

## A Quantitative Study on the Structure of Corporate Social Responsibility in India

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**Abstract :** In India, the mandatory clause on Corporate Social Responsibility (CSR) in Companies Act, 2013 has led to varying responses from the companies. From excessive spending to resistance, the private and the public stakeholders have been considering the law from different perspectives. This paper tends to study the characteristics of CSR spending in India with emphasis on the locations to which the funds are routed. This study examines the effects of CSR fund flow on regional development by considering the growth in Gross State Domestic Product (GSDP), agriculture, education and healthcare using panel data for the 29 States in the country. The results confirm that the CSR funds have been instrumental in improving the quality of teaching and healthcare in the areas around the industrial hubs. However, the study shows that the corporates mostly invest in regions which are easily accessible to them, by their physical presence, irrespective of whether the area is developed or not. Such a skewness is visible in the extensive spending in and around the metropolitan cities, the established centers, in the country to which large chunks of CSR funds are channeled. The results show that there is a variation from what the government had proposed while initiating the CSR law to promote social inclusion and equality in the rural and isolated areas in the country. The implication is that even though societal improvement is the aim of CSR, ease of access to the needy is an essential factor in corporate choices. As poverty and lack of facilities are found in the innermost parts, it is vital to have government policies for their aid as corporate help.

**Keywords :** corporate social responsibility, geographic spread, panel data analysis, strategic implementation

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