

INTERNATIONAL JOURNAL FOR LEGAL RESEARCH AND ANALYSIS



Open Access, Refereed Journal Multi-Disciplinary
Peer Reviewed

www.ijlra.com

DISCLAIMER

No part of this publication may be reproduced, stored, transmitted, or distributed in any form or by any means, whether electronic, mechanical, photocopying, recording, or otherwise, without prior written permission of the Managing Editor of the *International Journal for Legal Research & Analysis (IJLRA)*.

The views, opinions, interpretations, and conclusions expressed in the articles published in this journal are solely those of the respective authors. They do not necessarily reflect the views of the Editorial Board, Editors, Reviewers, Advisors, or the Publisher of IJLRA.

Although every reasonable effort has been made to ensure the accuracy, authenticity, and proper citation of the content published in this journal, neither the Editorial Board nor IJLRA shall be held liable or responsible, in any manner whatsoever, for any loss, damage, or consequence arising from the use, reliance upon, or interpretation of the information contained in this publication.

The content published herein is intended solely for academic and informational purposes and shall not be construed as legal advice or professional opinion.

**Copyright © International Journal for Legal Research & Analysis.
All rights reserved.**

ABOUT US

The *International Journal for Legal Research & Analysis (IJLRA)* (ISSN: 2582-6433) is a peer-reviewed, academic, online journal published on a monthly basis. The journal aims to provide a comprehensive and interactive platform for the publication of original and high-quality legal research.

IJLRA publishes Short Articles, Long Articles, Research Papers, Case Comments, Book Reviews, Essays, and interdisciplinary studies in the field of law and allied disciplines. The journal seeks to promote critical analysis and informed discourse on contemporary legal, social, and policy issues.

The primary objective of IJLRA is to enhance academic engagement and scholarly dialogue among law students, researchers, academicians, legal professionals, and members of the Bar and Bench. The journal endeavours to establish itself as a credible and widely cited academic publication through the publication of original, well-researched, and analytically sound contributions.

IJLRA welcomes submissions from all branches of law, provided the work is original, unpublished, and submitted in accordance with the prescribed submission guidelines. All manuscripts are subject to a rigorous peer-review process to ensure academic quality, originality, and relevance.

Through its publications, the *International Journal for Legal Research & Analysis* aspires to contribute meaningfully to legal scholarship and the development of law as an instrument of justice and social progress.

PUBLICATION ETHICS, COPYRIGHT & AUTHOR RESPONSIBILITY STATEMENT

The *International Journal for Legal Research and Analysis (IJLRA)* is committed to upholding the highest standards of publication ethics and academic integrity. All manuscripts submitted to the journal must be original, unpublished, and free from plagiarism, data fabrication, falsification, or any form of unethical research or publication practice. Authors are solely responsible for the accuracy, originality, legality, and ethical compliance of their work and must ensure that all sources are properly cited and that necessary permissions for any third-party copyrighted material have been duly obtained prior to submission. Copyright in all published articles vests with IJLRA, unless otherwise expressly stated, and authors grant the journal the irrevocable right to publish, reproduce, distribute, and archive their work in print and electronic formats. The views and opinions expressed in the articles are those of the authors alone and do not reflect the views of the Editors, Editorial Board, Reviewers, or Publisher. IJLRA shall not be liable for any loss, damage, claim, or legal consequence arising from the use, reliance upon, or interpretation of the content published. By submitting a manuscript, the author(s) agree to fully indemnify and hold harmless the journal, its Editor-in-Chief, Editors, Editorial Board, Reviewers, Advisors, Publisher, and Management against any claims, liabilities, or legal proceedings arising out of plagiarism, copyright infringement, defamation, breach of confidentiality, or violation of third-party rights. The journal reserves the absolute right to reject, withdraw, retract, or remove any manuscript or published article in case of ethical or legal violations, without incurring any liability.

CSR THROUGH CORPORATE GOVERNANCE **UNDER COMPANIES ACT, 2013**

AUTHORED BY - MR. REHAN MUSTAFA

LLM (2nd SEMESTER)

G.D GOENKA UNIVERSITY

Abstract

In contrast to simple philanthropy or quasi-taxation, this paper contends that India's mandatory Corporate Social Responsibility (CSR) regime under Section 135 of the Companies Act 2013 serves primarily as a corporate governance mechanism that embeds board-level accountability to a wider stakeholder constituency. The paper places CSR within the changing framework of Indian corporate governance and ESG disclosure, building on doctrinal analysis of the Companies Act 2013, the Companies (CSR Policy) Rules 2014, Schedule VII, and related SEBI instruments including the LODR Regulations and BRSR/BRSR Core.

The study illustrates how statutory CSR requirements alter directors' fiduciary responsibilities, committee structures, disclosure obligations, and liability exposure, as well as how they interact with previous voluntary initiatives like the 2009 CSR Guidelines and 2011 NVGs, using a doctrinal and comparative methodology augmented by a small amount of qualitative insights. It demonstrates how CSR has evolved from a discretionary charity into a board-mediated duty vulnerable to regulatory and reputational consequence thanks to CSR committees, required expenditure thresholds and the handling of unspent funds, and increased reporting requirements.

Simultaneously, the report highlights ongoing governance shortcomings that compromise the validity and influence of the regime, such as misallocation of CSR funds, box-ticking year-end spending, insufficient third-party certification, and risks of tokenism and greenwashing. The analysis comes to the conclusion that CSR will continue to be a crucial but changing pillar of corporate governance as India's ESG and CSR frameworks converge, and that future reforms must place more of an emphasis on quality, impact, and integrated sustainability governance that is in line with new international standards than on the amount of money spent.

Keywords: CSR, SEBI, BRSR, ESG, NVGs, OECD, LODR, UN; etc.

Introduction

Corporate Social Responsibility (CSR) has been developed from a mere charitable sphere, into an integral aspect of corporate governance and regulation, especially in India, where a special regulatory framework for mandatory CSR on companies was mandated by the Companies Act 2013. ¹The cornerstone thesis of this thesis is that, in the context of Indian legislation, CSR becomes much more than a social policy tool, as a corporate governance mechanism that establishes board level accountability and quasi-legally-based obligations (which, specifically, is codified with the Companies Act 2013, the Companies (Corporate Social Responsibility Policy) Rules 2014 as well as the regulatory reforms related to them).²

Background and context

CSR as a topic has advanced through more than 30 years from a concept which is essentially voluntary or self-interested and is an expression of corporate philanthropy to an organisational belief that businesses should bring social, environmental and ethical values and practices to bear on company mission, strategy making.

Globally, CSR initiatives including the UN Global Compact, the OECD Guidelines for Multinational Enterprises and a proliferation of soft law standards and reporting frameworks have allowed corporations to internalise stakeholder interests outside of shareholder primacy. By the early design that included a “comply or explain” model in addition to reporting requirement, the post-process amendments have gradually increased the severity of unspent CSR contributions and associated penalties, resulting in CSR becoming more firmly established as a legal form than the previous voluntary ones. ³

Similarly, the evolution of SEBI from BRR to Business Responsibility and Sustainability Reporting (BRSR) for the top 1,000 listed entities has also solidified the connection between CSR, ESG performance and corporate governance which necessitates detailed and standardised disclosures on environmental, social and governance indicators. ⁴

¹ Mayashree Acharya, Corporate Social Responsibility Under Section 135 of Companies Act 2013, CLEAR TAX (May 31, 2018)

² Companies Act, No. 18 of 2013, 135, sched. VII (India); Companies (Corporate Social Responsibility Policy) Rules, 2014, r. 3 (India).

³ Strengthening the CSR Framework, SHANKAR IAS (Oct. 7, 2022)

⁴ BRSR Reporting and the Evolving ESG Landscape in India, EY (June 24, 2025)

Research problem and gap

Despite the increasing body of literature on CSR in India since the enactment of the Companies Act 2013, there are still notable gaps. The earlier literature often referred to the introduction of mandatory CSR as policy innovation, primarily in terms of novelty and its development impact or potential to generate more resources for social welfare and sometimes treated CSR primarily as a “taxation by another name” or redistributive policy tool. While this study is useful, it under theorises the corporate law and governance considerations that arise from situating CSR obligations within company law and putting these under the control of the board.

Although it remains that the potential personal and collective liability of directors for CSR-related non-compliance, as well as the extent in which CSR magnifies or alters their fiduciary obligations, remains under examined. Third, there is a scarcity of integrated analysis drawing on doctrinal research to examine how boards in leading companies in India actually put CSR obligations into the formal context of governance.

Research Objectives

Regarding this, the following core research objectives guiding the dissertation are as follows:

1. To position CSR in India as an essential dimension of corporate governance and to explain its relation to board obligation and stakeholder protection pursuant to the Companies Act 2013.
2. A rigorous doctrinal analysis of the CSR framework with a special reference to Sec. 135, CSR Rules 2014 and Schedule VII.

Research Questions

The aim is to achieve these goals and generate the following research questions:

1. How should CSR be understood in the Indian corporate law context — philanthropy, taxation or governance mechanism?
2. How do Sections 135, CSR Rule 2014 and Schedule VII embed CSR into corporate governance structures

Research methodology

The research uses a doctrinal approach with other comparative and limited

empirical/qualitative data. The doctrinal component involves close scrutiny and interpretation, followed by systematic analysis of statutory and regulatory texts such as section 135 of Companies Act 2013, Companies (Corporate Social Responsibility Policy) Rules 2014 and subsequent developments, Schedule VII, LODR regulations and BRSR framework of SEBI.

References (for literature, as well secondary sources) are presented from the standpoint of mapping extant controversies and setting this argument within broader frames of reference (stakeholder theory, legitimacy theory, and corporate governance theory).

Scope and limitations.

The temporal bounds of the research paper are based upon the period following the enactment and commencement of the Companies Act 2013, with specific reference towards the times of Section 135 and the CSR Rules from 2014 on.

Changes to provisions and regulation of CSR related to unspent amount and costs, penalties, and treatment of projects at law have been incorporated, with the latest available information given at the time of writing. Earlier voluntary initiatives (CSR Voluntary Guidelines 2009, NVGs 2011, SEBI's BRR) are regarded largely as historical and conceptual precedents in Chapters 1 and 2, rather than as a main thrust of legal analysis.

Significantly, the research focuses on CSR as defined through the Companies Act 2013⁵ and CSR Rules 2014 and the overlapped requirements at SEBI, such as BRSR for the top 1,000 listed companies based on market capitalisation.

Other more potentially relevant regulatory contexts- environmental laws, labour laws and sector-specific social licence-conditions-are examined, as far as they are needed to place CSR in context in the wider ESG context.

Literature Review

The existed work on Corporate Social Responsibility (CSR) & Corporate Governance is critical to analyse India's mandatory CSR regime under Companies Act 2013 to establish a backdrop for analysis. This literature review delves into foundational debates of global CSR theory and practice, evolution of CSR in India, doctrinal and policy discourse related to mandatory CSR,

⁵ Sec. 135 of companies act 2013.

empirical work on the effects of Indian corporate law, and new work on ESG, disclosure and board at scale level to date. It then presents gaps that the current dissertation aims to fill.

International CSR literature and frameworks.

Early CSR research in the Anglo-American milieu concentrated on theorizing on the commercial obligations of business beyond profit maximisation. The Archie B. Carroll influential model of “pyramid”⁶, for example, also separated economic, legal, ethical and philanthropic responsibilities and argued that firms must fulfil all four layers to be socially responsible. Subsequent studies assimilated these concepts within the context of the concept of the ‘triple bottom line’ regarding economic, social and environmental performance, and sustainability discourse.

Stakeholder theory, especially Freeman, forms a major normative basis for CSR because it claims that companies have responsibilities to all its stakeholder groups--employees, customers, suppliers, communities and the environment--whose interests directors should take into account in making corporate decisions.

The legitimacy theory also plays a sociological role (and social contract approaches) by integrating legitimacy theory and social contract perspective by considering CSR as something which companies are doing to adhere to social norms and ethical expectations.

The international literature also offers a thorough analysis of voluntary standards and soft law instruments such as the UN Global Compact, OECD Guidelines for Multinational Enterprises, Global Reporting Initiative (GRI) standards, ISO environmental and social standards, and sector specific codes.

CSR in India: from voluntarism to mandatory CSR.

CSR scholarship in India that predates 2013 has focused on the historical traditions of philanthropy, community development which was conducted through the businesses and the nascent state driven guidelines—such as CSR Voluntary Guidelines 2009 and the 2011 National Voluntary Guidelines (NVGs) given by Ministry of Corporate Affairs (MCA).⁷

These works drew attention to the transition from ad hoc charity to more strategic CSR that is embedded in corporate governance and stakeholder consultation, but they also assumed

⁶ Archie B. Carroll, *The Pyramid of Corporate Social Responsibility: Toward the Moral Management of*

Organizational Stakeholders, 34 BUS. HORIZONS 39 (1991).

⁷ National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business, Ministry of Corporate Affairs (MCA) (July 2011)



voluntarism as default mode. Many authors lauded the NVGs for expressing overarching principles of responsible business while recognizing enforcement deficiencies and limited implementation beyond leading companies.

The introduction of CSR into company law via Section 135 of the Companies Act 2013 generated heavy doctrinal and policy commentary. A number of commentators hailed mandatory CSR as a grand innovation that is appropriate in India's socio-economic landscape, as a developing economy with high poverty, inequality, and weak infrastructure can justify such a state-mandating that profitable firms contribute to furthering socio-economic development. Some have welcomed the regime as a means to integrate CSR into board level governance beyond charity and into a higher-grade institution of responsibility.

Yet, a strand of scholarship has been critical. **Ramanna and Shehata**⁸ famously called mandatory CSR in India a "bad proposal", arguing that it undermines the separation between taxation and corporate expenditure, threatens democratic accountability in public finance decisions and may ultimately misallocate resources by propelling companies into activities outside of their comparative advantage.

Recent legal doctrine review on **Section 135** has extended these debates, reviewing the thresholds, the 2 per cent spending rule, scopes of Schedule VII and CSR Committees and boards, as well as the transition from a "comply or explain" to a (compulsory) transfers of unspent CSR amount and civil penalty model.

Discussion

Concept and Development of Corporate Social Responsibility

Corporate Social Responsibility (CSR) has undergone a conceptualisation as a relatively vague concept of corporate benevolence that has developed into a formal, and often legally-mediated idea: that corporations will incorporate social and environmental concern into their central operating and governance practices, which has evolved with time.

In India, this transformation reached its apogee in the Companies Act 2013, where CSR expenditure was required for eligible companies — essentially institutionalising CSR and

⁸ Ramanna & C. Shehata, Mandatory CSR in India: A Bad Proposal, (May 19, 2013).

putting CSR to the side of voluntary ethics — a voluntary ethical decision made in the 1990s and into an obligatory business and board responsibility in the company governance model.

Historical evolution of CSR

Global emergence of CSR.

And in part, the global evolution of CSR is portrayed as a reaction to the social and environmental effects of corporate growth and globalisation in the late twentieth century. From the 1970s onwards, multilateral organizations, including the OECD and the UN institutions, started to articulate guidance about the behaviour expected under global capitalism, leading to the development of guidelines and codes that deal with labour standards, human rights, and protection of the environment.⁹

Academic debate at the same time did expand a definition of corporate responsibilities beyond the focus on the shareholders, incorporating stakeholder theory and triple bottom line (economic, social, environmental) performance.¹⁰

CSR in India before the Companies Act 2013

India's CSR trajectory reflects a unique set of historical and cultural roots. Long before CSR ever became a recognized policy category, Indian business families and industrial households participated in philanthropy, community welfare, and institution building in education and health sectors for religious, ethical, or paternalistic reasons.

The above philanthropic tradition, though important, was not deeply embedded in corporate (and legal) mechanisms of governance. The Indian state started to set a specific CSR agenda in the late 1990s and 2000s. In addition to this, the Ministry of Corporate Affairs (MCA) also issued the Corporate Social Responsibility Voluntary Guidelines 2009 on corporate social responsibility to guide companies in adopting CSR as both a strategic and governance linked activity with board-level oversight, stakeholder engagement and disclosure.¹¹

These rules laid emphasis on distinguishing CSR from charity activities, advising companies to consider environmental and social factors in their business conduct and decision-making. . Based on the 2009 guidance, the National Voluntary Guidelines on Social, Environmental and

⁹ "Global Corporate Social Responsibility: The Significance of CSR for Sustainable Development,"

¹⁰ "Three Theories of Corporate Social Responsibility," SAYLOR ACAD.,

¹¹ Evolution of CSR with Special Emphasis on India, 27 ACAD. ACCOUNTS J. 1 (2021).

Economic Responsibilities of Business (NVGs), which were issued in 2011, detailed nine principles of responsible business practices.¹²

The transition from voluntarism to mandate has very real implications for corporate governance in India.

It firstly establishes board level structures (most prominently, CSR Committee) and specifies statutory duties for directors when devising CSR policy, recommending projects and budgets, monitoring implementation and ensuring disclosure.

This adoption of CSR as an institutional part of board mechanisms reflects the cornerstone : that CSR in India acts as a corporate governance mechanism that generates board level accountability. Second, compulsory CSR intersects with extant governance measures, namely accountability, transparency, and stakeholder involvement. Directors must explain any inability to spend the mandated amount and disclose the particulars of CSR projects and under newer regulations handle unspent amounts through a specified fund or in ongoing project accounts.¹³ Such requirements put boards into the spotlight of regulators, investors, civil society and the media that exposes them to a potential loss of reputational capital and a risk of regulatory action.

Finally, the need for a substantive quality of the board deliberation on CSR may be another issue due to this mandatory framework. Although the law mandates the setting up of structures and processes, it does not directly dictate the manner that boards should prioritise between competing social needs, evaluate project partners, or determine impact. Therefore, the role of CSR in governance is directly impacted by the seriousness with which boards fulfill their CSR obligations, by how CSR is integrated into risk and strategy discourse and by the strength of internal control and verification processes. Governance issues of this nature will be discussed in detail in subsequent chapters, notably in the doctrinal discussion of Section 135 (Chapter 5), the study on board responsibilities and possible liabilities (Chapter 6).

¹² National Voluntary Guidelines, 2011, MCA

¹³ “Mandatory CSR in India: Governance Reform and the Role of Regulation,” CLASSMAX BLOG (June 10, 2025)

Mini case evaluations

Tata Consultancy Services (TCS)¹⁴

TCS is a CSR leader in the IT industry: It surpasses its statutory requirements in CSR spend and has digital inclusion, education, skilling, women's empowerment, and green economy-focused programs in its portfolio. Its CSR is structured around strategic themes ('21st century education', 'employment through skilling', 'green economy') and its implementation includes technology supported programmes that build on TCS's key skills. CSR governance is reflected in the board level CSR Committee and CSR reporting is embedded in the company's annual & sustainability reporting. From a governance viewpoint, TCS demonstrates strategic CSR, linking social projects to business strengths (digital capabilities, technology solutions) and national priorities including digital literacy and employment opportunities. Its marginally higher spend on CSR and thematic emphasis than is required by the legislation suggests they have taken steps to show a certain level of commitment beyond compliance. By contrast, publicly available data is based more on reach and programme descriptions than on quantifiable outcomes (much as is typical at scale with public information), raising issues of impact evaluation and independent confirmation of long term impact, in line with the sector wide trends.

Corporate Governance & CSR

Corporate Social Responsibility (CSR) in India takes place under, and is increasingly determined by, the broader framework of corporate governance that defines how companies are directed, controlled, and held accountable. Section 135 of the Companies Act 2013, the CSR Rules 2014, and evolving SEBI regulations integrate CSR into the structure of boards, disclosure processes, and monitoring, and thus transform CSR from an act of discretionary philanthropy to a governance mediated obligation which affects the duties of directors.¹⁵ The chapter examines the principles and mechanisms of corporate governance relevant to CSR, analyses the board's accountability and fiduciary duties concerning CSR, and also will analyse the responsibilities of independent directors and board committees, evaluates CSR related disclosure and transparency norms, and identifies governance failures and their CSR implications.

¹⁴ TCS CSR Policy, TATA CONSULTANCY SERVS.

¹⁵ Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, reg. 4(2) (principles governing disclosures and obligations), reg. 17 (board composition), reg. 21 (risk management committee), reg. 34(2)(f) (BRSR) (India)

Corporate governance frameworks Core principles of governance

Corporate governance is widely recognized as the system of management practices, operations and rules by which a company is ordered, directed and controlled with the board of directors at the center of that management.

Governance frameworks in India and internationally focus on four main key principles: accountability (board and management to shareholders and stakeholders), transparency (sufficiently, timely and reliable disclosure), fairness (equitable treatment of shareholders and stakeholders), and obligation (honesty and adherence to the law).¹⁶ These principles have been mirrored in Indian regulators' evolving regulations from early corporate governance codes to LODR.

The LODR Regulatory Environment (Legislation by SEBI) of 2024 in broader terms provides a new framework for compliance, which is consolidated and rationalised listing related governance liabilities: in particular, the listing of a company's governance reporting rules covering board composition, independence, audit committees, risk management committees, material events disclosures, and governance.

Under the LODR framework, the requirements of compliance reporting on the corporate governance structure include that companies have to report on compliance periodically, require corporate governance reporting by the independent governance board, establish duties of independent directors, and disclose enforcement, debt defaults, the resignation of top management, financial defaults, and other events affecting corporate management and risk are among the compliance reporting obligations of companies under the requirements of the LODR.¹⁷

Issues, Challenges & Governance failures in CSR Substantial misuse of CSR funds and poor monitoring.

Although the CSR regulations are formally strong, a multitude of studies, media studies, and academic commentaries highlight that CSR funds are allocated wrongly, while governance oversight remains weakly applied. Indeed, CSR funds have been disbursed to organisations

¹⁶ Corporate Governance in India: SEBI Guidelines & Best Practices, CORRIDOR LEGAL (June 30, 2025)

¹⁷ Overview of SEBI LODR Regulations 2015, SCRIBD (Apr. 8, 2026)

which have strong relations with promoters, or political figures, for endeavours with little support from community members, or for brief-term ventures that lack long-term impact.¹⁸ Misallocation even when not classified as legal misconduct can damage the legitimacy and efficacy of CSR, diminish value in beneficiary communities, and open companies to reputational risk.

Box-ticking and year-end spending

One of the most common criticisms against India's mandatory CSR regime is box ticking compliance that focuses on spending the obligatory two per cent and carrying out statutory reporting, not the quality, sustainability or impact of CSR initiatives. According to empirical and practitioner accounts, CSR budgets are typically prioritised towards the end of the financial year, sometimes with little time left to fulfill these spending requirements before balance sheet finalisation.

From a corporate governance perspective, this is attributed to the board and CSR Committee's failure to provide ongoing oversight and to embed CSR planning in annual strategy cycles.

Ethical considerations, Ethical concerns and reputational risk

Tokenistic CSR presents unethical issues of misrepresentation and stakeholder confidence. The failure of corporations to showcase substantial, meaningful action is a great threat to CSR's credibility as an idea and CSR practice if they use short and big social commitment examples and overlook the impact of smaller scale initiatives. Ethical analyses highlight that proper CSR integrates social responsibility into the main business process, long-term stakeholder interaction with affected communities and clear reporting on success and failures. From the point of view of governance, tokenism would thus now only be viewed as an integrity issue and not a problem of efficiency. Boards who accept such token CSR may be derelict of their responsibility of honesty and good faith, particularly if CSR stories are deployed as a 'blur' to mask or distract from continued environmental or social harm. The following chapters will argue that the battle against tokenism does not go just by a regulatory reform but requires a realignment of board culture towards a long term and stakeholder-oriented governance.

Insufficient third-party assurance and social audit

One closely associated governance gap is the reduced reliance on independent third-party assurance when it comes to CSR and ESG disclosures. Although financial statements are

¹⁸ “An Analysis of Challenges of CSR Activities in India,” 11 J. RES. HUMAN. & SOC. SCI. 45 (2023)



subject to statutory audits, CSR reports and BRSR disclosures primarily rely on management self-certification with only partial or selective external scrutiny. Recent SEBI programs like BRSR Core have only weak assurance requirement for investors to verify the ESG, and thus represent an early step in the direction of a more reliable ESG verification, however assurance standards and assurance providers in general are under development and are not universally aligned with some global benchmarks, including ISSB or ESRS.

Conclusion

Therefore, this research paper has been fundamentally positioned as a contribution to this literature, stating **that CSR in India works here as a corporate governance tool that establishes legally-based accountability at board level, rather than a simple philanthropy**. Section 135 and the CSR Rules are seen to embed CSR across board structures, directors' duties and transparency mechanisms, and that constitutional and judicial developments have further anchored CSR in environmental protection norms and social justice.

Simultaneously, the research paper has also acknowledged **limitations of India's hybrid CSR model**. Its design based on costs incentivises quantum compliance, not necessarily quality; its enforcement architecture is most effective where tasks are mechanical and weakest when focused around impact; and its alignment with its overall ESG and due diligence obligations is still incomplete. As a global pioneering country on mandatory CSR, India must seek to evolve to embrace a more coherent sustainability governance framework, building on lessons from the EU and beyond, while not compromising originality and constitutional values by integrating the two.

From the way forward, CSR and ESG legislation in India seems likely to converge and consolidate. The BRSR and BRSR Core published by SEBI, talk on assurance standards, and growing **adoption of ESG data by investors signal a transformation of narrative CSR into data-based, assured sustainability disclosure**. Looking forward, potential future growth in CSR thresholds or coverage, discussions about the improvement of Schedule VII and judicial support of environmental and social responsibilities, means CSR will likely remain a core (and evolving) element in the Indian corporate governance system.

REFERENCE

1. Legislation, Rules and Official Instruments (India)

- Companies Act 2013 (Act 18 of 2013), especially ss 135, section 166 and Sch VII.
- Companies (Corporate Social Responsibility Policy) Rules 2014, as amended (including 2021 and later amendments).
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (SEBI LODR), as amended.
- SEBI Circular CIR/CFD/CMD/10/2015 (Business Responsibility Reports), 4 November 2015.
- SEBI Circular SEBI/HO/CFD/CMD-2/P/CIR/2021/562 (Business Responsibility and Sustainability Reporting), 10 May 2021.
- SEBI Master Circular on LODR (including BRSR and BRSR Core annexures and 2025–26 updates).
- National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (MCA, 2011).
- Corporate Social Responsibility Voluntary Guidelines (MCA, 2009).
- National Guidelines on Responsible Business Conduct (MCA, 2019).
- MCA General Circulars and FAQs on CSR, including General Circular No 14/2021 and related FAQ compilations on CSR amendments and unspent amounts.coal.gov+1
- MCA notification mandating CSR-2 filing (Companies (Accounts) Second Amendment Rules 2024).

International Soft Law

- UN Global Compact, ‘Ten Principles’.

- OECD Guidelines for Multinational Enterprises.
- UN Guiding Principles on Business and Human Rights.

4. Books, Chapters and Academic Articles

- Dharmapala D and Khanna V, 'The Impact of Mandated Corporate Social Responsibility: Evidence from India's Companies Act of 2013' (2018) *Journal of Corporate Finance* (working paper and published article).
- Bhambra RK, 'CSR in India in the Mandatory Ambit – An Analysis' (working paper).
- 'The Dynamics of CSR, Mandatory CSR Laws, and Corporate–Society Relations in India' in *Corporate Social Responsibility in Developing and Emerging Markets* (CUP 2019).
- 'Mandatory CSR in India' (BRICS Law Journal, article discussing India's CSR mandate).
- 'Corporate Social Responsibility in India: Challenges and Opportunities' (recent law review note).
- 'Corporate Social Responsibility and Environmental Sustainability in India' (recent social-science article).
- 'Corporate Social Responsibility and the Mining Industry: Areas of Use and Opportunities to Improve Impact' (comparative mining/CSR study).
- 'Corporate Social Responsibility in India: A Study of Section 135 of the Companies Act 2013' *World View Research Bulletin*.
- 'CSR Obligations under the Companies Act, 2013: A Critical Analysis' *International Journal of Legal Research and Review*.

5. Indian Commentary and Secondary Sources General Overviews and Doctrinal Analyses

- Mayashree Acharya, ‘Corporate Social Responsibility under Section 135 of the Companies Act 2013’ (ClearTax, 2018, updated).
- B&B Legal, ‘Section 135 of the Companies Act: Corporate Social Responsibility’ (2019).
- iPleaders Blog, ‘Section 135 of Companies Act 2013’ (2024).
- ‘Corporate Social Responsibility under Section 135 of the Companies Act 2013’ (DPNC India briefing PDF).
- ‘Corporate Social Responsibility in India – FAQ’ (MCA/Coal Ministry circular and FAQs).

Mandatory CSR Critiques and Debate

- C Ramanna and C Shehata, ‘Mandatory CSR in India: A Bad Proposal’ *Stanford Social Innovation Review* (2013).
- Shriti Rai, ‘Mandatory CSR in India: Governance Reform and the Role of Regulation’ (blog/article, 2025).

ESG, BRSR and Governance

- ‘ESG Compliance in India 2025: SEBI BRSR & CSR Rules’ (Neeti Niyaman, 2025)
- ‘ESG Compliance in India: SEBI BRSR Rules’ (Maheshwari & Co, 2025).
- ‘BRSR Reporting and the Evolving ESG Landscape in India’ (EY Insight, 2025).
- ‘Rise & Evolution of ESG Compliance in Indian Corporate Governance’ (SCC Online Blog, 2025).
- ‘India’s ESG Rules Are Redefining Corporate Accountability’ (*Down To Earth*, 2026).
- ‘SEBI Business Responsibility & Sustainability Report (BRSR)’ (Greenplaces explainer).
- SEBI LODR Master Circular update commentaries on BRSR and BRSR Core (various professional blogs and LinkedIn notes).

CSR Practice, Challenges and Greenwashing

- ‘Greenwashing and Poor CSR Practices in India’ (academic article/PDF).
- Meghna Mishra & Yadu Tiwari, ‘Greenwashing – A By-Product of India’s Fragile CSR Policies’ (CNLU article).
- ‘An Analysis of Challenges of CSR Activities in India’ *Journal of Research in Humanities and Social Science* (2023).
- ‘CSR in India: Key Challenges and Opportunities’ (Marpu Foundation blog, 2025).
- ‘Corporate Social Responsibility in Indian Context’ (open-access unit note). (Egyankosh)

6. Policy Papers and International Reports

- KPMG India, ‘Sustainable Development Goals (SDGs): Leveraging CSR to Achieve SDGs’ (report).
- Various consulting and think-tank reports on BRSR implementation and best practice.

7. Company-Level CSR, ESG and BRSR Reports

- Tata Consultancy Services Limited, ‘TCS CSR Policy’ and latest ‘Integrated Annual Report’ and sustainability/CSR annexures (including FY 2023–24 / 2024–25).