

Chapter-19

“Corporate Social Responsibility and Sustainable Development: Insights from Indian Knowledge System on Environment Ethics”

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Abstract

Corporate Social Responsibility (CSR) and Sustainable Development have emerged as critical frameworks for balancing economic growth with social equity and environmental protection. In the Indian context, these concepts gain unique depth when viewed through the lens of the Indian Knowledge System (IKS), which emphasizes harmony between humanity and nature. Ancient philosophical traditions such as *Dharma* (duty), *Ahimsa* (non-violence), and the reverence for the *Pancha Mahabhutas* (five elements) provide ethical foundations for environmental stewardship. These principles highlight interconnectedness, responsibility, and sustainability as intrinsic values rather than external obligations. Modern CSR initiatives in India, mandated under the Companies Act, 2013, increasingly align with Sustainable Development Goals (SDGs), and can be enriched by integrating IKS insights into corporate strategies. Practices such as water conservation, organic farming, renewable energy adoption, and waste recycling resonate with traditional Indian approaches to ecological balance. This paper argues that embedding environmental ethics from IKS into CSR not only strengthens corporate accountability but also offers culturally rooted, globally relevant models for sustainable development. By bridging ancient wisdom with contemporary practices, Indian corporations can create pathways that ensure long-term ecological resilience and social well-being.

Introduction

Corporate Social Responsibility (CSR) and Sustainable Development have become central themes in the global discourse on business and society. CSR emphasizes the responsibility of corporations to contribute positively to social and environmental well-being, while Sustainable Development focuses on achieving economic progress without compromising the needs of future generations. In India, CSR has gained particular significance since the enactment of the Companies Act, 2013, which made it mandatory for certain firms to allocate a portion of their profits to social and environmental initiatives. At the same time, India’s commitment to the United Nations Sustainable Development Goals (SDGs) has reinforced the importance of aligning corporate strategies with long-term ecological and social priorities.

While these frameworks are modern in their articulation, the underlying principles resonate strongly with India’s cultural and philosophical traditions. The Indian Knowledge System (IKS) offers a rich reservoir of insights into environmental ethics, rooted in ancient texts and practices that emphasize harmony between humans and

nature. Concepts such as *Dharma* (duty), *Ahimsa* (non-violence), and reverence for the *Pancha Mahabhutas* (five elements) highlight the moral responsibility of individuals and institutions to protect the environment. These values, embedded in Indian philosophy, provide a timeless ethical foundation that can guide contemporary CSR and sustainability efforts.

This paper explores how CSR and Sustainable Development in India can be enriched by insights from the Indian Knowledge System. By examining traditional environmental ethics and their relevance to modern corporate practices, the study seeks to demonstrate how ancient wisdom can complement global sustainability frameworks. The integration of IKS into CSR not only strengthens corporate accountability but also offers culturally rooted, globally relevant models for ecological stewardship and social responsibility.

Objective of the study

1. To trace the evolution of CSR practices in India since the enactment of the Companies Act, 2013, and evaluate their role in advancing sustainable development.
2. To analyze national CSR expenditure trends between FY 2019–20 and FY 2023–24, highlighting sectoral allocations in education, healthcare, environment, and rural development.
3. To examine the principles of environmental ethics within the Indian Knowledge System (IKS)—including *Dharma* (duty), *Ahimsa* (non-violence), and *Sarvodaya* (welfare of all)—and assess their relevance to contemporary CSR initiatives.
4. To propose a conceptual framework for CSR in India that embeds environmental ethics from the Indian Knowledge System, offering guidance for policymakers, corporate leaders, and scholars in shaping inclusive and resilient sustainability practices.

Scope of the Study

The scope of this study is centered on examining Corporate Social Responsibility (CSR) in India as a driver of sustainable development, with particular emphasis on environmental ethics derived from the Indian Knowledge System (IKS). It covers CSR expenditure trends between FY 2019–20 and FY 2023–24, drawing on official data from the Ministry of Corporate Affairs to highlight sectoral allocations in education, healthcare, environment, and rural development. The study focuses on representative case illustrations of leading corporates—Tata Group, Reliance Industries, Infosys, and ITC Ltd—to demonstrate how CSR practices resonate with indigenous principles such as *Dharma* (duty), *Ahimsa* (non-violence), and *Sarvodaya* (welfare of all). While the study does not attempt to provide exhaustive coverage of all companies or sectors, it seeks to develop a conceptual framework that integrates statutory compliance, global accountability standards, and indigenous environmental ethics, thereby offering insights for policymakers, corporate leaders, and scholars in shaping inclusive and resilient sustainability practices.

Review of Literature

Corporate Social Responsibility (CSR) has evolved globally from philanthropic activities to strategic initiatives aligned with sustainable development. In India, the Companies

Act, 2013 institutionalized CSR by mandating eligible firms to allocate 2% of their net profits to social and environmental projects. Scholars argue that this legal framework has shifted CSR from voluntary goodwill to structured accountability, with increasing emphasis on environmental sustainability and alignment with the United Nations Sustainable Development Goals (SDGs).

Recent studies highlight the growing relevance of the **Indian Knowledge System (IKS)** in shaping environmental ethics and sustainability practices. Sharma (2025) emphasizes that sustainability and environmental ethics are deeply rooted in IKS, where concepts such as *Dharma* (duty), *Ahimsa* (non-violence), and reverence for the *Pancha Mahabhutas* (five elements) provide a moral foundation for ecological stewardship. He argues that these principles can guide corporations to adopt eco-centric CSR strategies that go beyond compliance and foster genuine responsibility.

Shroff (2025) examines the integration of IKS with global sustainability frameworks, particularly the SDGs. Her work demonstrates that traditional Indian values such as *Vasudhaiva Kutumbakam* (“the world is one family”) resonate with global calls for collective responsibility in addressing climate change and resource management. She concludes that embedding IKS into CSR initiatives can create culturally rooted yet globally relevant models of sustainable development.

Sheikh (2025) explores the interconnectedness of IKS with modern sustainability practices, highlighting examples in agriculture, health, education, and environmental conservation. His research underscores how ancient wisdom complements modern approaches, particularly in areas like organic farming, water conservation, and biodiversity preservation. He suggests that corporations can leverage these insights to design CSR projects that are both innovative and culturally authentic.

Collectively, the literature suggests that while CSR and Sustainable Development are contemporary frameworks, their ethical underpinnings align closely with traditional Indian philosophies. The integration of IKS into CSR not only strengthens corporate accountability but also provides a holistic approach to sustainability that balances economic growth with ecological and social well-being.

CSR and Sustainable Development in India: Data and Ethical Context

Corporate Social Responsibility (CSR) in India has become a significant driver of sustainable development since the Companies Act, 2013 mandated qualifying firms to spend at least 2% of their average net profits on CSR activities. According to the Ministry of Corporate Affairs (MCA) CSR portal, cumulative CSR spending has crossed ₹2.21 lakh crore between 2014 and 2024, with annual expenditure reaching nearly ₹34,900 crore in FY 2023–24. The focus areas remain education, healthcare, environment, and rural development, reflecting both global Sustainable Development Goals (SDGs) and indigenous ethical traditions. Leading corporates such as Tata Group, Reliance Industries, Infosys, and ITC Ltd have consistently invested in projects that align with Indian Knowledge System (IKS) principles like *Dharma* (duty), *Ahimsa* (non-violence), and *Sarvodaya* (welfare of all). Tata’s biodiversity and water conservation programs resonate with *Prakriti Raksha* (protection of nature), Infosys’ renewable energy and eco-campus initiatives embody *Ahimsa*, ITC’s afforestation and watershed projects

reflect Sarvodaya, while Reliance’s rural development and clean energy projects highlight Dharma. These case illustrations demonstrate how CSR in India is not merely compliance-driven but deeply rooted in cultural ethics, offering a holistic model of sustainability that complements Western CSR frameworks.

Table: CSR Expenditure by Leading Indian Corporates (FY 2023–24)

Company	CSR Spend (₹ Crores)	Key Focus Areas	Notes on IKS Alignment
Tata Group	~720	Education, environment, rural upliftment, skill development	Biodiversity, water conservation (<i>Prakriti Raksha</i>)
Reliance	~500	Rural development, health, clean energy	Renewable energy, rural sustainability (<i>Dharma</i>)
Infosys	~340	Education, environment, eco-campus initiatives	Renewable energy, green campuses (<i>Ahimsa</i>)
ITC Ltd	~290	Afforestation, watershed, health, education	Large-scale afforestation, watershed (<i>Sarvodaya</i>)

Source: Ministry of Corporate Affairs (MCA) CSR Portal

National CSR Spending Trends in India

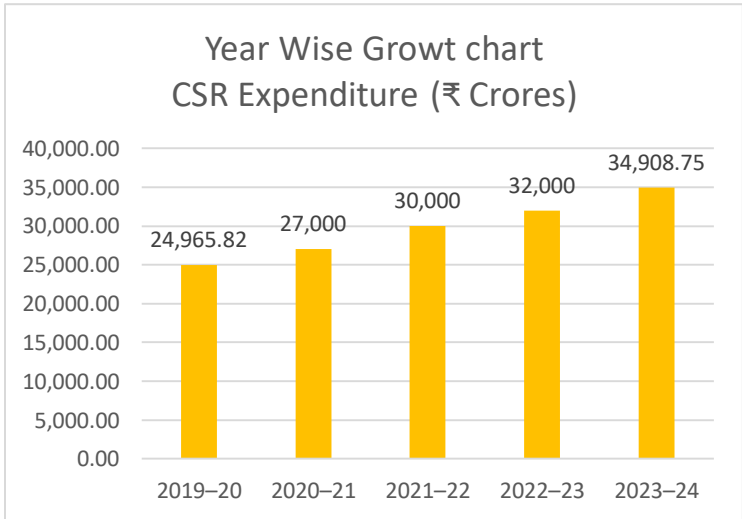
Corporate Social Responsibility (CSR) in India has witnessed steady growth since its mandate under Section 135 of the Companies Act, 2013. Data from the Ministry of Corporate Affairs (MCA) shows that cumulative CSR expenditure has crossed ₹2.21 lakh crore between 2014 and 2024, reflecting the increasing commitment of Indian corporates to social and environmental development. Annual spending has consistently risen from ₹24,965.82 crore in FY 2019–20 to ₹34,908.75 crore in FY 2023–24, marking a significant upward trajectory. The top sectors receiving CSR investments include education, healthcare, environment, and rural development, with environment-focused CSR gaining prominence through initiatives in afforestation, renewable energy, biodiversity protection, and water conservation. This trend highlights how CSR in India is evolving beyond compliance into a strategic and ethical instrument for sustainable development, aligning corporate responsibility with both global Sustainable Development Goals (SDGs) and indigenous environmental ethics rooted in the Indian Knowledge System.

Table: National CSR Expenditure (FY 2019–20 to 2023–24)

Financial Year	CSR Expenditure (₹ Crores)
2019–20	24,965.82
2020–21	27,000
2021–22	30,000
2022–23	32,000

2023–24	34,908.75
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Source: Ministry of Corporate Affairs (MCA) CSR Portal



Findings

The study reveals that Corporate Social Responsibility (CSR) in India has grown steadily since its mandate under Section 135 of the Companies Act, 2013, with cumulative expenditure surpassing ₹2.21 lakh crore between 2014 and 2024. Annual spending rose from ₹24,965.82 crore in FY 2019–20 to ₹34,908.75 crore in FY 2023–24, reflecting a consistent upward trajectory. The dominant sectors of investment include education, healthcare, environment, and rural development, with environment-focused CSR gaining prominence through afforestation, renewable energy, biodiversity protection, and water conservation projects. Case illustrations highlight how leading corporates embed Indian Knowledge System (IKS) ethics into their CSR practices: Tata Group’s biodiversity and water conservation initiatives resonate with Prakriti Raksha (protection of nature), Reliance Industries’ rural development and clean energy projects reflect Dharma (duty), Infosys’ renewable energy and eco-campus programs embody Ahimsa (non-violence towards environment), and ITC’s afforestation and watershed projects align with Sarvodaya (welfare of all). These findings demonstrate that CSR in India is evolving beyond compliance into a culturally rooted, ethically informed, and sustainability-driven practice, offering a holistic model that balances economic growth, ecological stewardship, and social equity.

Conclusion: The study concludes that Corporate Social Responsibility (CSR) in India has matured into a powerful instrument for sustainable development, moving beyond statutory compliance to embody cultural and ethical values. National CSR expenditure has shown a steady upward trajectory, surpassing **₹2.21 lakh crore cumulatively between 2014 and 2024**, with consistent growth across sectors such as education, healthcare, environment, and rural development. Importantly, environment-focused CSR

has gained prominence, reflecting corporate investments in afforestation, renewable energy, biodiversity protection, and water conservation.

Corporate Social Responsibility (CSR) in India has steadily transformed into a strategic and ethical instrument for sustainable development. The Ministry of Corporate Affairs (MCA) data reveals a consistent rise in CSR expenditure, from **₹24,965.82 crore in FY 2019–20** to **₹34,908.75 crore in FY 2023–24**, with cumulative investments exceeding **₹2.21 lakh crore** since the 2013 mandate. This quantitative growth is matched by qualitative depth, as leading corporates embed environmental ethics drawn from the Indian Knowledge System (IKS). Tata Group's biodiversity and water conservation projects embody *Prakriti Raksha* (protection of nature), Reliance Industries' rural development and clean energy initiatives reflect *Dharma* (duty), Infosys' renewable energy and eco-campus programs resonate with *Ahimsa* (non-violence towards environment), and ITC's afforestation and watershed management projects align with *Sarvodaya* (welfare of all). Together, these case illustrations demonstrate how CSR in India balances **profit with purpose, compliance with conscience, and global accountability with cultural wisdom**, offering a distinctive pathway to sustainable development.

Corporate Social Responsibility (CSR) in India has matured into a strategic and ethical instrument for sustainable development. The steady rise in expenditure—from **₹24,965.82 crore in FY 2019–20** to **₹34,908.75 crore in FY 2023–24**, with cumulative investments exceeding **₹2.21 lakh crore**—demonstrates the growing commitment of corporates to social and ecological priorities. Case illustrations from Tata Group, Reliance Industries, Infosys, and ITC Ltd reveal how CSR initiatives resonate with the Indian Knowledge System (IKS), embedding principles such as *Dharma* (duty), *Ahimsa* (non-violence), and *Sarvodaya* (welfare of all). This integration of indigenous ethics with global CSR frameworks positions corporates not merely as economic entities but as custodians of social and ecological well-being. By balancing **profit with purpose, compliance with conscience, and global accountability with cultural wisdom**, CSR in India offers a distinctive pathway to sustainability—one that is inclusive, ethical, and environmentally resilient.

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