all the companies under study. It is also notable that expenses on health sector by most of the companies increased after Covid-19.

From the analysis of the ten companies under study it can also be concluded that mostly the companies are incurring the obligatory amount which is to be incurred under section 135 of the Companies Act 2013. But in some cases the amount of expenditure is less than the obligatory amount, in these cases the competent authority should look into the matter.

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