

Corporate Social Responsibility in FMCG Companies: A Content Analysis of NSE-listed Firms

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Abstract

Corporate social responsibility is broadly defined as the ethical responsibilities of corporations towards society. The primary goal of CSR is to enhance long-term profitability and foster trust among shareholders by engaging in positive public relations and upholding high ethical standards. This approach aims to mitigate business and legal risks by accepting accountability for corporate actions. It goes beyond the mere expectation of generating profits and complying with legal requirements in business operations. The empirical study comprises longitudinal data from FMCG companies listed on the NSE (National Stock Exchange) from 2014 to 2023. Through content analysis of 150 annual reports of listed companies, this study found that companies focused more on environmental sustainability, gender equality, promoting education, preventive healthcare and sanitation, corporate governance, and scientific responsibility management systems. The main results indicate that CSR efforts are increasingly aligned with the SDGs, emphasizing sustainability, ethics, and social impact. This study offers valuable insights for stakeholders, including policymakers, investors, and corporate executives, to assess and enhance CSR practices in the FMCG sector.

Keywords - Corporate social responsibility, content analysis, CSR initiatives, FMCG companies.

Introduction

India became the first country to enforce corporate social responsibility legally on 1 April 2014. Section 135 of the Indian Companies Act, 2013, mandates companies with a specified turnover and profitability to spend 2% of their average net profit over the preceding three years towards Corporate Social Responsibility (CSR). These CSR activities align with the area specified in Schedule VII of the act. India is among the few nations globally that made mandatory provisions for companies to adhere to CSR initiatives. In India, the CSR law signifies a country's commitment to sustainable economic and environmental practices. CSR encompasses considering the impact of company action on diverse stakeholders, including employees, customers, the community, and the environment. CSR intends to go beyond financial success and have a positive contribution to society and the environment. Now, CSR has become an essential part of company strategy. By integrating CSR into their business operations, companies can not only contribute to societal goals but also achieve long-term sustainability and financial success. CSR offers numerous benefits both internally and externally for companies. Externally, it creates a positive image of company products, earns respect among peers, and creates short-term employment through projects like park and school construction. Internally, CSR enhances employee loyalty and trust in the organisation's ethical standards, improves operational efficiency, and elevates the quality and productivity of work. Nowadays, the community anticipates that businesses should not just create products and services but also play a more beneficial role in society, going beyond their traditional duties. A company can grow sustainably by gaining the trust of society. By focusing on activities that build trust, a company can develop good relationships with different groups, leading to better economic results over time (Sang Jun Cho et al. 2019). The corporate image is a psychological construct that can be cultivated through the implementation of corporate social responsibility practices. Beyond exhibiting commendable corporate behaviour towards customers, organisations can enhance their corporate image by showing concern and appreciation for their stakeholders (Yu-Chen Wei 2014). It is a shared belief among authors that CSR plays a crucial role in achieving sustainable development. The study concluded that companies could achieve long-term growth by focusing not only on their shareholders but also on the interests of their broader stakeholders through effective corporate governance and CSR initiatives. Therefore, advocating for responsibility towards promoting social and environmental sustainability to achieve sustainable outcomes and embedding social and environmental practices in business processes will likely gain prominence in the forthcoming years.

Review of Literature

Mahabir Narwal et al. (2013) studied a comparative analysis of CSR activities covered by Indian companies and MNCs. The study found that Indian companies and multinational corporations engaged in CSR activities, but there are slight differences in their areas of focus. Companies are embracing CSR practices related to environmental marketing, sustainable development, local community support, transparency, and accountability. **Dr Inder Pal Singh et al. (2014)** observed CSR practices in Indian private and public banks. The study found that public banks' spending is higher than private banks that banks are focused on social issues and financial issues to fulfil their CSR responsibility, and that environmental issues are not focused on by these banks. **Mr Swapnil K. Patel et al. (2019)** observed that there are significant differences between CSR expenditure and CSR practices of public and private sector banks, and private banks performed better than public banks. The banks adopted CSR practices related to education, healthcare, and the environment. **Anupma Goel et al. (2022)** found that CSR practices are influenced by the active or passive role being performed by the government. The government can influence CSR policy by co-partnering with corporations to integrate corporate efforts into the broader socioeconomic development framework, ensuring that businesses contribute positively to society while also addressing political and public expectations. **Aparna Bhatia et al. (2019)** conducted a study on the comparative analysis of CSR practice in developed and developing nations. The study divided CSR activities into five domains, namely, human resources, community, environment, customer and product, and others. The study found that developed nations have higher CSR disclosure scores in five domains than developing nations' CSR disclosure scores. **Dina El Bassouniye et al. (2022)** observed the impact of organization-level factors on CSR practices reporting in developed and developing nations. The study found that the organisational factors of board independence and institutional ownership have a significant impact on CSR disclosure practices in Egypt, but this factor has no significant impact on CSR disclosure practices in the context of the USA and Germany. **According to Ballesteros et al. (2017)**, based on complexity theory, CSR relies on a complex interplay of various broad characteristics such as size, independence, advantage, growth opportunities, and diversity, which together contribute to achieving high CSR practices. **Geraldine Zeimers et al. (2018)** found that four configurations leading to high CSR implementation and three leading to low CSR implementation and innovation capacity, combined with financial autonomy, knowledge, and human resources, are essential for CSR. The study concludes that organisational size is not crucial for CSR implementation; even smaller organisations can achieve high CSR if they are innovative and financially autonomous. **Yangquan GAO (2011)** conducted a content analysis of CSR reports of firms listed on the China Stock Exchange. The study found that state-owned enterprises are focused on social issues due to their political sensitivity, while non-state-owned enterprises are inclined to address stakeholders' interests. A study by **Priyanka Agrawal et al. (2019)** found that sustainability-reporting practices are not influenced by ownership structure and that sustainability practices are significantly different by dimension, industry type, and firm size. The study concludes that sustainability-reporting practices have no significant impact on profitability. **Amritjot Kaur Sekhon et al. (2019)** analysed the CSR disclosure of selected companies in India. The study found a continuous increase in CSR disclosures by Indian companies, with a particular focus on activities related to customers and community development. Companies prefer detailed qualitative disclosures, and there is a significant variation in disclosure across different CSR themes. **Shafat Maqbool et al. (2019)** studied the CSR practices reporting of top Indian companies in the post-mandatory period. The study found a continuous increase in CSR disclosures by Indian companies, companies' most focused dimension is community development, and product development is the least focused dimension. The study concludes that Indian companies have made substantial progress in corporate social responsibility reporting significantly after recent reforms. **Jogdand et al. (2018)** studied content analysis of hotel groups in India. The study divided CSR practices into different dimensions: waste and energy management, sustainable development, diversity and inclusion, community welfare, education, and environmental awareness. The study found that selected hotels were focused on environmental dimensions, not on other dimensions. However, they might be missing other critical aspects that could significantly contribute to sustainable tourism development. Another study by **Dzingai Kennedy Nyahunzvi (2013)** found that the hotel industry focused on financial performance, not on environmental and social concerns in their CSR reporting. **R. Tiwari (2012)** observed that Indian companies and multinational corporations (MNCs) in India both target similar stakeholder groups in their CSR communication, but their focus differs. MNCs prioritise the quality of work life for their human resources, whereas Indian companies emphasise monetary benefits. For customers, MNCs concentrate on product quality, while Indian companies focus on competitive pricing. Indian companies excel in environmental disclosures compared to MNCs. However, both types of companies pay the least attention to society as a stakeholder in their CSR communication.

Need for the study

After reviewing literature, we found that most of the studies conducted in developed economics compared to developing nations. Limited research has explored the CSR initiative taken by the FMCG sector, particularly in emerging markets like India. This study aims to bridge the gap and provide insights for firms and investors regarding the role of CSR in financial strategy. This study is particularly relevant given the increasing significance of CSR activities among NSE-listed FMCG companies, where the strategic implementation of CSR could directly influence a company's financial outcome. By addressing this gap, the research not only contributes to the existing body of knowledge but also offers insights that could assist companies and investors in making more informed decisions about the role of CSR in their financial strategies.

Objective of the study

- 1 To study the CSR Practices adopted by select FMCG companies in India.
- 2 To identify the companies with high and low levels of CSR disclosure.
- 3 To analyse the category-wise CSR disclosure made by select FMCG companies in India.

Research Methodology

Research methodology is the systematic process of collecting, analysing, and interpreting data to answer research questions or test hypotheses.

Sample for Study

The sample of this study comprised 15 FMCG companies listed in the NSE FMCG Index from 2014 to 2023.

Types and Sources of Data

The study used longitudinal data to examine the behaviour of companies engaged in CSR programs. The study is based on secondary data. Secondary data and information has been collected from research papers, articles, magazines, conference papers, and websites. Data on CSR was extracted from companies' annual reports, CSR reports, sustainability reports, and prowess; the Centre for Monitoring Indian Economy (CMIE) is the electronic database.

Technique of Data Analysis

This study is comprehensive, descriptive and explanatory. Secondary information has been analyzed for preparing the paper. The study used content analysis for CSR initiatives. We analysed the CSR practices of selected companies from 2014 to 2023. CSR is measured in terms of scores obtained by using the CSR disclosure Index. The CSR Disclosure Index serves as the primary tool for gathering fundamental data from the annual reports of chosen companies. This index is meticulously developed following an analysis of the annual reports and an examination of the extant literature. This study has implemented Schedule VII, Section 135 of the Companies Act, 2013 guidelines to disclose CSR activities under the twelve parameters that are eradicating hunger, promoting education and gender equality, environmental, etc. FMCG companies disclose a CSR item; it receives a score between 0 to 1. If an item disclosed by the sample firm scored 1 and an item not disclosed assigned 0. In this scoring technique, all the CSR items across the dimensions get an equal weightage. The final CSR score is calculated by using the formula (number of CSR items adopted by a company / the total number of items in the measurement instrument). The company-wise score has been calculated to identify companies with high and low disclosure levels. Additionally, item-wise scores have been computed to pinpoint the most popular disclosure category among Indian companies. This is measured by the ratio of companies disclosing a specific item to the total number of companies in the sample. The mean scores for each category have been calculated to rank the categories based on their average preferences. Generally, a higher CSR score indicates a greater number of CSR thrust areas identified and covered by an enterprise. Moreover, a lower CSR score means a smaller number of activities covered.

Result and discussion

Table 1

Schedule VII, Section 135 of the Companies Act, 2013 guidelines to disclose CSR activities under the twelve specifications.

I	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation, Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
II	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.
III	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
IV	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
V	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts.
VI	Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPE) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.

VII	Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports.
VIII	Contribution to the Prime Minister's National Relief Fund or 6 [Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or] any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
IX	Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government.
X	Rural development projects.
XI	Slum area development Project.
XII	Disaster management, including relief, rehabilitation and reconstruction activities.

(Source: <https://www.mca.gov.in>)

CSR is measured in terms of scores obtained by using the CSR disclosure Index. The final CSR score is calculated by using the following Formula:

=Number of CSR items adopted by a company / the total number of items in the measurement instrument)

The calculation of the CSR score from the years 2014 to 2023 of HUL Limited is shown below. The rest of the figures for all the selected enterprises have been calculated in the same manner.

CSR Score = 4/12 (0.33)

1. Hindustan Unilever Limited:

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CSR area covered	0	4	5	5	5	7	7	7	12	12
CSR Score	0	0.33	0.41	0.41	0.41	0.58	0.58	0.58	1	1

In 2014, HUL did not undertake any CSR activities. However, the company has progressively expanded its focus on CSR over the years. In 2015, it had four focus areas, which have since increased to twelve by 2023. Overall, the table illustrates a consistent upward trend in the company's CSR efforts over the years.

2. Nestle Limited:

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CSR area covered	0	0	4	3	4	5	6	5	5	5
CSR Score	0	0	0.33	0.25	0.33	0.41	0.50	0.41	0.41	0.41

Nestle Limited did not engage in any CSR activities in 2014 and 2015. However, in 2016, the company expanded its CSR efforts and reported activities in four focus areas. Subsequently, CSR activities gradually increased from 2018 to 2020 and then stabilized from 2021 to 2023. Overall, the table demonstrates a fluctuating but consistent commitment to the CSR initiative.

3. Britannia Industries Limited:

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CSR area covered	0	1	1	1	4	4	4	4	4	4
CSR Score	0	0.08	0.08	0.08	0.33	0.33	0.33	0.33	0.33	0.33

Britannia Industries Limited has significantly expanded its CSR activities since 2014. Previously, the company reported only one activity, but from 2018 to 2023, it has reported activities across four focus areas. Britannia Industries Limited has demonstrated a fluctuating yet overall consistent commitment to its CSR initiative.

4. ITC Limited:

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CSR area covered	0	7	6	6	6	6	7	7	8	8
CSR Score	0	0.58	0.50	0.50	0.50	0.50	0.58	0.58	0.66	0.66

ITC has demonstrated a consistent increase in its focus on CSR over time. In 2015, the company reported activities across seven categories, which has subsequently expanded to eight in 2023. This positive trend underscores the company's commitment to encompassing a broader spectrum of specified areas.

5 . Dabur India Limited:

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CSR area covered	0	4	5	5	4	5	5	5	5	5
CSR Score	0	0.33	0.41	0.41	0.33	0.41	0.41	0.41	0.41	0.41

The company has increased the scope of its activities from four in 2015 to five in 2017. After that, the company maintained consistent performance regarding the CSR thrust area.

6. Godrej Consumer Product Limited:

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CSR area covered	0	3	5	5	5	4	5	5	6	5
CSR Score	0	0.25	0.41	0.41	0.41	0.33	0.41	0.41	0.50	0.41

In 2015 Godrej, consumer product limited recognized three focus areas, which have increased to six in 2022, followed by a slight change in 2023. Overall, the company has a strong CSR commitment.

7. Marico Limited:

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CSR area covered	0	0	5	5	5	4	6	4	5	5
CSR Score	0	0	0.41	0.41	0.41	0.33	0.50	0.33	0.41	0.41

Marico Limited did not undertake any CSR activity in 2014 and 2015. In 2016, the company recognized five focus areas, which have increased to six in 2020, followed by a slight change in 2023.

8. Tata Consumer Product Limited:

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CSR area covered	0	3	4	3	3	4	4	4	4	4
CSR Score	0	0.25	0.33	0.25	0.25	0.33	0.33	0.33	0.33	0.33

There has not been any difference in the thrust areas of Tata Consumer Product for CSR activities. The company has maintained four major areas of focus for CSR activities and undertakes activities around them only

9 . Balrampur Chini Mill Limited:

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CSR area covered	0	0	6	6	7	7	7	8	6	6
CSR Score	0	0	0.50	0.50	0.58	0.58	0.58	0.66	0.50	0.50

The company has reported six activities in 2016, seven in 2018 to 2020, eight in 2021, and then a reduction to six areas in 2022 and 2023. After starting CSR initiatives in 2016, the company showed consistent involvement in 6–8 areas with some growth in CSR impact until 2021 .

10 . Radico Khaitan Limited:

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CSR area covered	0	0	7	6	7	7	5	8	5	5
CSR Score	0	0	0.58	0.50	0.58	0.58	0.41	0.67	0.41	0.41

The company's CSR activity began in 2016. Earlier, it used to report seven activities, and in the years 2021, report eight activities and five in 2023. The company showed fluctuating but consistent commitment regarding the CSR initiatives.

11 .Varun Beverage Limited:

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CSR area covered	0	1	2	2	4	4	4	4	4	4
CSR Score	0	0.083	0.16	0.16	0.33	0.33	0.33	0.33	0.33	0.33

Varun Beverage Limited did not engage in any CSR activities in 2014. The company shows modest involvement in CSR, covering 1-4 areas onward in 2016.

12. Procter & Gamble Hygiene and Health Care Limited:

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CSR area covered	0	0	1	1	1	2	2	2	2	2
CSR Score	0	0	0.083	0.083	0.083	0.16	0.16	0.16	0.16	0.16

Procter & Gamble Hygiene and Health Care Limited did not engage in any CSR activities in 2014 and 2015. The company shows low involvement in CSR, covering 1-2 areas onward in 2016.

13. Colgate-Palmolive India Limited:

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CSR area covered	0	0	3	3	3	3	3	4	4	4
CSR Score	0	0	0.25	0.25	0.25	0.25	0.25	0.33	0.33	0.33

Colgate-Palmolive India Limited did not engage in any CSR activities in 2014 and 2015. In 2016, the company used to report three activities .After that, in 2021, the company started reporting four activities. The company shows modest involvement in CSR, covering 3-4 areas onwards in 2016.

14 .United Breweries Limited:

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CSR area covered	0	0	2	3	3	3	3	4	4	4
CSR Score	0	0	0.16	0.25	0.25	0.25	0.25	0.33	0.33	0.33

The company CSR activity began in 2016. Earlier, it used to report three activities, and in the years 2021 to 2023, it has reported activities in four focus areas. The Company showed fluctuating but consistent commitment regarding the CSR initiative.

15 . United Spirit Limited:

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CSR area covered	0	0	4	4	5	5	6	4	6	6
CSR Score	0	0	0.33	0.33	0.41	0.41	0.50	0.33	0.50	0.50

The company began CSR reporting in 2016. The company has gradually increased its CSR thrust area over the period. Its focus areas were four in 2016 and have steadily increased to six in 2023. The table demonstrates the upward trend in the company's CSR thrust area over the year.

Table 2: Average CSR Score of FMCG Companies

Company name	Average CSR score	Rank
Hindustan Uniliver Limited	5.3	1
Nestle Limited	3.05	9
Britannia Industries Limited	2.22	13
ITC limited	5.06	2
Goderj Consumer Limited	3.54	5
Marico Limited	3.21	8
Dabur Limited	3.53	6
Tata Consumer Product Limited	2.73	11
Balrampur chini mill Limited	4.4	3
Radico Khaitan Limited	4.14	4
Varun beverage Limited	2.48	12
Procter & Gamble Hygiene and Health Care Limited	1.05	15
Colgate-Palmolive India Limited	2.84	10
United Breweries Limited	2.15	14
United Spirit Limited	3.31	7

(Source: Author calculation)

This table presents the comparative analysis of average CSR scores and ranks obtained by selected FMCG companies listed on the NSE. The CSR score indicates that the companies are committed to environmental and social initiatives. We observe that HUL and ITC have the highest CSR scores and lead the ranking, which reflects their strong commitment to CSR initiatives. The top five companies include HUL (5.3), ITC (5.06), Balrampur Chini Mill Ltd (4.4), Radico Khaitan Ltd (4.14), and Godrej Consumer Ltd (3.54). It shows that the company places a high priority on social responsibility and links its operations to sustainable practices and community development. The bottom five companies, including Tata Consumer Ltd. (2.73), Varun Beverage Ltd. (2.48), Britannia Industries Ltd. (2.22), United Breweries Ltd. (2.15), and Procter & Gamble Hygiene and Health Care (1.05), have the lowest CSR score, indicating that these firms, as compared to other FMCG firms, take fewer impactful initiatives. These CSR scores likely indicate the organisation's conformance with regulatory standards and its commitment to addressing social, environmental, and governance matters. To summarise, the table illustrates a notable difference in the way businesses address CSR. Although Hindustan Unilever and ITC are setting a good example with strong commitments, other companies, particularly those lower down in the ranks, must increase their efforts in

CSR to have a better social and environmental impact. This examination underscores the importance of maintaining an emphasis on CSR, particularly for companies with lower rankings, in order to effectively tackle social, environmental, and economic challenges.

Table 3: Themes of CSR Disclosures by Companies from 2014-2023.

Themes	Number of companies that reported spending under this activity	Disclosure (%)
Eradicating hunger, poverty & malnutrition promoting health care and sanitation	15	100
Promoting Education	14	93.3
Promoting Gender Equality, Women Empowerment	8	53.3
Ensuring Environment sustainability	9	60
Protection of national heritage, arts & culture	3	20
Measures for benefit of armed forces	2	13
Promotion of Sports	7	47
Contribution to PM Relief Fund	1	6.6
Contributions for technology incubators	2	13
Rural Development projects	5	33
Slum Area Development	1	6.6
Disaster Management	5	33

(Source: Author calculation)

This table addresses the number of companies that reported spending on various CSR activities, as prescribed in Schedule VII, Section 135 of the Companies Act, 2013. All 15 companies (100%) disclosed CSR initiatives related to promoting healthcare and sanitation in their annual reports and 14 companies representing 93.3%, showed the trend is education initiatives; 9 companies representing 60%, showed environmental consciousness; 8 companies, representing 53.3%, revealed that the trend is promoting gender equality; 7 companies, representing 47%, in their annual reports disclosed that the trend is sports initiatives; and 5 companies, representing 33%, disclosed in their annual reports that the trend is rural development. The table indicates that all the companies have reported spending funds for eradicating hunger, poverty, and malnutrition; promoting health care, including preventive health and sanitation; promoting education and gender equality; and promoting environmental sustainability. These four areas have emerged as popular domains where the majority of corporations have allocated their corporate CSR funds. The most ignored activities are contributions to the PM relief fund, contributions for technology incubators, slum area development and measures for the benefit of armed forces, and protection of national heritage, arts, and culture. Only a few companies have spent their CSR funds on these areas. The main objective of this analysis is to identify the CSR activities that companies prioritise the most and the least and point out the areas where CSR spending is lacking, especially those that receive minimal or no focus, to offer insights for future CSR strategies and policy development. The study suggested that the government should focus on encouraging relatively less targeted CSR activities by offering tax benefits or by fostering collaboration between public-private partnerships for the promotion of heritage, arts, and culture. To proliferate armed forces, it can provide CSR relevant to veteran employment advocacy and introduce awards. For sports promotion, the government can make rules for CSR and tax exemption for sports facilities development. Donations to the PM relief fund can be stimulated through the employment of matching fund techniques and bottling priority activities. For slum development, the government could reform a friendly rehabilitation policy with fast-track approval and tax benefits for the companies that invest in slum development projects. These steps seem necessary to broaden the participation of corporations in less-selected areas of CSR.

Conclusion

This research aims to provide evidence on CSR practices reported in annual reports by FMCG companies. CSR research in emerging countries is limited. The study used content analysis to identify CSR practices in FMCG companies listed on the NSE from 2014 to 2023. The study found that all the companies have reported spending funds for eradicating hunger, poverty, and malnutrition; promoting health care, including preventive health and sanitation; promoting education and gender

equality; and promoting environmental sustainability. These four areas have emerged as popular domains where the majority of corporations have allocated their corporate CSR funds. The most ignored activities are contributions to the PM relief fund, contributions for technology incubators, slum area development and measures for the benefit of armed forces, and protection of national heritage, arts, and culture. Only a few companies have spent their CSR funds on these areas. The study found that by engaging in CSR activities, FMCG brands can build trust and loyalty among their customers and stakeholders and support local communities to create positive social impacts and access new markets. The finding of the study suggested that the government should promote less targeted CSR activities, such as promoting heritage, arts, and culture; supporting the armed forces; and encouraging donations to the Prime Minister's Relief. To encourage less focused CSR activities, the government should provide tax benefits to the companies and also promote public-private partnership collaboration. These measures are crucial for expanding corporate involvement in less-focused areas of CSR. Today, CSR has become a widely recognised concept in the business world. Companies are not only expected to be profitable but also to be ethical and socially conscious. The integration of CSR into business operations can align social and financial targets, potentially leading to improved financial performance.

Limitation

The study has some limitations that need discussion.

1. Firstly, the study comprised only NSE FMCG companies. Therefore, due to the non-inclusion of large companies, the results of the final study cannot be generalized.
2. This study is based on secondary information; future studies can be based on primary data.

As a result, research is needed to examine these shortcomings in order to provide a more complete picture of this phenomenon.

Implication of the Study

The findings of this study may also serve as a framework for understanding the role of CSR in other sectors, contributing to corporate governance and academic research. This study provides valuable insight to managers integrating CSR into their core strategies to optimize social impact and increase economic returns. Moreover, policymakers can make better rules to promote CSR without compromising economic growth.

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