



India Data Insights

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The State of CSR in India

Part 1 : CSR Compliance

Corporate Social Responsibility

In 2014, India became the first country in the world to mandate CSR spend through legislative action. The legal mandate on CSR applies to companies that have :

- a. Net worth of INR 500 Crore or more, OR
- b. Annual turnover of INR 1000 Crore or more, OR
- c. Net profit of INR 5 Crore or more.

Companies thus coming under the CSR mandate, have to spend at least 2% of their average net profits of the preceding three years on social impact programmes in every financial year.

The law also expects the companies to :

- a. Have a CSR Policy in place
- b. Spend the prescribed 2% amount
- c. Be transparent in reporting details of CSR – the activities they undertook and where, and their mode of implementation.

In the first 3 years of implementation of this law, over 29000 companies have come under the CSR ambit.

CSR budget range being a good indicator of the company size, we are reporting compliance for each budget range (as categorised by MCA) separately. The graphs on the following pages present CSR compliance data year-on-year.

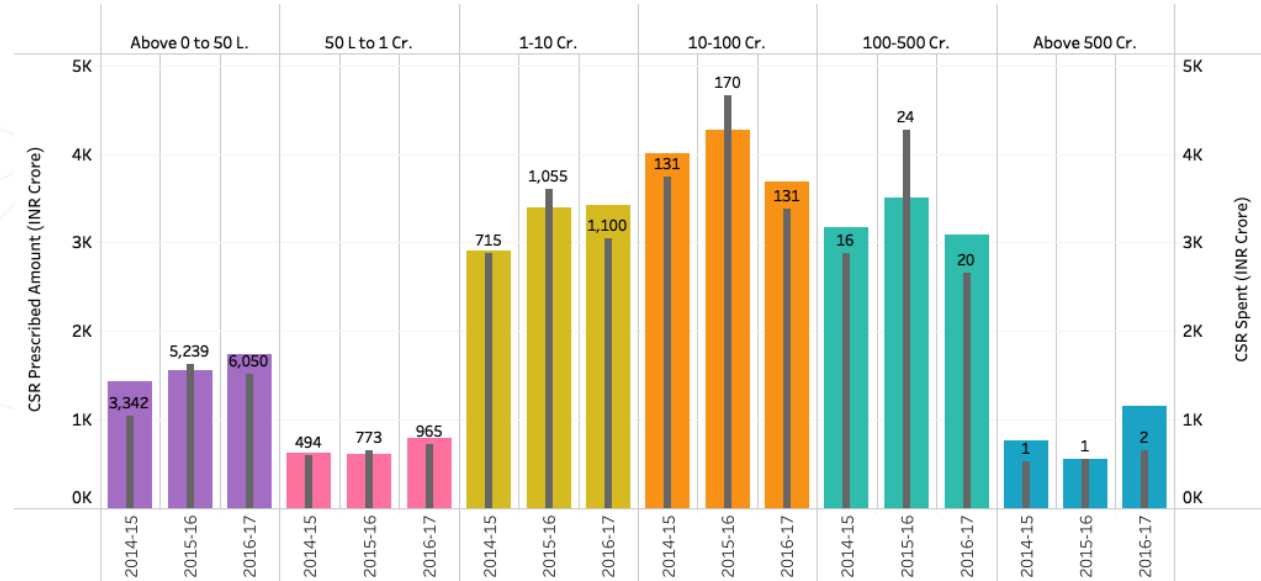
Sum total of CSR over 3 years : 2014-17

29,190 companies

**Prescribed CSR
INR 46,195 Crore**

**CSR Spend
INR 41,396 Crore+**

Number of Companies, Prescribed and Spent Amounts Per CSR Budget Range



Note: In each CSR Budget Range block
 - Number of companies is denoted by the number above the bar
 - Prescribed CSR Amount is denoted by the colored bar
 - CSR Amount Spent is denoted by the thin grey line

CSR compliance

In this report, we have analysed the entire set of companies (total of 29190) on their CSR compliance using the data made available by the Ministry of Corporate Affairs as of January 2019. Please note that the data for FY 2016-17 is not fully updated on MCA portal (as of Jan '19), and hence the compliance scores for 2016-17 may go up once the data is complete. The updated version of this report will be available on www.sattva.co.in and www.IndiaDataInsights.com in June 2019.

Following five parameters have been used to assess compliance :

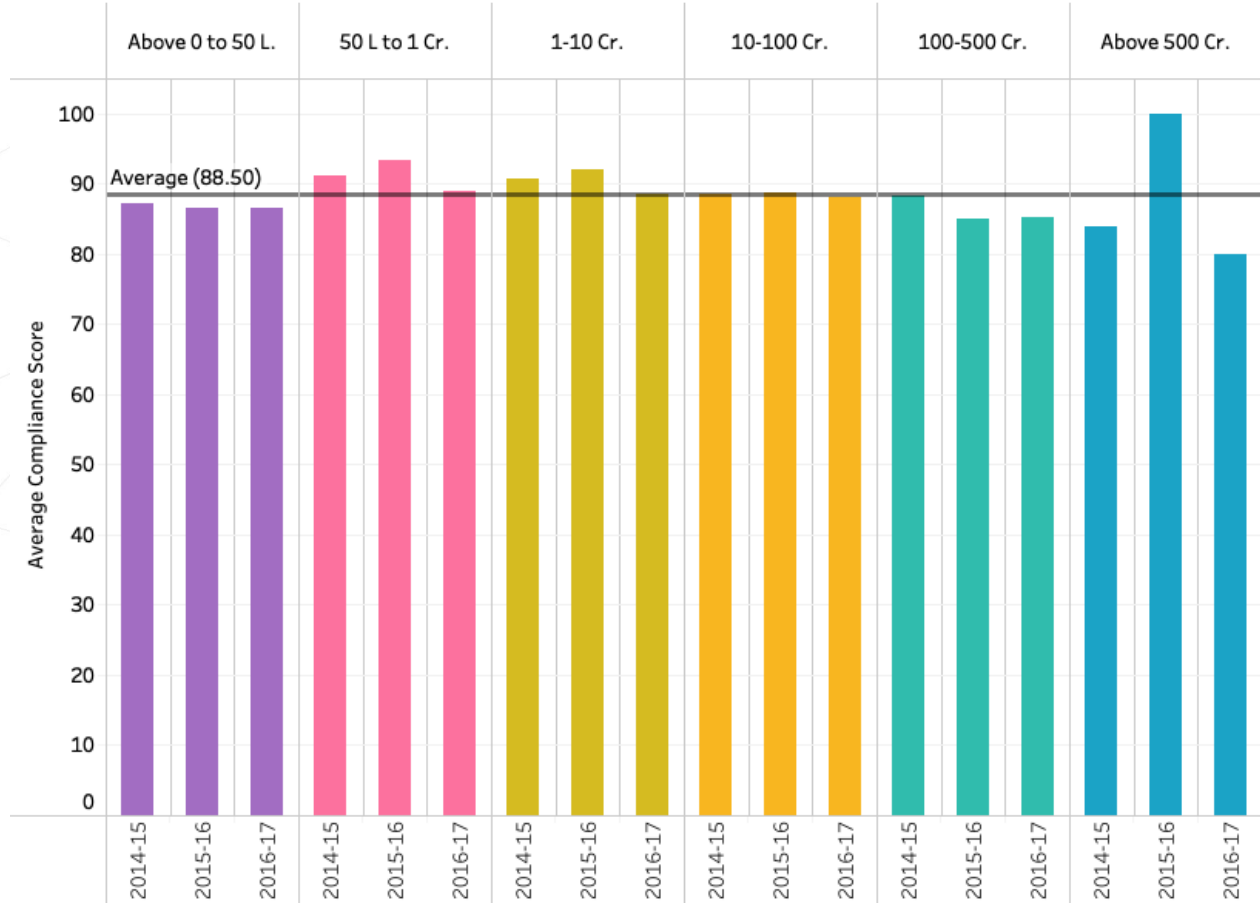
1. Does the company have a CSR policy?
2. Did the company spend the prescribed CSR amount?
3. Did the company report the causes it supported through CSR?
4. Did the company report where its CSR activities were conducted?
5. Did the company report the mode of implementation of its CSR projects?

Here is how corporate India fares on CSR compliance :

The average compliance over three years on all parameters by all companies

89%

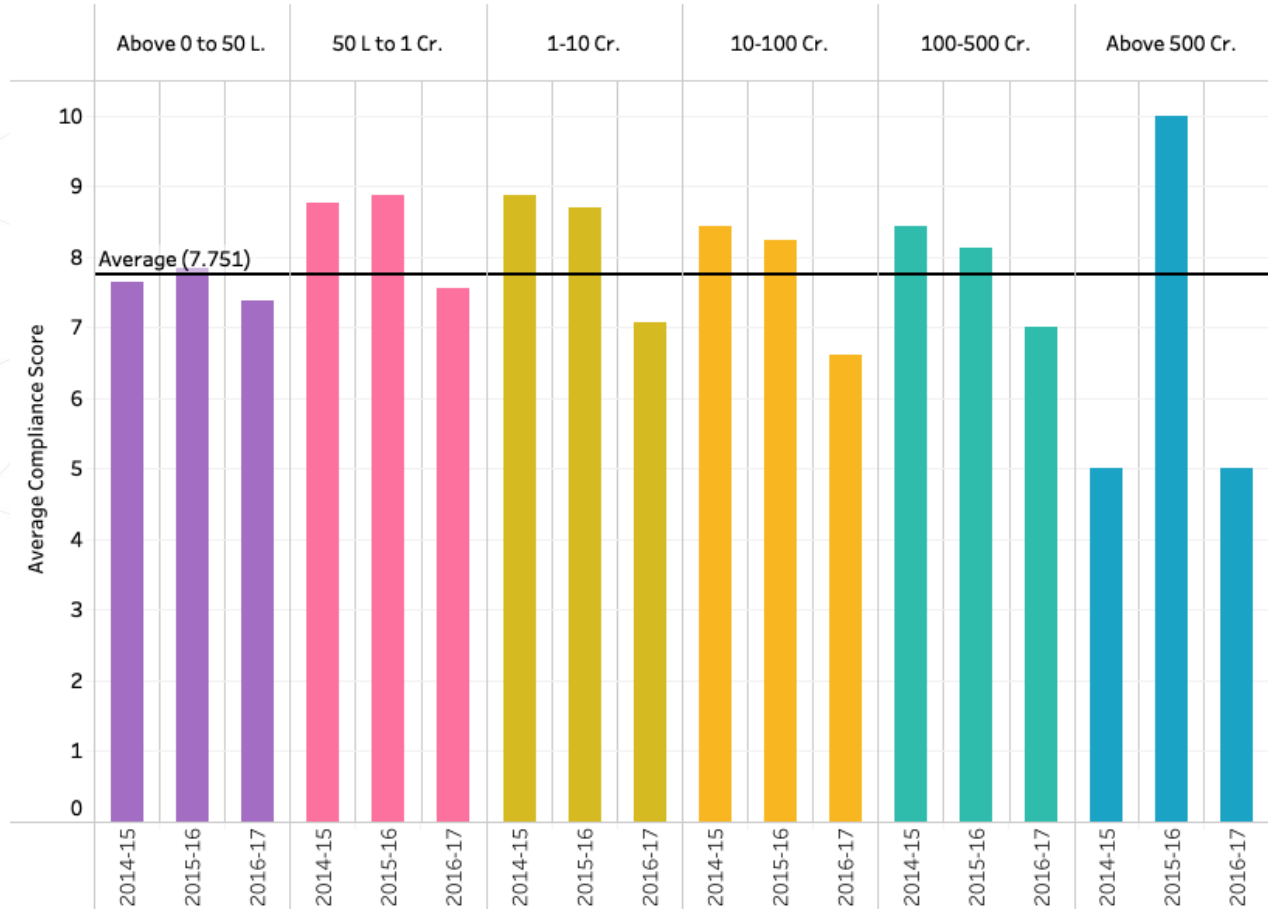
Average **Overall** CSR Compliance Score Per CSR Budget Range



The average compliance over three years on CSR Policy being available

78%

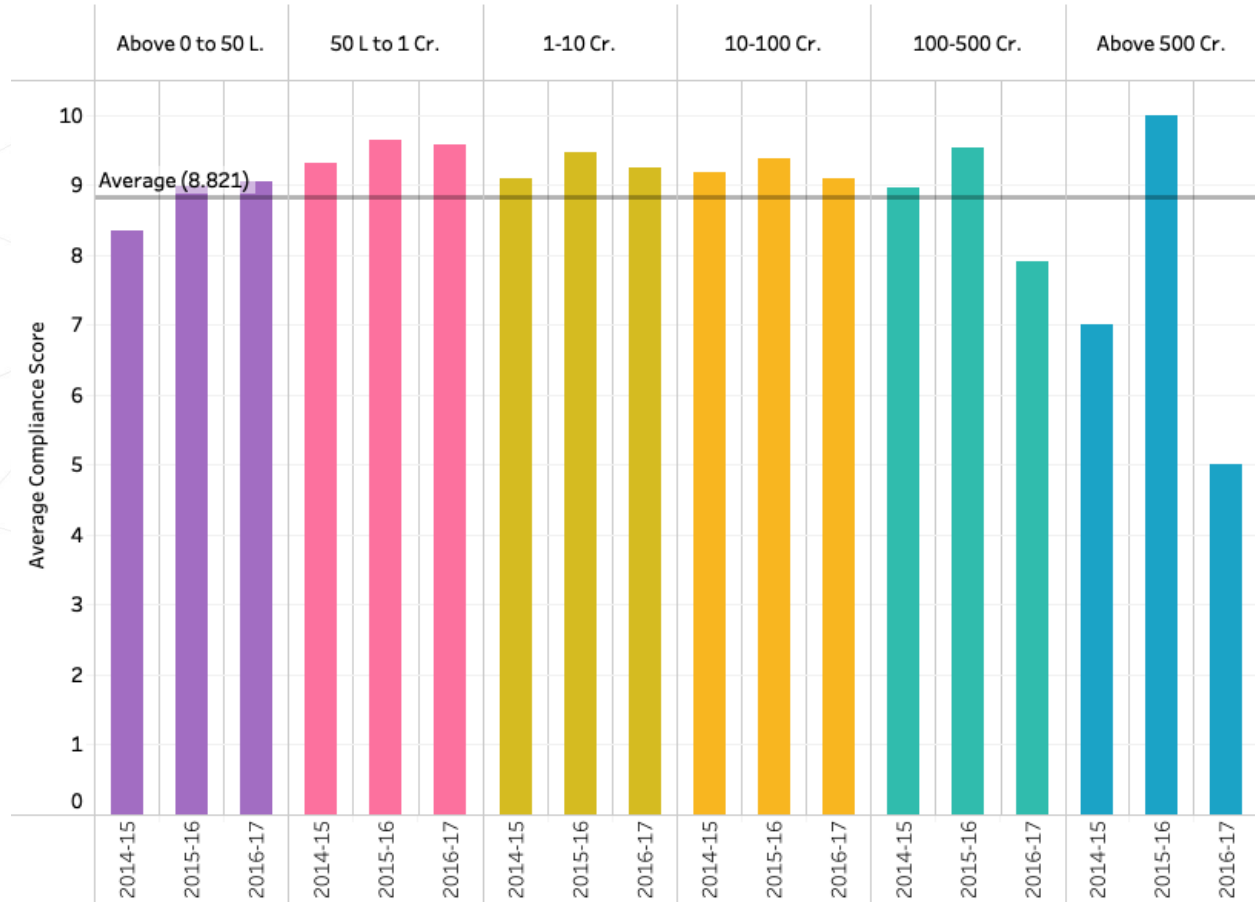
Average CSR Policy Compliance Score Per CSR Budget Range



The average compliance over three years on spending the minimum prescribed amount

88%

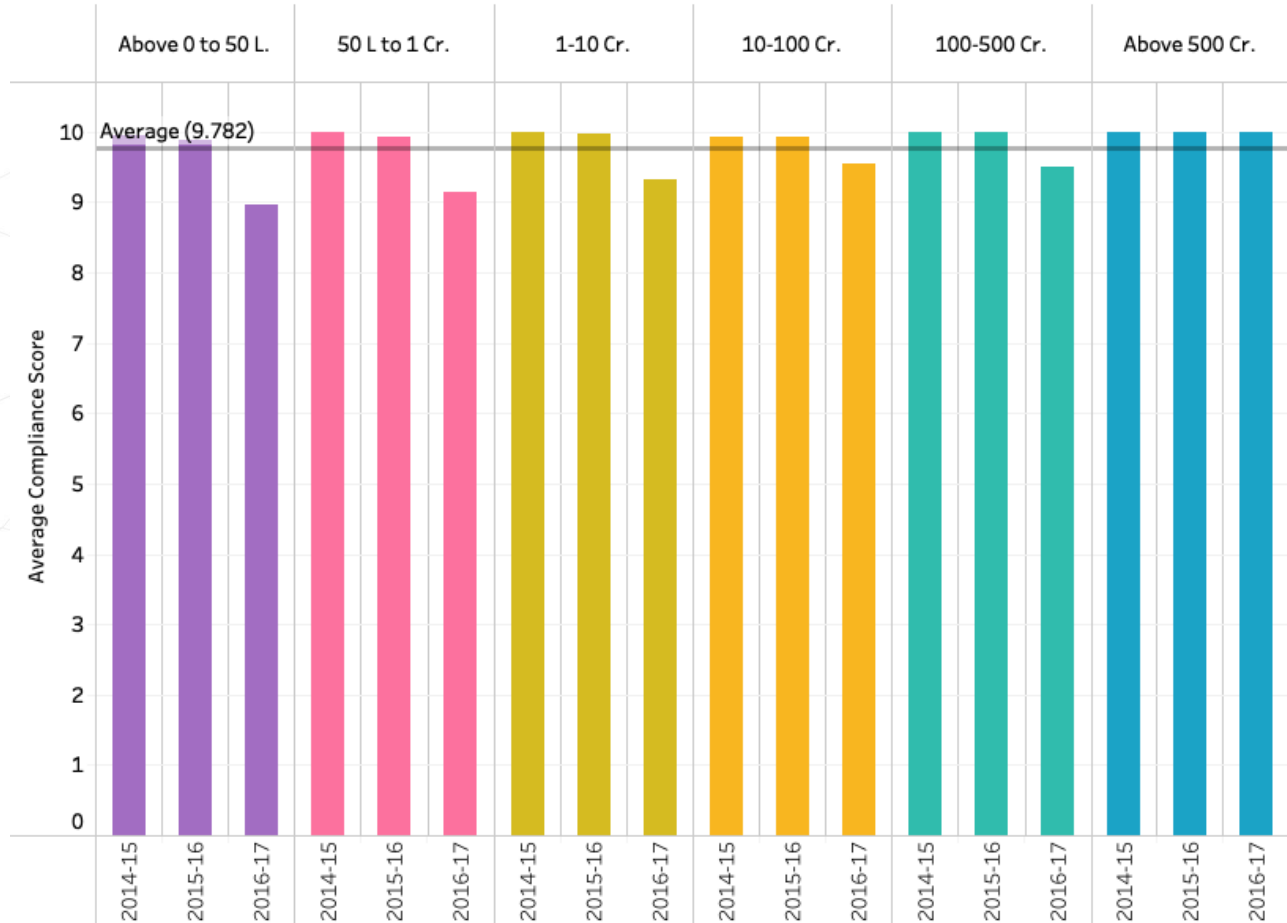
Average CSR Spent Compliance Score Per CSR Budget Range



Average CSR **Geography** Compliance Score Per CSR Budget Range

The average compliance over three years on declaring the CSR project locations

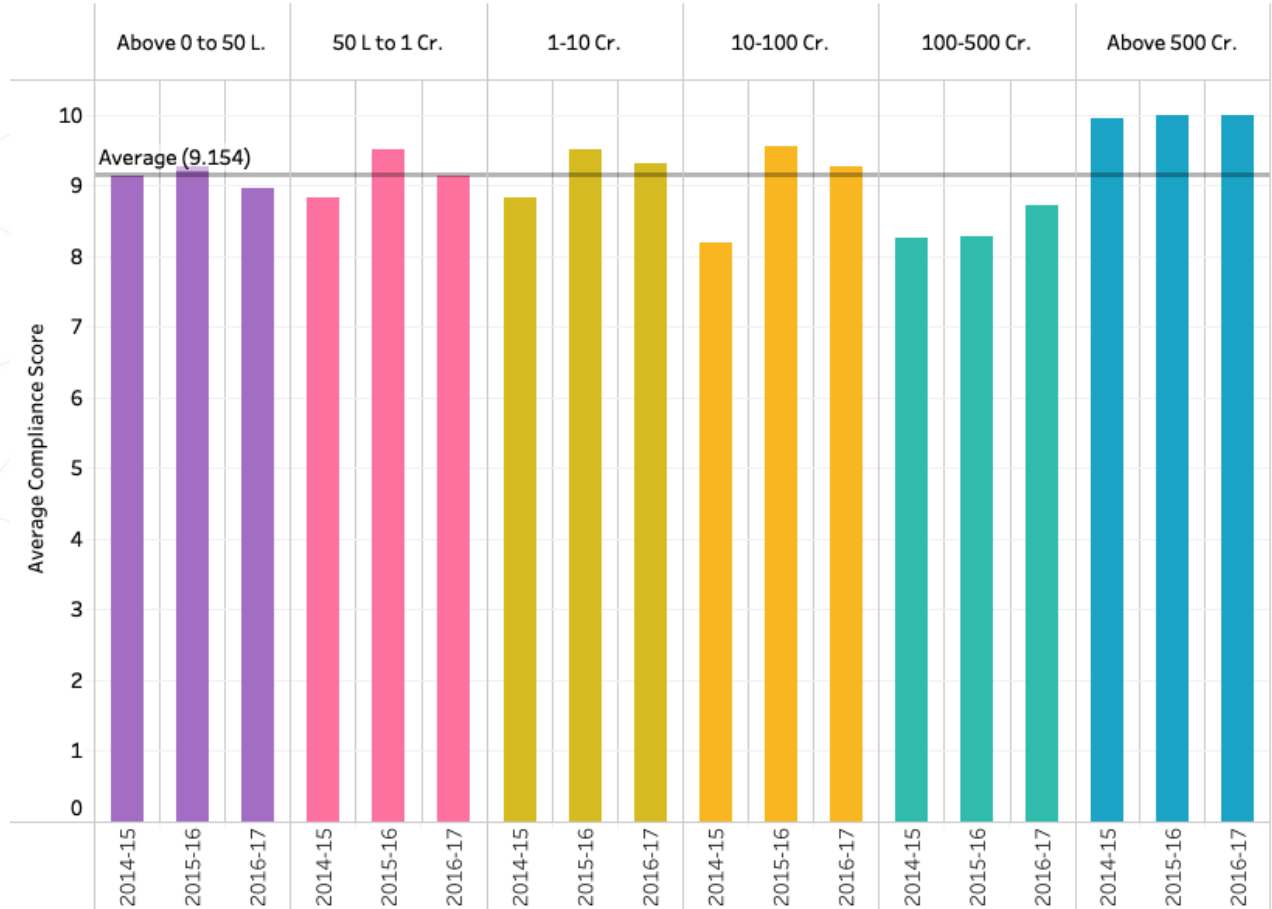
98%



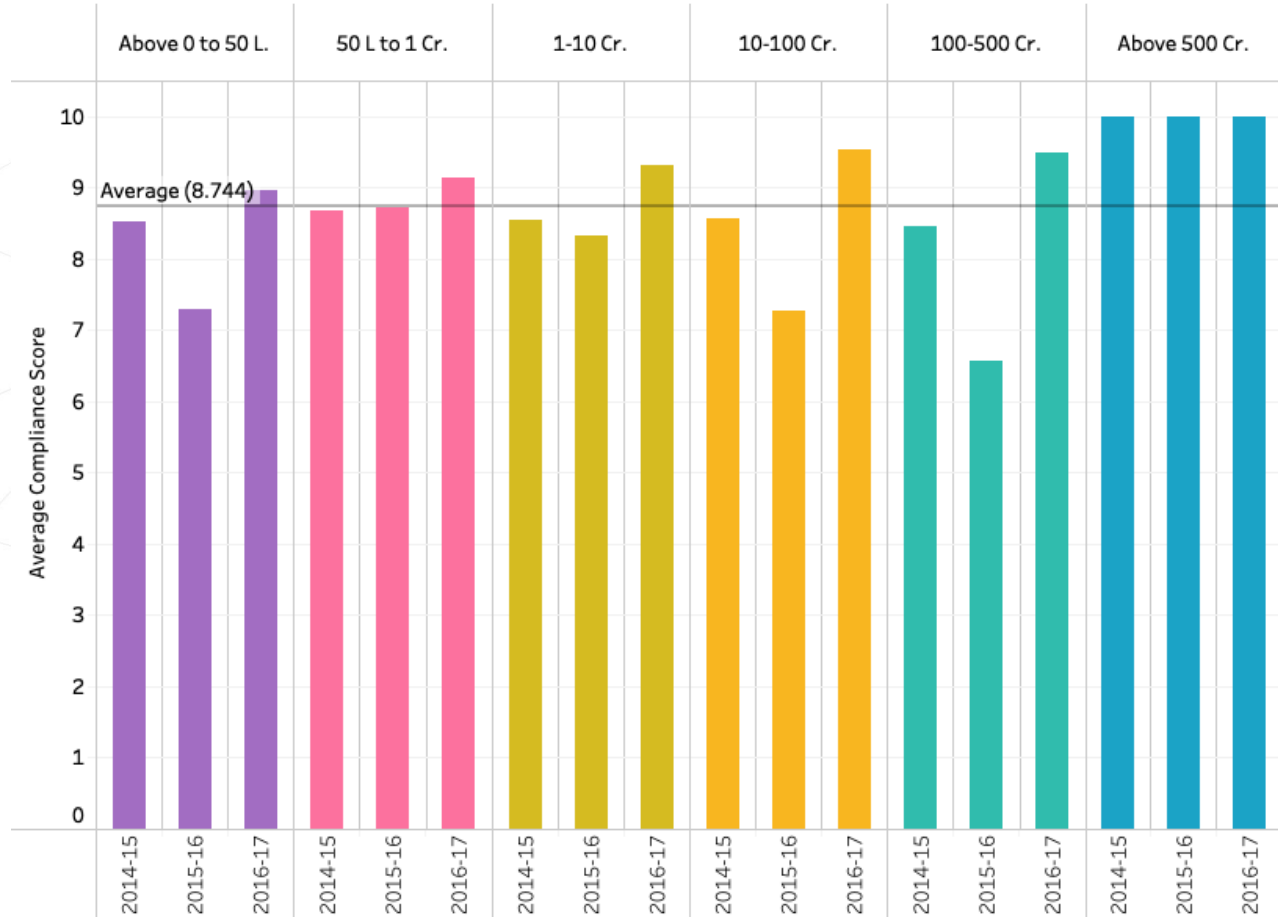
The average compliance over three years on reporting the causes supported through CSR

92%

Average CSR **Sector** Compliance Score Per CSR Budget Range



Average CSR Implementation Mode Compliance Score Per CSR Budget Range



The average compliance over three years on reporting the mode of implementation of CSR projects

87%

Smallest members of the CSR set

There are about 12,000 companies each year that fall under 'Zero-spent' category in CSR. Many of us tend to think that the non-spenders are non-compliant. However, it is not always the case as the data shows.

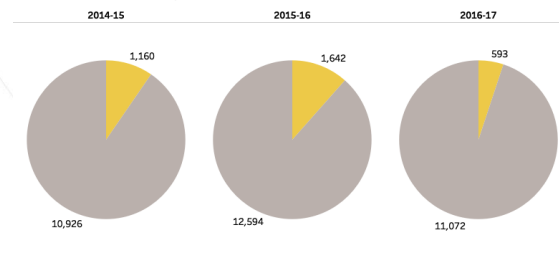
As depicted in the pie chart, only about 10%-12% of these companies each year had any prescribed CSR amount. The remaining 88%-90% were not mandated to spend due to no profits in the preceding three years.

As the bar chart shows, the companies in this bracket that were mandated to spend, did so to an extent.

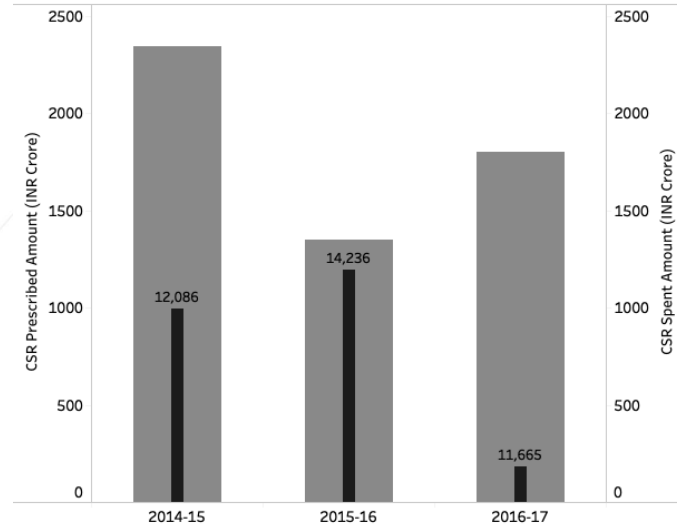
We have not included this range in the previous charts as the number of companies in this category is very high but corresponding CSR amounts are very low.

Hence, here is an independent picture of CSR by small companies.

Compliance Applicability for Zero Budget Range



Number of Companies, Prescribed and Spent Amounts for Zero Budget Range



Note:

- Number of companies is denoted by the number above the bar
- Prescribed CSR Amount is denoted by the grey colored bar
- CSR Amount Spent is denoted by the thin black line

How did your company do?

The data shows that corporate India has been highly compliant on following CSR norms. In Part 2 of our 'State of CSR' Report, we will present region-wise analysis of CSR spending. Do follow us on social media and subscribe to our newsletter to stay updated.

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On CSR compliance, would you like to know how your company is doing?

Here is a tool to calculate the CSR Compliance Score for your company :

<https://www.indiadatainsights.com/free-interact/csr-compliance-score-card/>

All graphs in this report are available for free download and reuse (with attribution) here :

<https://www.indiadatainsights.com/free-reports/csr-compliance-report-2014-17/>

To achieve 100% on not just compliance, but also on effectiveness of your programmes and real impact, talk to us today at impact@sattva.co.in



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Launched in January 2019, we are adding data-sets and visualisations every day.

If you are a social sector professional - CSR, foundation, social enterprise, non-profit organisation, impact investor, researcher, media house, think-tank - you will find us to be a great data guide.

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