

Original Research Paper

## Corporate Social Responsibility Practices in the Top Ten Indian Companies and Its Impact on Community Development

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**Abstract:** The study presents contemporary Corporate Social Responsibility Practices (CSRPs) in literature. The basic purpose and aim of the study are to describe and investigate the broad categories of Corporate Social Responsibility Practices (CSRPs) of the top 10 Indian companies where it operates the business and their response towards the surrounding community development environment. This study also tries to build the relationship between Corporate Social Responsibility Practices and their impact on community development and the well-being of a community. The present study has adopted a secondary source of data that is used to analyze the data based on archival data sources. Finally, the findings of this study will show that Corporate Social Responsibility Practices (CSRPs) positively influence and impact community development and well-being. Also, the results of the study will have a significant and practical implication on societal progressive development and future research on Corporate Social Responsibility (CSRPs) and Community Development (CD).

**Keywords:** Community Development, Community Well-Being, Corporate Social Responsibility, Corporate Social Responsibility Practices.



## 1. Introduction

With the advent of Globalization, Privatization, and Liberalization, at the dawn of the 21st century, CSR has become one of the most influential areas in the academic world and real-life practices. The concept and practices of Corporate Social Responsibility (CSR) have emerged rapidly in the last two decades. It is not a modern phenomenon and certainly not something that can be accredited to more economically developed and less economically countries. Long before the coming of colonial traders in many parts of Asia, a donation to community culture was practiced [1]. The concept of helping the poor and disadvantaged was cited in much of the ancient Indian literature. This idea was also supported by many religious laws in Indian history. It finds a specific mention in the Vedic (Rigveda) word, “Danam”, which reflects the social philosophy of those days to help the needy members of society. Of course, corporate social responsibility is a helping process in modern society but it was practiced in the Indian ancient period according to Rigveda (VIII 6.5 \* 117.6) which declares that “the riches of one who gives does not diminish. The solitary eater is also a solitary sinner” In Bhagwad Gita, ‘Danam’, i.e., charity is described in terms of material aid, knowledge (vidya), and protection against fear, i.e., ‘Abhaydan’. Gita’s principle of ‘Aparigraha’ and the concept of ‘Loksangrah’ mean that materials and money should not be collected for self and that one should work for the welfare of the community, respectively great Lord Buddha also talked about the welfare of the masses in ‘Bhawan Hithave Bhawan Sukhavati’. The renowned Indian philosophers like Kautilya, in his book ‘Arthashastra’ clearly mentions about king’s responsibility and duty towards the welfare of the people like caregiving, protection of the helpless, the weak, the aged, and the members of the families of the deceased soldiers and workers, and even pre-Christian era philosophers in the west also preached and promoted about ethical principles while doing business. During Ashoka’s times, the helping process got institutionalized. One of the edicts on pillars by king Ashoka says that “...I consider the promotion of the people’s welfare my highest duty...” this gives a clear picture of welfare activities during his time. Similarly, ‘ZAKAAT’ (charity), which is followed by Muslims (ISLAM), Christian donation from one’s earnings which is specifically given to the poor and disadvantaged, and SIKHS also follow the principle of ‘DAASHAANT’.

Certainly, the concept of Corporate Social Responsibility (CSR) evolved in India over the period and has the longest practice history with the religious faith and belief system. If any change takes place, it is about putting in a few new elements and covering the old with the new label. Likewise, Corporate Social Responsibility (CSR) is like old wine in a new bottle to Indian corporates as the above-mentioned ancient Indian literature shows how society was taken care of in various forms of donation, contribution, and response as per their various religious convictions and practices. Later on, with Industrialisation, Globalisation, and Privatization the same concept of donations or contributions has taken the form of CSR. The motto and the concept of CSR rest on the ideology of giving and taking, because companies are taking resources in the form of raw materials, human resources, etc., from society. By performing the task of CSR activities, the companies are giving something back to society, because as we know, they belong to society and too part of society.

However, India had made it a mandatory function of the company’s role as per the Ministry of corporate affairs which has notified section 135 and Schedule VII of the companies act, 2013 which prescribed mandatory provisions (CSR Policy, Rules which came into effect from 1 April 2014 and certain amendments in May 2016) for companies to fulfill their CSR contribution. The criteria are mentioned in section 135 and Schedule VII of the companies act, 2013, the first condition is the net worth of the company to be Rs.500 crore or more, the second state, turnover of the company to be Rs 1000 crore or more and third state, net profit of the company to be Rs 5 crore or more and includes public and private firms have branch and project offices of foreign companies in India it applicable as per criteria mentioned in the act.

According to Schedule VII of the CSR Act amended 30th May 2019, the following table illustrates the list of CSR activities that should be ensured and assumed by every firm, shows in Table 1

Furthermore, India is the world’s third largest country with a 2 % mandatory function accorded as per applicable conditions to firms. Thus, it is a company’s sense of responsibility and commitment toward the social and ecological well-being of the surrounding areas in which it operates. It is a way of conducting and attracting business, by which a company’s entities visibly contribute to society’s social good and betterment. In a general sense, CSR is supposed to increase the reputation of a company’s credentials and brand image among its customers and the society where it operates. It is increasingly seen as a way for companies to engage their peripheral environment to develop associatship and linkages between business approaches and society stakeholders.

Table 1. List of CSR Activities

<b>Schedule VII, List of CSR Activities (Amended 30<sup>th</sup> May 2019)</b>	
(i)	<b>Eradicating hunger</b> , poverty, and malnutrition, promoting health care including preventive health care and sanitation including contribution to Swachh Bharat Kosh set up by the Central Government for promotion of sanitation and making available safe drinking water;
(ii)	<b>Promoting education</b> , including special education and employment enhancing vocation skills, especially among children, women, elderly, and the differently-abled, and livelihood enhancement projects;
(iii)	<b>Promoting gender equality</b> , empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day-care centres, and other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
(iv)	<b>Ensuring environmental sustainability</b> , ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, and maintaining the quality of soil, air, and water including contribution to the Clean Ganga Fund set up by the Central Government for rejuvenation of the river Ganga;
(v)	<b>Protection of national heritage</b> , art, and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
(vi)	<b>Measures for the benefit of armed forces veterans</b> , war widows, and their dependents;
(vii)	<b>Training to promote rural sports</b> , nationally recognized sports, Paralympic sports, and Olympic sports;
(viii)	<b>Contribution to the Prime Minister's National Relief Fund</b> or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities, and women;
(ix)	<b>Contributions or funds provided to technology incubators located</b> within academic institutions which are approved by the Central Government;
(x)	<b>Rural development projects</b> ;
(xi)	<b>Slum area development</b> ;
(xii)	<b>Disaster management</b> , including relief, rehabilitation, and reconstruction activities

## 2. Literature Review

### 2.1. Corporate Social Responsibility

As with many meanings and definitions of CSR in research, globally there is no acceptable definition of Corporate Social Responsibility (CSR). However, the uses of CSR terms 'appear' and 'some' in the definition and its understanding reflects the ambiguity and difficulty in defining and measuring corporate social responsibility in the Indian context. These concepts have been just replaced by each other and accumulated erstwhile uses and achievements as usual they evolved consistently. Likewise, different terms that have been used in scholarly literature to CSR studies and the implementation of CSR Practices such as, Corporate Social Performance (CSP) [2], Corporate Integrity (CI) [3]; Social Philanthropy (SP) or Corporate Philanthropy (CP) [4]; Corporate Social Policy (CSP) and Management of stakeholders (MS), and Sustainable Development (SD) [5]; Corporate Citizenship (CC) [6]; Corporate Sustainability (CS) [7]; Corporate Reputation (CR) [8]; Socially Responsible Investment (SRI) and Corporate Governance (CG) [9]; Corporate Social Responsiveness (CSR), Corporate Social Reporting (CSR) and Corporate Social Responsibility (CSR) [10] [11] and many others came along and scholarly literature to CSR developed.

The concept and definition of CSR have grown extensively in the past couple of years, and many scholars have studied the concept, accordingly, Carroll [12] highlighted that CSR is “the social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has on organizations a given point in time”.

According to World Business Council for Sustainable Development (WBCSD;2000), ‘Corporate Social Responsibility (CSR) is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large’.

## 2.2. Historical Perspective of CSR Legislation

The following tables and figures are clearly shown in the historical ladder of the CSR Evaluation.

Table 2. Historical Perspective of CSR Legislation

Time Period	Economic Currents	State Role	Corporate CSR
1850-1914	Industrialization	Colonial, Extraction	Dynastic Charity
1914-1947	Trade Barriers for New Industries	Colonial, Exploitative	Support Freedom Struggle
1947-1960	Socialism, Protectionism	Five Year Plans	Support New State; Launch Own Rural Initiatives
1960-1990	Heavy Regulations	License Raj; Development Failures	Corporate Trusts
1991-2007	LPG (Liberalization, Privatization, and Globalization)	Shirking in Production; Expanding in Social Provision	Family Trusts, Private-Public Partnerships, NGO Sponsorship.

It is shown in Table 2 and Figure 1 with regard to the historical perspective and its evaluations of CSR in India.

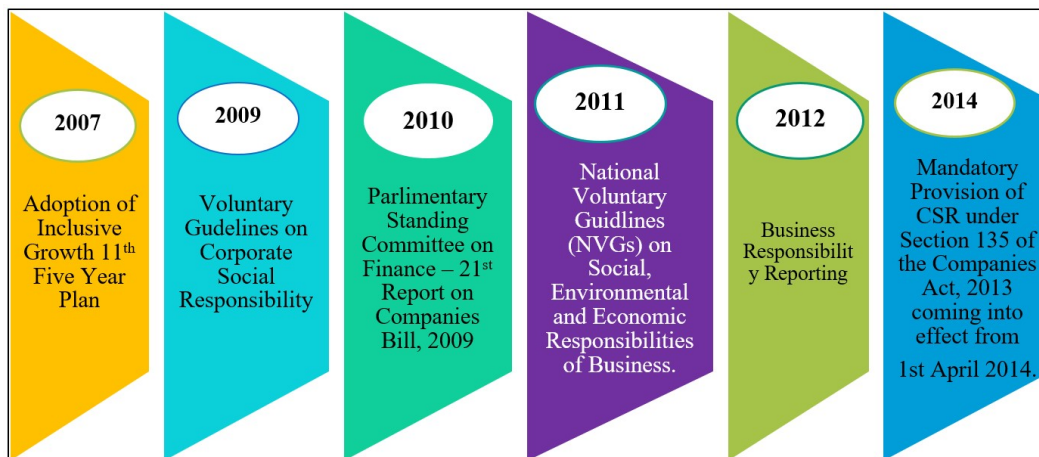


Figure 1. Historical Perspective of CSR Legislation

Since CSR is still growing and being defined, the importance of inclusive development is widely known as a crucial part of India’s quest for development. In order to gain the importance of echoes, our esteemed companies embrace those segments of society in the growth process, which had yet persisted omitted from the mainstream of development. In the contour of this aspiration and the national endeavour, CSR was perceived as a significant instrument and weapon for integrating social, economic, and environmental concerns, and the well-being of human development regard in the entire value chain of corporate business. The Ministry of Corporate Affairs has mandated certain amendments to regulate firms as responsible and committed to social development as mentioned above.

## 2.3. The Meaning and Concept of Community Development

Community development has two terms or notions i.e., ‘Community’ and ‘Development’, both of which need some understanding and comprehension. Thus, ‘Community’ is a social group of people who live in a particular geographical area and have an interest in each other for the purpose of making

some degree of “we Feeling” or “coherence” and standard living in a given area. ‘Development’ is a gradual progress or transformation for healthier in such a way as to enhance the standard of living, security, autonomy, self-esteem, self-reliance, and self-development of the group of people. This would be combined into twin notions of social as well as economic development. Finally, development means a movement of architects to promote good living conditions or well-being of the community environment with democratic participation and/or initiative at the community level.

Thus, it is a movement of transformation by which people’s efforts are cohesive with those of group authorities to improve their economic, social, and cultural form of communities, into the life of the nation, and to empower them to contribute fully to national programmes. Many renowned authors have defined community development and its importance in the literature which has been shown in the following.

According to Lotz [13], community development has been described as a conscious technique or process to solve social change problems; a process that enables communities to “collectively confront and act on their common values and problems”.

According to Hamilton [14] precisely underlined that community development is a planned and organized effort to assist individuals to acquire the attitudes, skills, and concepts required for their democratic participation in the effective solution of as wide a range of community improvement problems as possible in the order of priority determined by their increasing levels of competence.

According to Moreland and Lovett [15], community development is a learning process that involves people in experiences from which they will learn ways of enhancing their capacity for self-directed activity and destiny.

According to Draper [16] a social interventionist or animation social view, community development can be described as “the process of animation that gives rise to a process of self-education, the essence of which is a heightening of the capacity for self-determination.

#### **2.4. Genesis of Community Development Programmes (CDP – 1952)**

Practical based on the practices within India and abroad, the recommendations of the Fiscal Commission (FC-1949) and the Grown More Food Enquiry Committee (GMFEC-1952) the CDP was launched on October 2, 1952, the birthday of Mahatma Gandhi. At the initial stage in 1952, 55 CDPs in 3 blocks were implemented in India. The community development programmes can broadly be divided into, Agricultural and Allied Fields, Organizations, Education, Employment, Health Services, Communication, Vocational Training, Supply of Safe Drinking Water, and Social Welfare.

### **3. Methodology**

The research methodology and procedure played a vital role in the research process. It is underpinning the epistemic and ethical rationale for using and adopting a particular procedure for the research study’s aims and objectives. However, this is the way of adopting and scientifically acquiring useful data. The aim of the research methodology is to produce an accumulative body of knowledge in the entire process.

#### **3.1. Aim and Purpose of the Study**

The basic aim and purpose of this study are to describe and analyze the CSR Practices of the top 10 Indian companies and their contribution towards community development. The basis of this study is to gather the archival data reported in the annual reports of the Top Ten companies in India. Objectives of the Study

- 1) To study and understand the concept of corporate social responsibility.
- 2) To know the concept of community development indicators and their importance.
- 3) To study the CSR Practices and their impact on community development

#### **3.2. Hypothesis**

It is considered as a calculated postulate and prediction about a precise parameter founded on certain limited evidence or probe. The following would be examined in this study.

*H1: There is a significant relationship between CSR spending patterns and their Impact on Community Development.*

#### **3.3. Sources and Methods of Data Collection**

The sources of the data are secondary and based on annual reports of the top ten companies. Those data were available in the Ministry of Corporate Affairs, Government of India, National CSR Portal,

and as well as the company's annual reports for three consecutive financial years 2018 to 2019, 2019 to 2020, and 2020 to 2021.

#### 4. Finding and Discussion

The results and findings of the study are based on archival data sources available on official sites and other sources, in this regard, the data is collected from various sources of the top ten companies in prescribed expenditure status on CSR. The annual reports are likely the preferred sources of corporate information for different stakeholder groups and are a vital document for building a firm's social image [17] (Deegan et al., 2002; Gray et al., 1995; Luethge & Han, 2012). After meticulously examining the collected data and reports from various sources, different CSR initiatives on community development such as Health, Education, Vocational Training, Livelihood Promotion, Communication, Art and Culture, and Women Empowerment are classified into some broad categories of corporate social responsibility practices towards community development and its impact. The following tables and figures are showing the company-wise prescribed expenditure of CSR Practices and approximately spent on community development.

It is shown in Table 3 with regard to company-wise prescribed expenditure on CSR Practices from the financial year of 2018 – 19 and how its influence on community development in various initiatives taken by companies towards the betterment of the community is revealed.

Reliance Industries Limited was standing on top of the first rank in the overall ranking, however, in average net profit of the company is 40,558.13 (INR Cr.) whereas CSR prescribed expenditure amount of 811.16 (INR Cr.) and expenditure ensured on CSR Practices is 849.32 (INR Cr.), out of it is precisely spent on community development 141.08 (INR Cr.) (16.60 %). The Oil and Natural Gas Corporation is positioned on top of the second rank in the overall ranking. In average net profit of the company is 24,010.39 (INR Cr.) whereas the prescribed CSR expenditure amount of 480.21 (INR Cr.) and the expenditure confirmed on CSR Practices is 586.21 (INR Cr.), out of it is assuredly spent on community development 119.15 (INR Cr.) (20.40%). Among those, the Indian Oil Corporation Limited is the stance on top of the third rank. The average net profit of the company is 24,529.81 (INR Cr.) although the prescribed CSR expenditure amount of 490.6 (INR Cr.) and expenditure ensured on CSR Practices is 468.15 (INR Cr.) out of it is indeed spent on community development 151.28 (INR Cr.) (32.31%). HDFC Bank Limited was standing on top of the fourth rank. However, in average net profit of the company is 21,960.36 (INR Cr.) whereas CSR prescribed expenditure amount of 439.21 (INR Cr.) and expenditure ensured on CSR Practices is 443.78 (INR Cr.), out of which is just spent on community development 103.47 (INR Cr.) (23.32 %). In this regard, Tata Consultancy Services is standing in the fifth position in the CSR ranking among top companies. However, the average net profit of the company is 27,078.00 (INR Cr.) whereas CSR prescribed expenditure amount of 541.56 (INR Cr.) and spending ensured on CSR Practices is 434.00 (INR Cr.), out of it is probably more than spent on community development 332.00 (INR Cr.) (76.50%). Regarding, Infosys Limited is also standing in the sixth position in the CSR ranking. However, the average net profit of the company is 17, 018.00 ((INR Cr.) while the prescribed CSR expenditure amount of 340.36 (INR Cr.) and expenditure confirmed on CSR Practices is 342.04 (INR Cr.) out of it is certainly spent on community development around 141.49 (INR Cr.) (41.37%). As regards, Mahanadi Coalfields Limited is positioned in the seventh position in the CSR ranking. However, the average net profit of the company is 6,817.80 ((INR Cr.) while the prescribed CSR expenditure amount of 136.36 (INR Cr.) and outlay confirmed on CSR Practices is 167.16 (INR Cr.) out of it is accurately spent on community development around 25.83 (INR Cr.) (15.45%). Among those, ITC Limited was taken on top of the eight positions in the CSR ranking among the company. The average net profit of the company is 15,327.74 (INR Cr.) although prescribed CSR expenditure amount of 306.55 (INR Cr.) and spending ensured on CSR Practices is 306.95 (INR Cr.) out of it is certainly spent on community development 190.98 (INR Cr.) (62.22%).

Similarly, Tata Steel Limited is standing in the ninth rank in the CSR ranking position. However, the average net profit of the company is 4,120.15 (INR Cr.) whereas CSR prescribed expenditure amount of 82.40 (INR Cr.) and expenditure ensured on CSR Practices is 304.16 (INR Cr.), is probably more than spent on community development 292.65 (INR Cr.) (96.22%). Finally, NTPC Limited is positioned in the top tenth rank in the CSR ranking. However, the average net profit of the company is 11,850.34 (INR Cr.) whereas CSR prescribed expenditure amount of 237.01 (INR Cr.) and expenditure ensured on CSR Practices is 285.46 (INR Cr.), out of which is probably more than spent on community development 239.34 (INR Cr.) (83.85%).

Table 3. Company Wise CSR Spent On CD in the Financial Year (2018 – 2019)

Rank	Name of the Company	Average Net Profit of the Company	CSR Prescribed Expenditure Amount (2%) (INR Cr.)	Total Amount Spent on CSR (INR Cr.)	Community Development Indicators	Sector Wise Spent (Approximately)	Total Amount Spent on Community Development
1	Reliance Industries Limited	40,558.13	811.16	849.32	Health	412,000,000	141.08 (INR Cr.) (16.60%)
					Education	844,600,000	
					Livelihood Promotion	145,800,000	
					Art and culture	8,400,000	
2	ONGC	24,010.39	480.21	586.85	Health	856,600,000	119.15 (INR Cr.) (20.40%)
					Education	275,200,000	
					Livelihood Promotion	21,000,000	
					Women Empowerment	31,300,000	
3	Indian Oil Corporation Limited	24,529.81	490.6	468.15	Art and Culture	7,400,000	151.28 (INR Cr.) (32.31%)
					Health	113,100,000	
					Education	426,200,000	
					Vocational Skills	973,500,000	
4	HDFC Bank Limited	21,960.36	439.21	443.78	Health	173,370,976	103.47 (INR Cr.) (23.32%)
					Education	485,206,522	
					Livelihood Promotion	376,129,663	
5	TCS Limited	27,078.00	541.56	434.00	Health	2,960,000,000	332.00 (INR Cr.) (76.50%)
					Education	360,000,000	
6	Infosys Limited	17,018.00	340.36	342.04	Health	214,900,000	141.49 (INR Cr.) (41.37%)
					Education	756,600,000	
					Livelihood Promotion	26,100,000	
					Communication	50,000,000	
					Women Empowerment	105,500,000	
7	Mahanadi Coalfields Limited.	6,817.80	136.36	167.16	Art and culture	261800,000	25.83 (INR Cr.) (15.45%)
					Health	1,080,244,000	
					Education	1,388,364,000	
					Livelihood Promotion	65,277,000	
8	ITC Limited	15,327.74	306.55	306.95	Health	1,278,300,000	190.98 (INR Cr.) (62.22%)
					Education	462,500,000	
					Women Empowerment	131,200,000	
					Art and culture	37,800,000	
9	TATA Steel Limited	4,120.15	82.40	304.16	Health	1,689,400,000	292.65 (INR Cr.) (96.22%)
					Education	678,300,000	
					Livelihood Promotion	183,500,000	
					Communication	197,200,000	
					Safe Drinking Water	97,500,000	
					Art and culture	80,600,000	
10	NTPC Limited	11,850.34	237.01	285.46	Health	701,000,000	239.34 (INR Cr.) (83.85%)
					Education	1,320,300,000	
					Communication	348,100,000	
					Women Empowerment	15,500,000	
					Art and culture	8,500,000	

However, the following figure obviously indicates program-wise influence on community development.

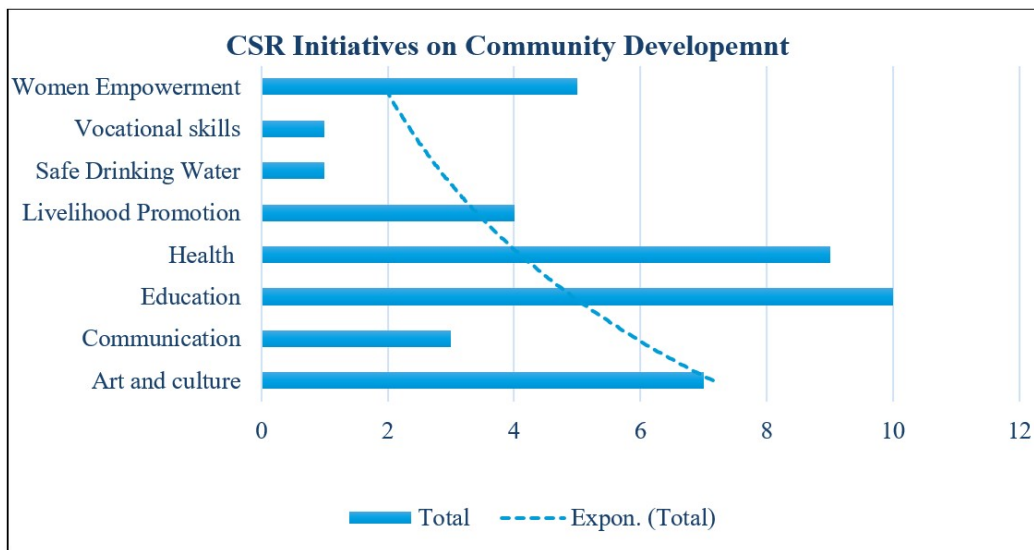


Figure 2. CSR Initiatives on Community Development 1st

Figure 2 shows about the overall influence on community development which combined calculations and analyses undertaken by the top ten companies into their CSR Practices from the financial year of 2018-19. Interestingly, Education is considered the highest priority in their CSR Practices which is assumed clearly by the top ten companies revealed in the chart, then apparently preference given area is to health then followed by Art and Culture, Women Empowerment, Livelihood Promotion, Communication, and similarly equally weightage stretch to Vocational Training and Safe Drinking Water. Therefore, it is signifying that education and health play vital roles in the progress of the human being, thus priority is given by the companies shown in this study evidently.

Nevertheless, the following figure obviously shows amongst the top of the company in the overall performance of CSR Practices and its impact on community development.

Figure 3 shows the overall performance and its influence on the betterment of community development which is CSR Practice undertaken by the companies in their CSR initiatives from the financial year of 2018-19. In the combination of various parameters such as ranking of the company, Average net profit of the company, CSR Prescribed expenditure amount (2%), the total amount spent on CSR Practices linked to Community Development initiatives undertaken by a company, and its preference, Sector-wise approximately amount allocated and its spent-on community development.

Therefore, based on extensive examining and securitizing of the data, which is revealed that the top of the company positioned Tata Consultancy Services, followed by Tata Steel Limited, ITC Limited, Mahanadi Coalfields Limited, Oil and Natural Gas Corporation, NTPC Limited, Reliance Industries Limited, Infosys Limited, Indian Oil Corporation Limited, and HDFC Bank Limited respectively standing their position in overall performance shown towards community development.

Regard to company-wise prescribed expenditure on CSR Practices from the financial year of 2019-2020 and its influence on community development in various initiatives taken by companies towards the betterment of the community is revealed:

Reliance Industries Limited was positioned as on top of the first rank in the overall ranking, however, in average net profit of the company is 43,747.43 (INR Cr.) whereas CSR prescribed expenditure amount of 874.95 (INR Cr.) and expenditure ensured on CSR Practices is 908.71 (INR Cr.), out of it is accurately disbursed on community development 435.00 (INR Cr.) (47.87%). Regards, Tata Consultancy Services is standing in the second position in the CSR ranking among top companies.



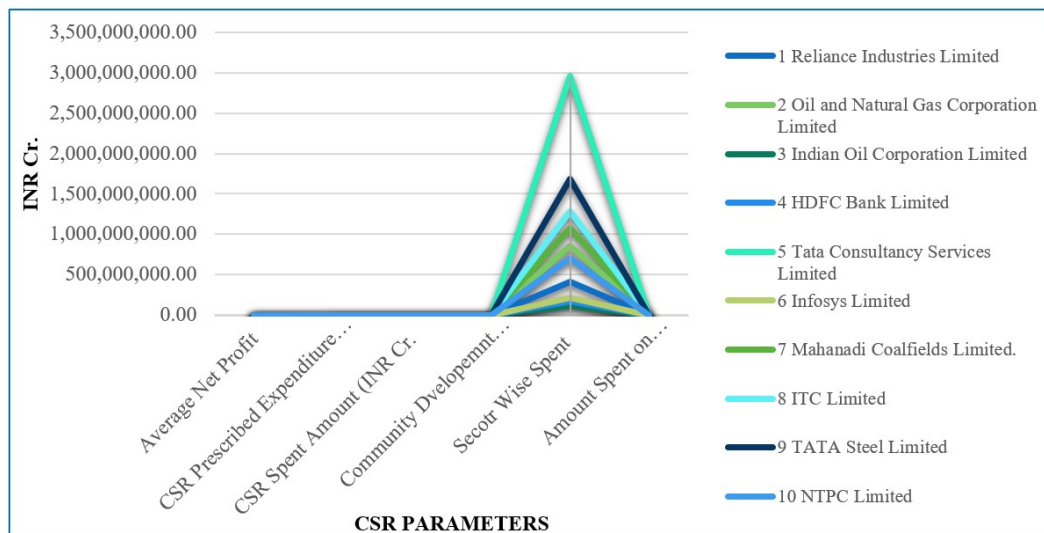


Figure 3. Company Wise Overall Performance on Community Development 1st

However, the average net profit of the company is 30,003.00 (INR Cr.) whereas CSR prescribed expenditure amount of 600.06 (INR Cr.) and spending ensured on CSR Practices is 602.00 (INR Cr.), out of it is probably spent on community development 290.00 (INR Cr.) (48.18%). The Oil and Natural Gas Corporation is positioned at the top of the third rank on the overall ranking of CSR outlay. In average net profit of the company is 28,590.71 (INR Cr.) whereas prescribed CSR expenditure amount of 571.81 (INR Cr.) and the expenditure confirmed on CSR Practices is 582.35 (INR Cr.), out of it is assuredly spent on community development 97.22 (INR Cr.) (17.01%). Amongst, Tata Sons Private Limited was stand in the fourth position in the CSR ranking among top companies. However, the average net profit of the company is 7,145.89 (INR Cr.) whereas CSR prescribed expenditure amount of 142.92 (INR Cr.) and spending ensured on CSR Practices is 548.83 (INR Cr.), out of it has probably spent on community development 54.89 (INR Cr.) (9.64%). The HDFC Bank Limited is standing on top of the fifth rank. However, in average net profit of the company is 26,679.70 (INR Cr.) whereas CSR prescribed expenditure amount of 533.59 (INR Cr.) and expenditure ensured on CSR Practices is 535.31 (INR Cr.), out of which is accurately spent on community development 148.85 (INR Cr.) (27.78%). Among those, the Indian Oil Corporation Limited is in the stance the on sixth position in CSR rank and expenditure. The average net profit of the company is 27,168.82 (INR Cr.) although prescribed CSR expenditure amount of 543.38 (INR Cr.) and expenditure ensured on CSR Practices is 518.49 (INR Cr.) out of it is indeed spent on community development 575.63 (INR Cr.) (72.45%). Regarding, Infosys Limited is also standing in the seventh position in the CSR ranking. However, the average net profit of the company is 17,978.00 ((INR Cr.) while prescribed CSR expenditure amount of 360.00 (INR Cr.) and expenditure confirmed on CSR Practices is 359.94 (INR Cr.) out of it is certainly spent on community development around 130.65 (INR Cr.) (36.30%). Interesting Power Grid Corporation India Limited is positioned in the eighth position in the CSR ranking.

However, the average net profit of the company is 10,496.00 ((INR Cr.) while prescribed CSR expenditure amount of 209.92 (INR Cr.), and the outlay confirmed on CSR Practices is 346.21 (INR Cr.) is 346.21 (INR Cr.) (100.00%) exclusively spent on art and culture under comes it community development project. Similarly, Bharat Petroleum Corporation Limited is standing in the ninth rank in the CSR ranking position. However, the average net profit of the company is 9,948.82 (INR Cr.) whereas CSR prescribed expenditure amount of 198.98 (INR Cr.) and expenditure ensured on CSR Practices is 345.55 (INR Cr.), out of it is probably spent on community development 154.67 (INR Cr.) (44.76%).

Finally, among those, ITC Limited was taken on the tenth position in the CSR ranking. The average net profit of the company is 16,300.00 (INR Cr.) although prescribed CSR expenditure amount of 326.17 (INR Cr.) and spending ensured on CSR Practices is 32,600.00 (INR Cr.) out of it is certainly spent on community development 228.74 (INR Cr.) (70.16%).

However, the following figure obviously indicates program-wise influence on community development.

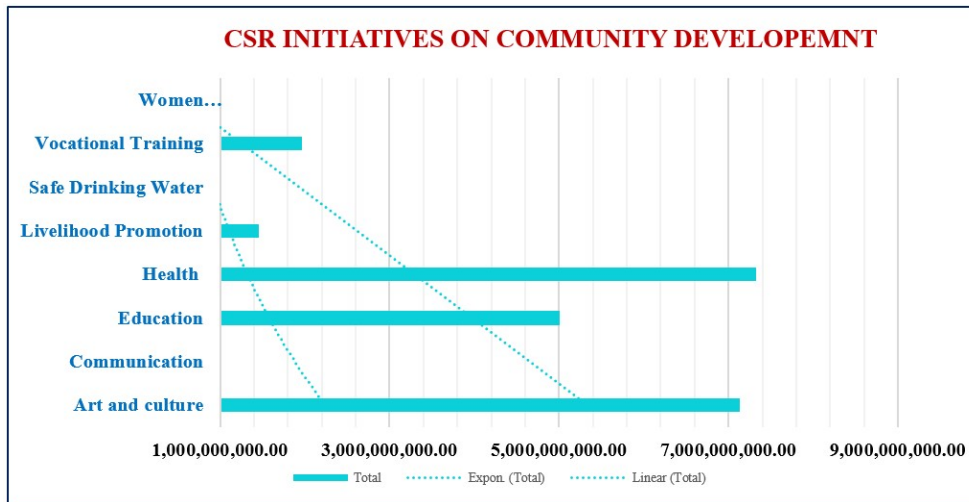


Figure 4. CSR Initiatives on Community Development 2nd

Figure 4 about the overall influence on community development which combined calculations and analyses undertaken by the top ten companies into their CSR Practices from the financial year of 2018-19. Interestingly, Health is considering the highest priority in their CSR Practices which is assumed clearly by the top ten companies revealed in the chart, then apparently preference given area is to Art and Culture then followed by Education, Vocational Training, Livelihood Promotion, Communication, Women Empowerment, and other proceeding areas.

Therefore, it is signifying that education, health and art, and culture have played vital roles in the progress of human beings, thus priority is given by the companies shown in this study evidently.

However, the following figure obviously shows amongst the top of the company the overall performance of CSR Practices and their impact on community development.

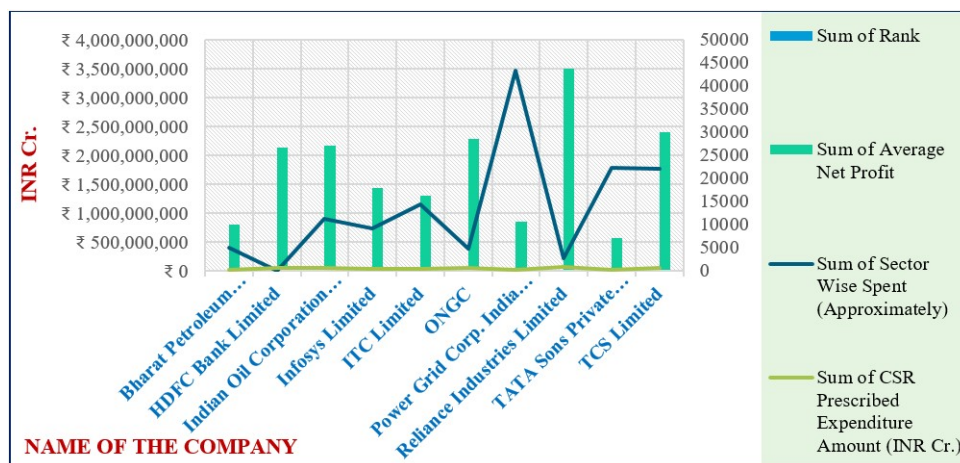


Figure 5. Company Wise Overall Performance on Community Development 2nd

Figure 5 shown from the combination bar chart reveals that the overall performance and its influence on community development in various dimensions like Health, Education, Vocational Training, Communication, Women Empowerment, Livelihood Promotion, and Art and Culture that

CSR Practice are undertaken by the companies in their CSR initiatives from the financial year of 2019-20. In the combination of various parameters such as ranking of the company, Average net profit of the company, CSR Prescribed expenditure amount (2%), the total amount spent on CSR Practices, Community Development initiatives undertaken by a company, and its preference sector wise approximately amount allocated to and its spent-on community development.

Therefore, based on extensive examining and securitizing of the data, which is revealed that the top of the company positioned Power Grid Corporation India Limited because this company was undertaken and allocated the whole prescribed amount towards art and culture only, of course then followed by similar stand by Tata Consultancy Services and Tata Sons Private Limited. Then ITC Limited, Indian Oil Corporation Limited, Infosys Limited, Oil and Natural Gas Corporation, Bharat Petroleum Corporation Limited, Reliance Industries Limited, and HDFC Bank Limited respectively stands their position in overall performance shown towards community development.

Regard to company-wise prescribed expenditure on CSR Practices from the financial year of 2020-2021 and its influence on community development in various initiatives taken by companies towards the betterment of the community is revealed:

Reliance Industries Limited was positioned as on top of the first rank in the overall ranking, however, in average net profit of the company is 44,196.00 (INR Cr.) whereas CSR prescribed expenditure amount of 884.00 (INR Cr.) and expenditure ensured on CSR Practices is 922.00 (INR Cr.), out of it is accurately disbursed on community development 409.00 (INR Cr.) (44.36 %). With Regards to Tata Consultancy Services Limited is standing in the second position in The CSR ranking among top companies. However, the average net profit of the company is 33,153.33 (INR Cr.) whereas CSR prescribed expenditure amount of 663.07 (INR Cr.) and spending ensured on CSR Practices is 674.00 (INR Cr.), out of it is probably spent more than on community development 302.00 (INR Cr.) (44.81%). Tata Sons Private Limited is positioned in the third rank on the overall ranking of CSR outlay. In average net profit of the company is 7,327.23 (INR Cr.) whereas prescribed CSR expenditure amount of 147.44 (INR Cr.) and the expenditure confirmed on CSR Practices is 545.83 (INR Cr.), out of it is certainly spent on community development 498.68 (INR Cr.) (91.36%). HDFC Limited was stand in the fourth position in the CSR ranking among top companies. However, the average net profit of the company is 31,392.95 (INR Cr.) whereas CSR prescribed expenditure amount of 627.86 (INR Cr.) and spending ensured on CSR Practices is 634.91 (INR Cr.), out of it has probably spent on community development 526.82 (INR Cr.) (82.98%). The Oil and Natural Gas Corporation is standing on top of the fifth rank. However, in average net profit of the company is 26,938.61 (INR Cr.) whereas CSR prescribed expenditure amount of 538.77 (INR Cr.) and expenditure ensured on CSR Practices is 538.77 (INR Cr.), out of which accurately spent on community development 60.49 (INR Cr.) (11.23 %). Among those, the Indian Oil Corporation Limited is the stance on the sixth position in CSR rank and expenditure. The average net profit of the company is 17,100.18 (INR Cr.) although prescribed CSR expenditure amount of 342.00 (INR Cr.) and expenditure ensured on CSR Practices is 342.00 (INR Cr.) out of it is indeed spent on community development 121.39 (INR Cr.) (35.49%). Regarding, NTPC Limited is also standing in the seventh position in the CSR ranking. However, the average net profit of the company is 13,928.41 (INR Cr.) while prescribed CSR expenditure amount of 278.57 (INR Cr.) and expenditure confirmed on CSR Practices is 418.87 (INR Cr.) out of it is certainly spent on community development around 346.53 (INR Cr.) (82.73%). Followed by Infosys Limited is positioned in the eighth position in the CSR ranking. The average net profit of the company is 18,619.50 (INR Cr.) while prescribed CSR expenditure amount of 372.39 (INR Cr.) and the outlay confirmed on CSR Practices is 361.82 (INR Cr.) is 68.13 (INR Cr.) (18.83%). Similarly, ITC Limited is standing in the ninth rank in the CSR ranking position. However, the average net profit of the company is 17,641.94 (INR Cr.) whereas CSR prescribed expenditure amount of 352.84 (INR Cr.) and expenditure ensured on CSR Practices is 335.43 (INR Cr.) out of it is probably spent on community development 121.47 (INR Cr.) (38.00%).

Finally, among those, WIPRO Limited was taken on the tenth position in the CSR ranking. The average net profit of the company is 8,281.70 (INR Cr.) although prescribed CSR expenditure amount of 165.60 (INR Cr.) and spending ensured on CSR Practices is 246.99 (INR Cr.) out of it is certainly spent on community development 182.25 (INR Cr.) (73.79%).

However, the following figure obviously indicates programme-wise influence on community development.

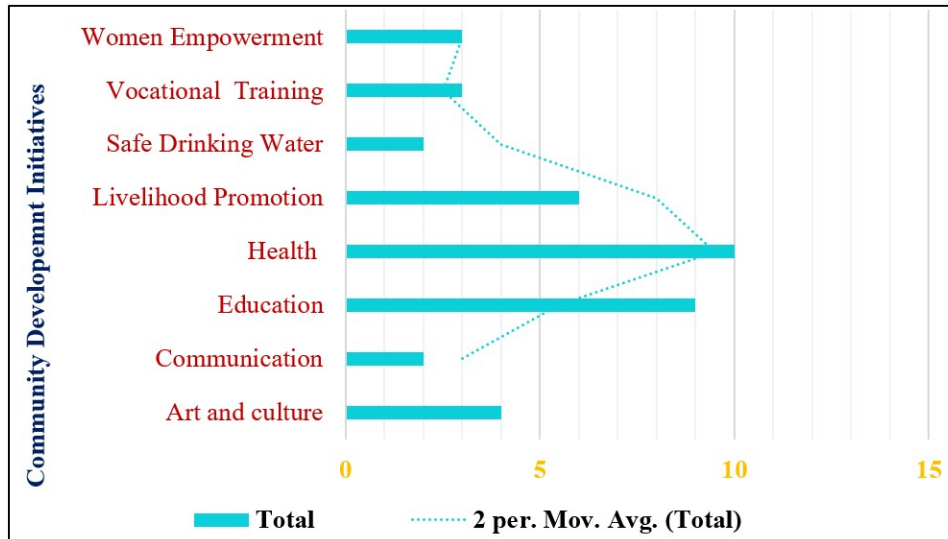


Figure 6. CSR Initiatives on Community Development 3rd

Figure 6 shows about the overall influence on community development which is an integrated calculation analysis undertaken by the top ten companies into their CSR Practices from the financial year of 2018-19. Interestingly, Health is considering the highest priority in their CSR Practices which is assumed clearly by the top ten companies revealed in the chart, then equally preference given area is to Education. These two areas have played a fabulous role and contribution to community development but not only to it are also keen on the overall adequacy of human society. Then followed by Livelihood Promotion, Art, and Culture, then equally scattered and priority is given to Women Empowerment and Vocational Training, of course then equally preference is credited to Communication and Safe Drinking Water.

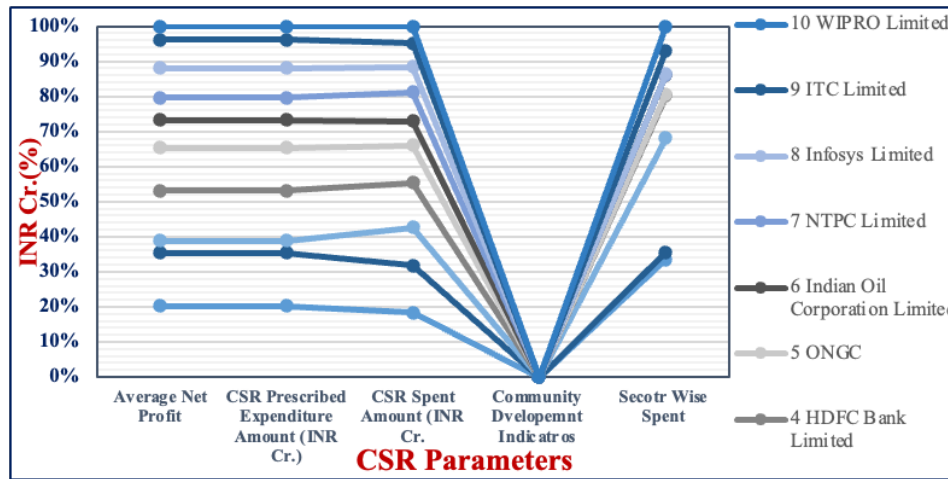


Figure 7. Company Wise Overall Performance on Community Development 3rd

Finally, it is signifying that education and health have played dynamic roles in the progress of human society development and adequacy.

However, the following figure obviously shows the top of the company in the overall performance of CSR Practices and its impact on community development.

Figure 7 presents the overall performance and its impact on community development from CSR initiatives undertaken by the top ten companies in the financial year of 2020-21. In the combination of

various parameters such as ranking of the company, Average net profit of the company, CSR Prescribed expenditure amount (2%), the total amount spent on CSR Practices, Community Development initiatives undertaken by the company, and its preference, Sector-wise approximately amount allocated to and its spent-on community development.

Therefore, based on extensive examining and securitizing of the data, which is revealed that the top of the company positioned WIPRO Limited, then followed by ITC Limited, Infosys Limited, Indian Oil Corporation Limited, Oil and Natural Gas Corporation, HDFC Bank Limited, Tata Consultancy Services, Tata Steel Limited, and Reliance Industries Limited respectively standing their position in overall performance shown towards community development.

The role of hypothesis is very playing on vital character in the assumption of the outcome of the study. The following table shows the formulated assumptions and their results.

*H1: There is a significant relationship between CSR spending patterns and its Impact on Community Development.*

Based upon the following formulated assumption applied Bivariate Correlations between variables and their effect.

Table 4. Descriptive Statistics

CSR PARAMETERS	Mean	Std. Deviation	N
Average Net Profit (INR Cr.)	5,249.616167	10,620.0576718	120
CSR Prescribed Expenditure Amount (INR Cr.)	104.997	212.4212	120
CSR Spent Amount (INR Cr.)	387.96	2973.873	120
Sector Wise Spent (Approximately)	567863055.38	810531250.810	118
Amount Spent on Community Development (INR CR.)	64.95	139.976	120

Table 6 shown regard to the company-wise descriptive output of certain CSR Practices and its parameters. The combined consecutive three financial years average net profit of the company mean value is (5,249.616167) and (10,620.0576718). The CSR Prescribed expenditure as per their consecutive three financial year standard mean value is (104.997 INR Cr.) and the Std.Deviation (212.4212 INR Cr.). The companies were ensured last three consecutive financial year average spent value (387.96 INR Cr.) and Std.Deviation (2973.873 INR Cr.). The table clearly shows that combined sector each aspect usually spent an amount (567863055.38) and Std. Deviation (810531250.810) which is consisting of various community development parameters such as Health, Education, Livelihood Promotion, Art and Culture, Women Empowerment and Vocational Training, and Safe Drinking Water. Finally, the overall average amount spent on community development is (64.95 INR Cr.) and Std.Deviation (13.976).

However, the following table is obviously shows amongst companies Bivariate Correlations between various CSR parameters and its impact on community development.

Table 7 shows the regard to company-wise Bivariate Correlations between variables and their significance at 2-tailed dimensions. The combined consecutive three financial years of the company's CSR Practices and their impact on community development. There is a significant relationship between the company's average net profit, CSR Prescribed Expenditure Amount, Actual CSR amount ensured, Amount spent on Community Development, Sector-wise allocated amount to community development and its impact.

However, the following table obviously shows the testing of independent sample tests between various CSR parameters and its impact on community development.

It is shown from Table 8 with regard to Independent Samples Test, clears reveal the relationship between various variables and their significance value like Leven's Test for equality of variance of F-Value at Average Net Profit (29.040) and its Significance value (.000). Then followed by the CSR Prescribed Expenditure is F-Value (29.403) and its Significance value (.000). Accordingly, the CSR Spent Amount Ensured and Amount spent on Community Development amount ensured that F-Value at (3.056) and its Significance value (.095), F-Value (3.601) and its Significance value (.072) is standing respectively.

Table 7. Bivariate Correlations

Financial Year 2018-19, 2019-20 and 2020-21		CSR Parameters				
		Average Net Profit (INR Cr.)	CSR Prescribed Expenditure Amount (INR Cr.)	CSR Spent Amount (INR Cr.)	Amount Spent on Community Development	Sector Wise Spent (Approx.)
Average Net Profit (INR Cr.)	Pearson Correlation	1	1.000**	.168	.771**	.218*
	Sig. (2-tailed)		.000	.066	.000	.018
	N	120	120	120	120	118
CSR Prescribed Expenditure Amount (INR Cr.)	Pearson Correlation	1.000**	1	.168	.771**	.218*
	Sig. (2-tailed)	.000		.066	.000	.018
	N	120	120	120	120	118
CSR Spent Amount (INR Cr.)	Pearson Correlation	.168	.168	1	.168	.088
	Sig. (2-tailed)	.066	.066		.066	.342
	N	120	120	120	120	118
Amount Spent on Community Develop	Pearson Correlation	.771**	.771**	.168	1	.307**
	Sig. (2-tailed)	.000	.000	.066		.001
	N	120	120	120	120	118
Sector Wise Spent (Approx.)	Pearson Correlation	.218*	.218*	.088	.307**	1
	Sig. (2-tailed)	.018	.018	.342	.001	
	N	118	118	118	118	118
**. Correlation is significant at the 0.01 level (2-tailed).						
*. Correlation is significant at the 0.05 level (2-tailed).						

Table 8. Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	T	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Average Net Profit (INR Cr.)	EVA	29.404	.000	1.682	21	.107	10,047.691 3846	5,972.1225 055	2,372.017 2603	22,467.40 00295
	EVnA			1.493	10.007	.166	10,047.691 3846	6,729.5259 808	4,945.235 1516	25,040.61 79209
CSR Prescribed Expenditure Amount (INR Cr.)	EVA	29.403	.000	1.682	21	.107	200.9538	119.4415	-47.4384	449.3461
	EVnA			1.493	10.007	.166	200.9538	134.5896	-98.9029	500.8106
CSR Spent Amount Ensured (INR Cr.)	EVA	3.056	.095	-.794	21	.436	-2280.615	2873.603	8256.600	3695.369
	EVnA			-.909	12.071	.381	-2280.615	2508.155	7741.837	3180.606
Amount Spent on Community Develop (Approximately)	EVA	3.601	.072	.846	21	.407	48.483	57.296	-70.671	167.636
	EVnA			.785	13.058	.446	48.483	61.734	-84.825	181.790

EVA = Equal variances assumed  
 EVnA = Equal variances not assumed



Therefore, it is finally concluded the predictor variables stand rejected based upon above mentions table values and its significance values, thus the null hypothesis “there is no significant relationship between CSR spending patterns and its Impact on Community Development.” stand accepted and the alternative hypothesis “There is a significant relationship between CSR spending patterns and its Impact on Community Development” is rejected.

## 5. Conclusion

The outcome of this study shows that the top Ten Indian Companies' CSR Practices and their impact on community development are partially helping to uplift social issues of community needs and requirements. The top ten companies are majorly focused on health, education, income-generating initiatives, infrastructure development, vocational training, women empowerment, and art and culture. The result of correlations analysis indicates that a company's CSR practices and their impact on community development significantly influence community development. CSR Practices or initiatives on community development should be suitable to the community needs and well-being of the whole society with participative plans and executions. Moreover, the CSR policy planner and executives should implement the CSR initiatives based on the community's priorities and needs. The plan of CSR Practices is focused on genuine research outcomes that education plays a vital role in and top tier CSR agenda for the societal progress of the community. The results of the study also suggest that companies and communities are interrelated and interdependent on each other. The concept of CSR and its motto rests on the ideology of giving and taking because firms are taking resources in the form of raw materials, human resources, etc., from society. By performing the task of CSR activities, the companies are giving something back to society, because as we know they belong to society and are part of society.

The results of the study extensively suggest that a proper execution system should be developed to monitor a CSR initiative and its implementation. Every firm should look forward to recruiting an eligible and trained executive to implement need and priority-based CSR initiatives toward the community and society's well-being. This can be done by assuming a matching performance of maximizing profits and at the same time development of the local community and the well-being of the society. One has to bear in mind that the concept of CSR should be head off away from the objective of shareholder's wealth maximization (which is a profit-motivated based calculation) into the objective of societal wealth maximization (which is a morally based calculation).

Therefore, firms should look forward to building a progressive society by executing their CSR initiatives appropriate to the community's needs. The potential profits of the firms and business reputations are well recognized when their CSR contribution is properly utilized towards societal development, which can also create and generate firms' business reputations in various forms of opportunities to fulfill their business motives, interest, and social welfare of the society.

This study has several limitations. Firstly, only the elite top 10 companies were selected as a respondent. Second, the responses are only secondary sources gathered that Archival Data (annual reports of the companies) of CSR Practices responses toward the community. Finally, the scope of the study is conducted on the top ten companies and highlighted the CSR's and impacts on Communities only. Thus, this study boon the opportunity to study further the general people of the community and different groups of stakeholders' perception towards community progress and CSR's in India. A more profound and comprehensive questionnaire and interview schedule could be used in future studies to measure CSR contribution toward community development. Future research studies will extensively adopt a Focus Group Discussion (FGD) approach and qualitative survey method that would give more fact-finding results of the study. Therefore, these studies can also conduct a replicative impact on the community of this model to increase the generalizability of CSR Practices. The researchers further can extend the scope of this research study by taking the overall CSR contribution of all companies in India towards all aspects of society.

As a scholar having many queries about CSR Practices and implementations in India. When we see all Indian companies average an amount of 11,274.53 (INR Cr.) spent towards societal development and well-being of a community but many remote villages and communities do not have basic civic facilities even in their business operating areas and locality also. Still, India stands as the developing, largest, and youngest nation all over the world.

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