

CSR push: Listed firms' spending jumps 23% in FY25 on robust profits

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CORPORATES ARE no longer just chasing profits — they're also investing in the brighter side of society, channelling their success into meaningful social upliftment while continuing to thrive in business.

Corporate Social Responsibility (CSR) spending by companies listed on stock exchanges registered a sharp rise of 23% in FY25, reaching Rs 22,212 crore compared with Rs 18,011 crore in the previous financial year. The increase has been attributed largely to robust corporate profitability.

Pranav Haldea, MD of PRIME Database Group, said the surge in CSR expenditure was driven by a significant 22% growth in the average net profits of these companies over the preceding three years. Under existing regulations, firms meeting specified financial thresholds are required to allocate at least two per cent of their average net profits towards CSR initiatives.

The latest rise follows a 16% increase in CSR spending recorded in FY24, marking a period of strong recovery after nearly four years of stagnation. CSR outlays had remained relatively flat between 2019-20 and 2022-23, inching up marginally from Rs 14,776 crore to Rs 15,561 crore during that time, according to data compiled by PRIME Database Group.

The number of firms undertaking CSR activities also increased during the year. Of the 1,549 firms mandated to spend on CSR, as many as 1,521, or 98%, reported such expenditure in FY25, up from 1,372 in FY24. However, 28 companies failed to spend any amount despite being under obligation, it said.

It said a majority of companies stepped up their CSR

• Top 10 CSR spenders (FY25; Rs in crore)

COMPANY	CSR EXPENDITURE
RELIANCE INDUSTRIES	1,309.50
HDFC BANK	1,068.03
TCS	960.00
ONGC	929.08
ICICI BANK	801.12
TATA STEEL	584.61
INDIAN OIL CORP	583.03
INFOSYS	526.26
ITC LTD	461.50
NTPC LTD	362.94

SOURCE: PRIMEINFOBASE.COM

commitments. Nearly 934 firms, representing 70% of the total, increased their spending compared to the previous year. While 438 firms, or 28%, spent exactly the prescribed amount, 751 firms — nearly 48% — exceeded the mandatory requirement. Notably, 28 companies reported CSR spending despite incurring losses during the year. Sector-wise, education continued to attract the highest allocation, with Rs 1,137 crore directed towards educational initiatives.

Healthcare followed as the second-largest area of focus, receiving Rs 840 crore. In contrast, sectors such as slum development, support for armed forces veterans, and disaster management continued to see minimal or negligible funding, Prime Database said. The CSR framework in India, which came into effect in April 2014, mandates eligible companies to spend two per cent of their average net profits over the previous three financial years on CSR activities. It applies to firms with a net worth of Rs 500 crore or more, turnover of Rs 1,000 crore or more, or net profit of Rs 5 crore or more.

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