sdmimd
JOURNAL OF MANAGEMENT

DOI:10.18311/sdmimd/2026/54338

Regional Disparities in Corporate Social Responsibility Contributions in India: An Empirical Analysis

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Abstract

CSR is pivotal to improving the company's brand image. CSR has gained momentum after it was made mandatory through the Companies Act 2013, under which companies spend 2% of their profits on the specified CSR activities. The empirical study is done to understand the Regional Disparities in corporate social responsibility contributions in India. CSR contributions from 2014-15 to 2023-24 by different Indian states have been taken, and the states have been divided into the Northern, Eastern, Western and Southern Regions. A Hypothesis was developed to determine whether there are any Regional Disparities in the Corporate Social Responsibility Contributions in India. One-way ANOVA, along with Tukey HSD, was used to determine whether there is a pairwise difference among the regions after testing the Normality assumption by using tests like the box plot, Q-Q Plot, and Shapiro-Wilk Test of Significance.

Major Findings: CSR contribution has increased drastically over a period of 10 years, especially after COVID-19. The results indicate CSR spending has been unevenly distributed across regions, with western and southern regions receiving the highest allocations. The difference among the regions might be due to industrialisation and local area preference in CSR Investment and the lack of mandatory CSR Regulation on CSR contributions between developed and backward regions.

Keywords: CSR, Companies Act-2013, Regions

1. Introduction

CSR is a term that describes an administrative approach applied to the development and growth of the business sectors. The historical course of industrial growth in the West is still relatively different from the Indian one, and the meaning of CSR in India cannot be detached from historical, social, and economic factors. Corporate Social Responsibility (CSR) was conceived as a means for integrating social, environmental and human development enterprises in the entire value chain of commercial business (National CSR Portal. (n.d.).

CSR is a multidimensional concept and, thus, complex to analyse. It consists of different variables collected from the study of CSR understandings by sample companies. including company profitability, environmental issues, healthcare, education, training, welfare of depressed sections, rural development, social welfare, community welfare, women's empowerment, *etc*. (Bala, 2020).

In 2013, the Government enacted Section 135 of the Indian Companies Act, prescribing a mandatory CSR spend of 2% of average net profits during the three immediately preceding financial years for all companies meeting specified financial thresholds. In other words, companies ―having a net worth of rupees five billion or more, or a turnover of rupees ten billion or more or a net profit of rupees fifty million or more during any financial year‖ have to ensure that they spend 2% of average net profits made during the three preceding years on CSR activities (Bala, 2020). Corporate Social Responsibility (CSR) initiatives for India's rural development are of immense significance

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and contemporary relevance. With a large chunk of India's total population, nearly 67% residing in rural villages of the country, which lack most basic amenities and infrastructure, the CSR agenda and task for nation-building and development is mammoth (Bala & Verma, 2019).

For India to prosper as a nation, there must be equal contribution among all the regions. India, with its vast rural population and socio-economic disparities, presents a unique landscape where CSR can play a transformative role (Himalay & Riyat, 2025). Regional disparities are a bottleneck in a nation's development. CSR funds are concentrated in industrial states, ignoring India's poorest districts despite mandates under the Companies Act, 2013 (Mukherjee, 2025). For a nation to progress well in all sectors, all regions in the country must contribute equally. India's economic landscape is characterised by stark regional imbalances, with economic output, industrial development, and investment heavily concentrated in a few states such as Maharashtra, Karnataka, Gujarat, Tamil Nadu, and Delhi-NCR, whereas several states in the North-Eastern, Eastern, and Central regions lag in both economic capabilities and developmental indicators. This structural imbalance raises a critical concern: whether CSR funds are being equitably distributed across Indian states or are merely reinforcing existing regional economic disparities (Jain & Mathur, 2025). Regional disparities in CSR have broader socio-economic implications. Unequal CSR allocation may result in uneven development outcomes across states, reinforcing regional inequality in areas like healthcare, education, livelihood support, environmental sustainability, and social infrastructure development (Jain & Mathur, 2025).

With this backdrop, there was a need to understand regional disparities in CSR Contribution in India and why the Western Region receives more CSR Contribution than other Regions. The paper first delved into the concept of CSR and its importance to the nation's development. It also explains why there are Regional Disparities in CSR Contributions in India. Secondly, a literature review of CSR and its impact among the regions, both from an Indian and a global point of view; thirdly, methodology, Results, discussion and conclusion follow.

2. Literature Review

Sheehy (2015) provides an overview of the counteraccusations to this description of CSR as a field of study and as an operational practice. It explains how understanding CSR as transnational private business regulation validates the critical behavioural focus of CSR. It provides a rubric or foundation and both marks and species upon which to further develop, operationalise, assess and reform CSR inquiry, education and practice.

Bala and Verma (2019) analysed how CSR has come to be widely adopted in the Indian corporate setting because organisations have recognised that, besides growing their businesses, it's also important to shape responsible and sustainable connections with the community at large, including nearly all groups of people like the rural community, near community, ethnic community, guests, workers, etc. Further, the significant engagement of top management in setting up CSR programs and deciding CSR activities effectively in India will really take CSR to new heights.

Afsharipour (2018) analysed that Indian legislation places undue focus on CSR Philanthropy and could discourage relinquishment of a sustainability model. In line with global trends that place CSR as a core role to be played by the board. Indian legislation designates the board as the epicentre of CSR policy-making and its perpetration by Indian enterprises.

Soni (2024) examines government CSR spending across various sectors, providing insight into regional differences and industry priorities. It provides a detailed understanding of how CSR initiatives contribute to socioeconomic development at the local level and highlights the importance of strategic investments in CSR to address regional challenges and promote inclusive growth, illustrating the critical role of CSR in driving socio-economic development and sustainability in India.

Das (2023) highlighted the current status of CSR in NER and compared the developmental activities in the region with the Rest of India and found that there is a huge gap in CSR Expenditure in the NER region compared to the Rest of India. A proper distribution mechanism is required to reduce the gap between CSR in India and CSR in the NER Region, as CSR Activities are clustered around the industrially rich states rather than backward regions.

Himalay and Riyat (2025) highlighted geographical disparities in CSR investments, revealing how certain states receive concentrated funding while others remain underserved. This regional imbalance underscores the need for a more equitable and need-based allocation of CSR resources to ensure holistic rural transformation. Research reinforces the strategic importance of CSR in rural India, demonstrating how targeted corporate interventions can reduce inequality, strengthen local economies, and align national development priorities with global sustainability goals.

Islam *et al.* (2024) examine the absence of clear guidelines for the allocation of funding for regional development under the Companies Act of 2013. The study assesses how consistently these companies adhere to the established CSR criteria and investigates the potential for regional disparities in CSR initiatives across the country. Due to factors like employee concentration and geographic proximity, corporations typically allocate a large portion of their corporate social responsibility (CSR) budgets to already developed regions, which perpetuates inequality and disadvantages economically disadvantaged areas and encourages migration.

Khan and Bano (2025) analysed that CSR spending has been unevenly distributed across regions, with western and southern regions receiving the highest allocations. The eastern region has consistently received lower funding, indicating a possible gap in corporate interventions in those areas.

Jain and Mathur (2025) examine inter-state disparities in CSR spending across India and investigate whether CSR allocation is economically concentrated, particularly in states with higher Gross State Domestic Product (GSDP). Findings clearly demonstrate substantial interstate inequality in CSR distribution, with a few economically advanced states attracting a disproportionately large share of CSR funds.

Sarita *et al.* (2026) examine the role of CSR in sustainable development in India and evaluate the sector-wise allocation of CSR funds, focusing on their alignment with Sustainable Development Goals (SDGs) and the issues and challenges of CSR in India and analyse severe regional disparities in CSR resource allocation that favour economically developed areas while neglecting states in greater need of support. Additionally, there is insufficient funding for technological incubation, housing developments, and assistance for veterans, indicating a need for better alignment between CSR initiatives and national priorities.

3. Need for the Study

Despite the Companies Act, 2013 mandate that companies should spend 2% of their profits as CSR, the distribution among the regions differs. CSR fund allocation invariably favours the highly industrialised states rather than the developing states. This variation is due to the fact of wrong interpretation of Local Area Preference as Mandatory rather than discretionary. This dilutes the basic idea of CSR, where companies should spend on the nation's development by proper distribution of CSR in all the regions. But there exists a lacuna where CSR fund allocation disproportionately favours industrialised states such as Maharashtra, Karnataka, Gujarat and Tamil Nadu (Mukherjee, 2025). Whereas the Eastern Region is the lowest recipient of CSR funds. This regional disparity is a bottleneck in the Nation's Progress and Development. So, due to these regional disparities, there was a need to know how the why there are disparities among the regions in CSR Contribution. The study was conducted to examine regional disparities in CSR contributions to CSR activities over 10 years, from 2014-15 to 2023-24.

4. Objectives of the Study

- To Understand the Regional Disparities in CSR Contributions in India
- To Analyse the Impact of Regional Disparities in CSR Contributions in India.

5. Hypothesis

H0: There are no Regional Disparities in CSR Contributions in India.

H1: There are Regional Disparities in CSR Contributions in India.

6. Methodology

It is mainly an empirical study to find why disparities exist and how industrialisation affects CSR contribution among the regions, and also a descriptive one that analyses the status of CSR contribution among the regions. The data are taken from the CSR portal of the Government of India, and CSR contributions by different states for a tenure of 10 years from 2014-15 to 2023-24 have been taken for the study. The States have been classified into 1- Northern, 2-Eastern, 3-Western, and 4-Southern Regions. One-Way ANOVA is used to determine if there are any Regional Disparities in the CSR Contributions in India, and Tukey HSD is also used for pairwise comparisons between the Regions. One-way ANOVA was used after testing the Normality assumption by using tests like the box plot, Q-Q Plot, and Shapiro-Wilk Test of Significance. One-way ANOVA was used to find out disparities in the Regions and why there is a demarcation between these regions.

7. CSR Contributions in the Different States among the Regions

Table 1 indicates the Mean Score in the Northern Region is 272.91. In the Northern Region, the CSR Contribution in Delhi, Uttar Pradesh, and Haryana is high because of industrialisation in these surrounding areas. The Mean Score in Delhi is 870.36, in Uttar Pradesh it is 743.25, and in Haryana it is 500.22. Compared to 2014-15, the CSR contribution has improved significantly over the years due to the mandatory CSR, and after the COVID-19 pandemic, the contribution to Sanitation, Health, and Environmental concerns has increased.

Table 2 indicates the Mean Score in the Eastern Region is 139.82. The NER is one such region ignored by many major organisations, mainly by the private sector. The CSR activities in the region are way below the national average, and less than 3% of companies choose the NER region for their CSR developmental activities (Das, 2023). States like Meghalaya, Sikkim,

Table 1. CSR contribution and mean score in the Northern Region

											₹ in Cr
States	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	Mean Score
Bihar	36.69	123.8	100.84	106.17	137.95	110.48	89.89	178.97	241.41	260.53	138.67
Chandigarh	1.77	5.34	21.96	20.51	11.46	15.58	13.4	51.19	18.44	113.31	27.29
Chhattisgarh	161.3	239.72	84.85	176.7	149.35	269.68	325.63	317.7	609.08	422.73	275.67
Delhi	237.44	455.17	460.71	579.37	750.85	830	724.59	1198.5	1517.07	1949.95	870.36
Haryana	187.41	373.44	386.65	363.43	378.11	537.91	550.86	687.13	720.38	816.95	500.22
Himachal Pradesh	10.95	52.2	23.32	69.23	78.79	78.78	106.31	140.27	141.4	148.59	84.98
Jammu and Kashmir	38.48	107.8	42.97	50.77	36.44	25.27	35.56	50.68	72.19	98.54	55.87
Jharkhand	79.44	116.93	119.84	109.23	109.8	155.21	226.54	243.95	389.65	414.63	196.52
Leh and Ladakh	0	0	0	0	0	0	0	14.84	11.72	30.41	5.69
Madhya Pradesh	141.85	171.58	161.39	163.92	243.55	220.46	375.51	427.48	668.32	600.47	317.45
Punjab	55.61	69.14	75.05	112.36	166.85	189.44	158.46	185.41	263.51	351.89	162.77
Uttar Pradesh	148.9	416.99	321.63	435.21	521.32	577.98	907.32	1345.02	1213.12	1545.01	743.25
Uttarakhand	74.79	73.11	102.37	85.79	172.31	124.7	160.58	228.09	307.6	360.76	169.01
Mean Score	90.35	169.63	146.27	174.82	212.06	241.19	282.66	389.94	474.91	547.21	272.91

Source: National CSR Portal. (n.d.)

Table 2. CSR contribution and mean score in the eastern region

	₹ in Cr										
States	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	Mean Score
Andaman and Nicobar	0.29	0.55	0.63	0.73	0.82	1.29	2.86	9.71	2.53	3.03	2.24
Arunachal Pradesh	11.05	1.48	24.05	11.91	24.56	18.02	10.58	119.42	13.35	39.57	27.40
Assam	134.78	158.97	257.19	211.33	210.00	285.00	180.23	406.42	474.96	488.62	280.75
Manipur	2.44	6.25	12.60	4.81	7.81	14.21	10.39	15.62	53.60	83.19	21.09
Meghalaya	3.53	5.59	9.88	11.18	16.54	17.65	17.63	19.63	22.94	30.94	15.55
Mizoram	1.03	1.07	0.46	1.28	0.11	0.25	0.97	6.94	11.01	4.48	2.76
Nagaland	1.11	0.95	0.53	1.81	2.12	5.10	3.57	12.46	13.57	15.41	5.66
Odisha	252.18	618.69	355.32	504.22	697.91	717.39	578.16	752.37	994.82	1389.39	686.05
Sikkim	1.19	1.45	6.71	7.00	5.87	10.99	17.28	28.24	36.18	41.87	15.68
Tripura	1.33	1.39	1.25	1.88	23.06	9.40	9.29	15.91	19.26	9.45	9.22
West Bengal	194.86	412.14	276.59	338.32	382.23	423.85	471.48	571.89	782.74	862.57	471.67
Mean Score	54.89	109.87	85.93	99.50	124.64	136.65	118.40	178.06	220.45	269.87	139.82

Source: National CSR Portal. (n.d.)

Table 3. CSR Contribution and Mean Score in Western Region

	₹ in Cr										
States	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	Mean Score
Dadra and Nagar Haveli	4.41	12.03	7.37	6.98	13.48	18.34	21.98	14.14	13.71	17.23	12.97
Daman and Diu	20.05	2.39	2.63	20.23	6.25	9.53	5.25	4.13	9.51	12.94	9.29
Goa	27.11	28.15	36.25	53.77	46.77	43.91	41.92	45.43	60.91	85.79	47.00
Gujarat	313.41	547.94	865.81	967.97	1082.18	984.37	1461.60	1613.18	2060.02	2707.54	1260.40
Maharashtra	1445.92	2026.91	2420.35	2797.53	3147.72	3353.24	3464.81	5407.40	5705.54	6065.95	3583.54
Rajasthan	299.76	483.99	353.75	443.35	595.49	734.12	670.00	713.85	1122.65	1145.67	656.26
Mean Score	351.78	516.90	614.36	714.97	815.32	857.25	944.26	1299.69	1495.39	1672.52	928.24

Source: National CSR Portal. (n.d.)

and Andaman & Nicobar possess untapped tourism potential, but inadequate infrastructure and marketing hinder growth. CSR investments in homestays, artisan hubs, and skill development can boost local economies while preserving cultural heritage. (Himalay& Riyaat, 2025). Even in developing states like Manipur, Nagaland, Sikkim, Meghalaya, and Tripura. CSR has increased from less than 2 crores to more than 40 crores within a period of 10 years. This may be due to the government's commitment to developing the North-Eastern States, and also the tax and other government incentives to establish companies in these regions.

Table 3 indicates the CSR Contribution in the states of the Western Region. The overall mean score is 928.24. The mean scores of Maharashtra and Gujarat are 3583.54 and 1260.40. Due to industrialisation and local area preference, there is a surge in CSR investments in these states. The CSR contribution has increased in Maharashtra by over 5000 crores and 2300 crores in 2023-24 compared to 14-15.

Table 4 indicates the CSR Contribution in the states of the Southern Region. The overall mean score is 566.50. The Southern Region is a hub for IT and Pharmaceutical companies. Apart from Andhra Pradesh, Karnataka, Tamil Nadu, and Telangana, the other states did not create a very congenial atmosphere for CSR contribution.

Table 5 shows the mean Scores of Regions. The Mean Score in the Western Region is 928.34, and in the

Table 4. CSR contribution and mean score in the southern region

	₹ in Cr										
States	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	Mean Score
Andhra Pradesh	414.28	1276.73	745.24	575.07	665.97	710.23	719.81	663.50	986.77	1129.75	788.74
Karnataka	403.47	771.59	876.84	1145.79	1257.69	1448.16	1277.81	1849.82	2058.73	2254.88	1334.48
Kerala	68.23	145.03	133.84	219.73	354.78	298.56	290.67	241.58	362.85	387.91	250.32
Lakshadweep	0.00	0.30	0.00	2.27	0.39	0.00	0.01	0.97	0.02	0.36	0.43
Puducherry	2.02	6.37	7.50	6.09	9.15	11.32	12.43	9.31	14.29	32.68	11.12
Tamil Nadu	539.64	588.22	548.28	669.65	877.08	1072.26	1174.07	1441.03	1637.12	1968.76	1051.61
Telangana	101.96	263.60	256.39	380.57	428.06	445.80	627.71	688.58	1040.61	1054.92	528.82
Mean Scores	218.51	435.98	366.87	428.45	513.30	569.48	586.07	699.26	871.48	975.61	566.50

Source: National CSR Portal. (n.d.)

Table 5. Mean score of CSR contribution of different regions

	₹ in Cr										
Reg	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	MS
North	90.36	169.63	146.28	174.82	212.06	241.19	282.67	389.94	474.91	547.21	272.91
East	54.89	109.87	85.93	99.50	124.64	136.65	118.40	178.05	220.45	269.87	139.82
West	351.78	516.90	614.36	714.97	815.32	857.25	944.26	1299.68	1495.39	1672.52	928.24
South	218.51	435.98	366.87	428.45	513.30	569.48	586.07	699.25	871.48	975.60	566.50
MS	178.88	308.09	303.36	354.44	416.33	451.14	482.85	641.73	765.56	866.30	476.87

Source: National CSR Portal. (n.d.)

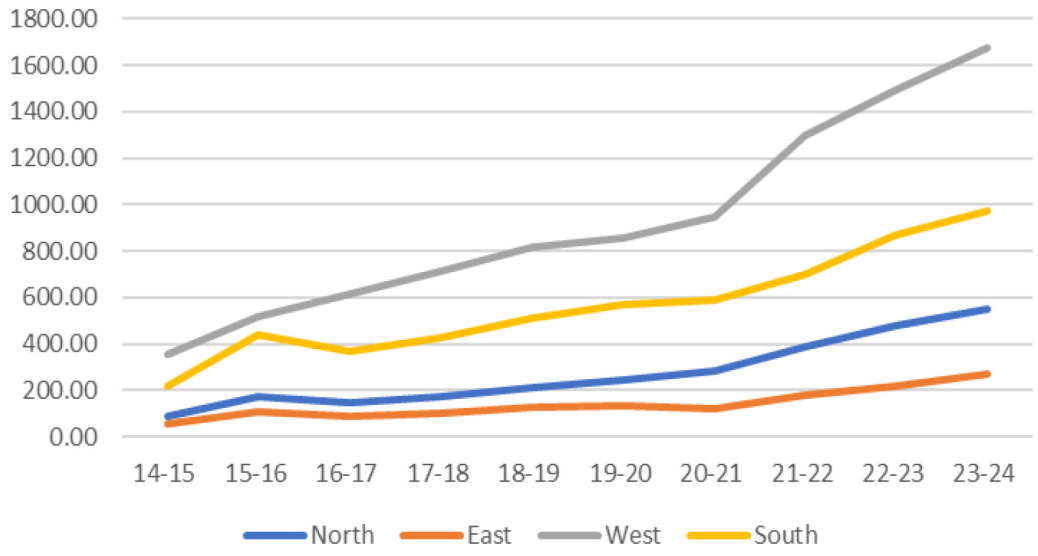


Figure 1. CSR contribution of different regions

Source: National CSR Portal. (n.d.)

Southern Region, it is 566 because many companies lead to more CSR contributions in these regions. After COVID-19, the CSR contribution has increased in all the regions.

Figure 1 depicts that CSR Contribution in the Western Region is Higher compared to other Regions. In the Western Region, Maharashtra has received a total of 18% of the CSR Spending, followed by Gujarat and

Rajasthan. In the Southern Region, Karnataka has received 6% of the CSR Funds, followed by Tamil Nadu and Andhra Pradesh. The Eastern Region struggles to receive CSR Funds since the introduction of CSR.

8. Results and Discussions

One-way ANOVA was used after the Normality Test of the data, which is one of the basic assumptions of

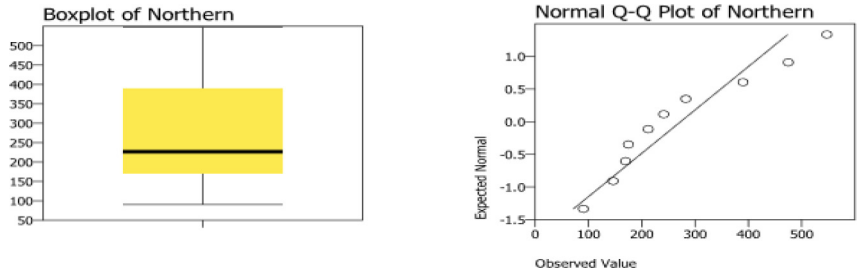


Figure 2. Box plot and normal QQ plot of CSR contribution of northern region.

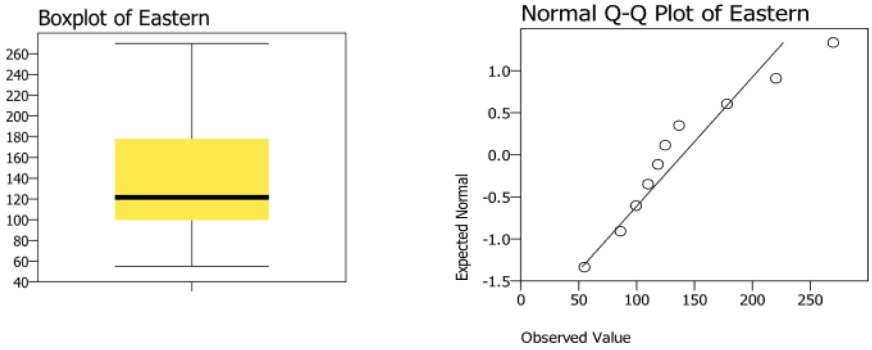


Figure 3. Box plot and normal QQ plot of CSR contribution of the eastern region

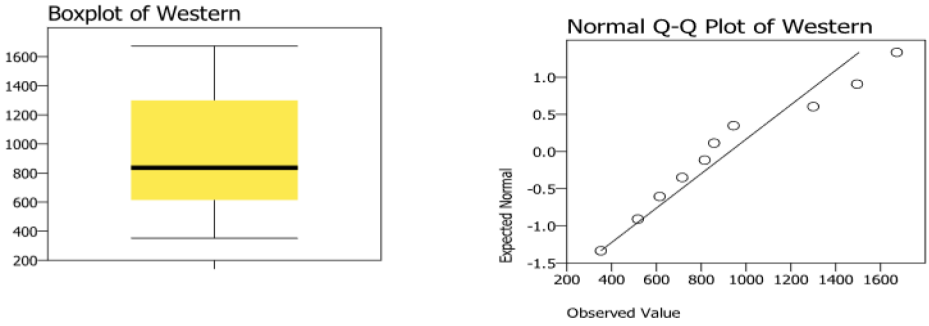


Figure 4. Box plot and normal QQ plot of CSR contribution of the western region.

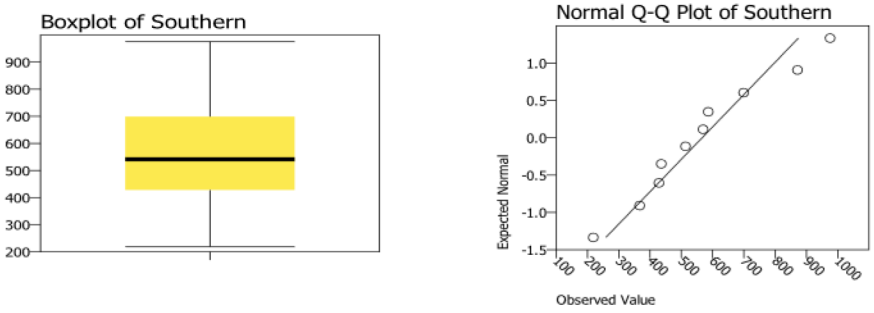


Figure 5. Box plot and normal QQ plot of CSR contribution of the southern region.

ANOVA. For the normality test, the Box Plot and QQ Plot were used along with the Shapiro-Wilk test of Significance.

Based on the above Normality tests (Table 6) of the box plot, the data is equally spread between the range, Q1 and Q3. In the Northern and Western Regions, the Box Plot (Figure 2 & Figure 4) is longer due to high industrialisation as compared to the Eastern and Southern Regions, and the Q-Q plot (Figure 3 & Figure 5) shows that the data points fall close to the diagonal line, which is an indication that the data are set to be normal. These two tests indicate that the data are normally distributed across all the Regions. Further, the Shapiro-Wilk test for normality also justifies this, where the sig value, *i.e.*, the p-value of all the Regions, is more than 0.5, by which we can assume that the data are normally distributed. One-Way ANOVA was used after the results of the tests of Normality to test whether there are any regional disparities in the CSR contributions in India, along with Tukey HSD for pairwise comparisons between the Regions.

Table 6. Tests of normality

	Shapiro-Wilk		
Regions	Statistic	Df	Sig.
Northern	0.91	10	0.30
Eastern	0.92	10	0.40
Western	0.94	10	0.57
Southern	0.96	10	0.83

8.1 One-Way ANOVA

H0: There are no Regional Disparities in the CSR Contributions in India.

H1: There are Regional Disparities in the CSR Contributions in India.

9. Discussions

Table 7 shows the results of ANOVA. It rejects the null hypothesis and accepts the alternative hypothesis, indicating a significant difference in CSR Contribution among the regions, as the p-value is significant at the 5% level. The difference is due to the CSR contribution varying from year to year. CSR spending has been unevenly distributed across regions, with western and southern regions receiving the highest allocations. The

Table 7. Results of ANOVA of regional disparities in the CSR contributions in India

	Sum of Squares	Df	Mean Square	F	pvalue
Between regions within regions Total	3669712 2397809 6067520	3 36 39	1223237 66605.79	18.37	0.000

Table 8. Results of Tukey HSD of pairwise comparisons of northern, eastern, western, and southern regions

	(J) Family	(J) Family	Mean Difference (I -J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Tukey	1.00	2.00	133.08	115.42	0.660	-177.76	443.93
HSD		3.00	-655.34	115.42	0.000	-966.18	-344.49
		4.00	-293.59	115.42	0.070	-604.44	17.25
	2.00	1.00	-133.08	115.42	0.660	-443.93	177.76
		3.00	-788.42	115.42	0.000	-1099.26	-477.57
		4.00	-426.67	115.42	0.004	-737.52	-115.83
	3.00	1.00	655.34	115.42	0.000	344.49	966.18
		2.00	788.42	115.42	0.000	477.57	1099.26
		4.00	361.74	115.42	0.017	50.90	672.59
	4.00	1.00	293.59	115.42	0.070	-17.25	604.44
		2.00	426.67	115.42	0.004	115.83	737.52
		3.00	-361.74	115.42	0.017	-672.59	-50.90

eastern region has consistently received lower funding, indicating a possible gap in corporate interventions in those areas (Khan & Bano, 2025). The main cause of the geographical differences in CSR spending in India is the different states' varying degrees of economic growth. Because of their strong industrialisation and corporate presence, businesses in economically affluent states like Maharashtra and Karnataka devote more funding to corporate social responsibility initiatives (Islam *et al.*, 2024). There should be a separate CSR provision for NER regions. As the data reveals, the states in the region have been neglected for several years. The average gap between national CSR and CSR in the NER region has continuously increased from 2014 onwards (Das, 2023). Further, home state preference is also one of the reasons for the low investment in some of the regions. The Western Region is the largest beneficiary in this aspect, as many industries are located in this Region, and they hesitate to invest in other regions.

9.1 Tukey HSD

9.1.1 Comparison of Northern with Eastern, Western and Southern Regions

9.1.1.1 Comparison of Northern and Eastern Regions

Ho: There is no Significant Difference in the CSR Contribution between the Northern and Eastern regions of India

H1: There is a Significant Difference in the CSR Contribution between the Northern and Eastern regions of India

From Table 8, we can interpret that the p-value is 0.660, which is greater than 0.05. H0 is not rejected as the CSR Contribution in the Northern and Eastern Regions is almost the same. The mean score of the Northern Region is 272.91, and the Eastern Region is 132.82. The states belonging to the NER region have suffered the most due to poor industrialisation in the region as well as negligence by the organisations. Less than 3% of companies chose the NER region for their CSR activities (Das, 2023).

9.1.1.2 Comparison of Northern and Western Regions

Ho: There is no Significant Difference in the CSR Contribution between the Northern and Western regions of India

H1: There is a Significant Difference in the CSR Contribution between the Northern and Western regions of India

From Table 8, we can interpret that the pvalue is less than 0.05. H0 is rejected. The CSR Contribution by states in the Northern and Western Regions differs. In the Northern Region, the Mean Score is 272.91, and in the Western Region, it is 928.24. Compared to the Northern Region, there is a difference due to industrialisation in the Western Region; CSR contributions in both regions have marginally increased.

9.1.1.3 Comparison of Northern and Southern Regions

Ho: There is no Significant Difference in the CSR Contribution between Northern and Southern Regions of India

H1: There is a Significant Difference in the CSR Contribution between Northern and Southern Regions of India

From Table 8, we can interpret that, as the P value is 0.70, which is more than 0.05. Ho is accepted due to the steady decline in CSR contributions in the Southern Region during 2016-17 and 2017-18. The mean score in the Northern Region is 272.91, and the Southern Region is 566.50

9.2 Comparison of Eastern with Western and Southern Regions

9.2.1 Comparison of Eastern with Western Regions

Ho: There is no Significant Difference in the CSR Contribution between the Eastern and Western Regions of India

H1: There is a Significant Difference in the CSR Contribution between the Eastern and Western regions of India

From Table 8, we can interpret that the pvalue is less than 0.05. Ho is rejected as the CSR Contribution by states in the Eastern and Western Regions differs. The mean score in the Eastern Region is 139.82, whereas in the Western Region it is 928.24.

9.2.2 Comparison of Eastern with Southern Regions

Ho: There is no Significant Difference in the CSR Contribution between the Eastern and Southern Regions of India

H1: There is a Significant Difference in the CSR Contribution between the Eastern and Southern Regions of India

From Table 8, we can interpret that the pvalue is less than 0.05. H0 is accepted, as the CSR Contribution by states in the Eastern and Southern Regions differs. The mean score in the Eastern Region is 139.82, and in the Southern Region it is 566.50.

9.3 Comparison of Western with Southern Regions

Ho: There is no Significant Difference in the CSR Contribution between the Western and Southern Regions of India

H1: There is a Significant Difference in the CSR Contribution between the Western and Southern Regions of India

From Table 8, we can interpret that the pvalue is 0.17, which is greater than 0.05. Ho is accepted, as the CSR Contribution by states in the Western and Southern Regions is almost the same. The mean score in the Western Region is 928.24, and in the Southern Region it is 566.50.

10. Discussions

On the basis of the results of Tukey HSD, it is understood that CSR Contribution among the regions differs, but when we make pairwise comparisons, the CSR contribution is almost the same between the Northern and Eastern Regions, Northern and Southern Regions and also between Western and Southern Regions. While states like Maharashtra and Gujarat attract substantial funds due to their corporate hubs, rural areas within these states continue to face challenges like farmer distress and water scarcity, indicating a need for more targeted interventions. Conversely, high-poverty states such as Bihar (₹35.19 Cr) and Jharkhand (₹69.38 Cr) receive disproportionately low CSR investments, despite acute developmental needs (Himalay & Riyat, 2025). Lesser-developed states like Jharkhand, Chhattisgarh, Bihar, Odisha, Madhya Pradesh and the Northeastern states, which account for over 60% of India's Aspirational Districts, receive less than 20% of the total CSR pool. This misalignment "dilutes the redistributive potential of CSR" and fails to address the needs of underserved populations (Mukherjee, 2025). A proper distribution mechanism is required to reduce the gap between CSR in India and the CSR NER region. Even though CSR is becoming increasingly significant, research still shows that CSR activities are clustered in the industrially rich states in India (Das, 2023). The CSR activities in the region are way below the national average, and less than 3% of companies choose the NER region for their CSR developmental activities (Das, 2023). The difference among the regions might be due to industrialisation and local area preference in CSR Investment and the lack of mandatory CSR Regulation on CSR contributions between developed and backward regions.

11. Conclusion

The paper examines the Regional Disparities in CSR Contribution in India and among the Northern, Eastern, Western and Southern Regions. Findings show that CSR spending has increased over a period of 10 years, especially after COVID-19, as the contribution was more towards health care and sanitation. India's CSR regime has significantly increased corporate contributions to development; it has not adequately addressed regional disparity (Jain & Mathur, 2025). CSR contribution in the Western Region is higher compared to other regions. Maharashtra has topped with over 13%, Gujarat-5%

and Rajasthan – 4%. In the past 8 years, an amount of ₹ 36912 crore has been invested in the Western Region. The CSR activities are clustered only in the industrially rich states of the country. On average, Maharashtra, Gujarat, Karnataka, Andhra Pradesh, and Tamil Nadu are the top 5 states with the highest CSR investment from 2014 to 2021. A proper distribution mechanism is required to reduce the gap between CSR in India and the CSR NER region (Das, 2023). To address these disparities, strategic reallocation of CSR resources is imperative. Firstly, policy incentives like tax benefits should encourage companies to invest in low-CSR regions, particularly the Northeast and aspirational districts. Secondly, multi-year CSR commitments and transparent reporting mechanisms should be mandated to ensure stability and accountability, avoiding volatile spending trends observed in states like Delhi and Kerala (Himalay & Riyat, 2025). Whereas CSR contribution is less in the Eastern region, there is an urgent need for a distribution mechanism of CSR investments across the country. So that the concentration of CSR activities can be diverted in all directions throughout the country with a holistic developmental approach (Das, 2023). The lack of specific CSR legislation that guarantees fair distribution emphasises the need for more detailed norms that promote inclusive growth, reduce gaps among communities, and address issues like women's empowerment, unemployment, and poverty (Islam *et al.*, 2024). Policy refinements may be required to ensure a more equitable spatial distribution of CSR resources, especially toward states with lower economic capacity and developmental deficits (Jain & Mathur, 2025). To improve CSR activities and to create a holistic development approach across the entire country. Both academic institutions like IIFM, TISS and IRMA and the corporate world must come together for the betterment of society as well as to improve their social work across the country (Das, 2023). Nearly 42% of the CSR Contribution is on education, followed by the health sector. Neglecting the other sectors like poverty alleviation, environmental awareness, and rural infrastructure. So, the states must chalk out a policy on CSR Contributions. There is no Such Provision in the CSR Act to spend only in the industrially rich states and regions. That is why the industrially rich states like Maharashtra, Gujarat, Tamil Nadu, and Karnataka have been reaping the benefits. But the backwards states are the worst sufferers. A decade has gone by since the introduction of CSR in India; the disparities among the regions still exist. So, there must be a provision in the CSR Act, amending the rules by including a mandate that CSR contributions are spread to all the Regions. Further, there must be a threshold limit for spending in the local area, and the rest should be invested in other regions so that there is overall development of the nation, and also the allocation should be based on the Human Development Index. But for this, accurate data from the states matters a lot.

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