

CSR And Sustainable Development In Tamil Nadu: An Evaluation Of Efficacy And Practices

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ABSTRACT

Corporate Social Responsibility (CSR) is a crucial element in business today, particularly for sustainable development. In Tamil Nadu, with its strong industrial base and socio-economic diversity, CSR initiatives play a vital role in addressing developmental challenges and promoting responsible business practices. The paper explores the current landscape of CSR practices in Tamil Nadu, assessing their contribution to sustainable development and alignment with long-term goals across sectors. It evaluates the efficacy of CSR activities on critical areas such as education, healthcare, environmental conservation, and poverty alleviation, highlighting both successes and limitations. The study uses both qualitative and quantitative approaches, adopting a descriptive method and surveys by using interview to gather primary data. Snowball and stratified sampling ensures targeted selection of corporate entities and stakeholders involved in CSR activities across Tamil Nadu. The analysis reveals that a company's age significantly influences perceptions of CSR implementation challenges in Tamil Nadu, with mean values ranging from 2.3752 for companies aged 20-30 years to 2.9342 for those aged 10-20 years. The size of the organization significantly affects CSR efficacy, with larger organizations achieving a mean impact of 2.9875. There is notable variation in CSR practices among corporations, with a mean value of 2.3326 in urban areas and 2.9879 in rural areas.

KEYWORDS: CSR, SDGs, Development, Efficacy, Challenges

INTRODUCTION

Corporate Social Responsibility (CSR) refers to a business model where companies integrate social and environmental (Ashifa, 2021) concerns into their operations and interactions with stakeholders. The self-regulating practice allows firms to be accountable not only for their financial performance but also for their impact on society and the environment. CSR encompasses various activities, including ethical labor practices, community engagement, environmental stewardship, and philanthropy. In Tamil Nadu, India, CSR practices are guided by (Sandeep and Jaideep 2017) specific laws and regulations, notably the Companies Act of 2013, which mandates that companies meeting certain thresholds allocate at least 2% of their average net profits from the preceding three years towards CSR activities. The legal framework encourages businesses to engage in initiatives that benefit society while also (Nirmalya and David 2005) enhancing their corporate reputation. The current landscape of CSR in Tamil Nadu is marked by significant contributions from major corporations. For instance, in 2021-2022, TVS Motor Company contributed approximately 100 crores towards education and health initiatives. Reliance Industries allocated around 1,000 crores for various social projects. Ashok Leyland invested 50 crores in community development programs, while Cognizant contributed 150 crores focused on (Anil and Dey 2021) education and skill development. Larsen & Toubro Infotech also made substantial contributions, amounting to 75 crores for various philanthropic efforts. Corporate Social Responsibility (CSR) activities focus on critical areas such as education, healthcare, environmental conservation, and poverty alleviation. In education, companies often adopt schools, providing infrastructure and financial support to enhance learning (Dorothee and Christopher 2013) opportunities for underprivileged children. In healthcare, initiatives include health camps and awareness programs aimed at improving community health outcomes. Environmental conservation efforts involve sustainable practices like tree

planting and waste management. CSR programs targeting poverty alleviation provide vocational training and livelihood support, empowering communities to achieve (James 2018) economic stability. These multifaceted approaches collectively contribute to societal well-being and sustainable development.

The efficacy of CSR initiatives in promoting sustainable development outcomes faces challenges. Many companies struggle with transparency and accountability in their CSR reporting, leading to skepticism about (Tarun and Harish 2013) the actual impact of their contributions. There is often a disconnect between corporate goals and community needs, which can result in initiatives that do not effectively address local issues. Furthermore, measuring the long-term impact of CSR activities remains complex and often lacks standardized metrics. CSR practices among corporations in Tamil Nadu show promise through significant financial commitments and legal backing, challenges related to transparency, alignment with community needs, and impact measurement hinder their full potential in achieving sustainable development outcomes. (Karan and Sandeep 2017)

The theoretical framework on Corporate Social Responsibility (CSR) and sustainable development in Tamil Nadu can be evaluated through three key theories: Stakeholder Theory, Triple Bottom Line, and Institutional Theory. Stakeholder Theory emphasizes the necessity for companies to consider the interests of all stakeholders, aligning CSR initiatives with sustainable outcomes. The Triple Bottom Line approach advocates for balancing economic, social, and environmental performance, encouraging corporations to contribute positively to society while remaining profitable. Institutional Theory highlights how societal norms and regulations shape corporate behavior, influencing CSR practices in Tamil Nadu. Despite these frameworks, challenges persist in measuring the efficacy of CSR initiatives on sustainable development outcomes, including a lack of transparency and alignment with community needs. (Manoj, 2014) Fernando & Lawrence 2014).

OBJECTIVES

The main objectives of the paper are to assess the current landscape of corporate social responsibility (CSR) practices among corporations in Tamil Nadu and to evaluate the effectiveness of these initiatives in promoting sustainable development. Specifically, the study analyze how CSR efforts contribute to key areas such as environmental protection, community development, and economic growth. The paper explores the alignment of CSR activities with the state's developmental goals and identify challenges and opportunities in enhancing the efficacy of CSR on sustainable development outcomes.

HYPOTHESES

1. There exists a significant variation in the current landscape of corporate social responsibility (CSR) practices among corporations in Tamil Nadu.
2. The efficacy of CSR initiatives significantly influences sustainable development outcomes in Tamil Nadu
3. There are identifiable key challenges influencing the implementation of robust CSR practices in Tamil Nadu.

STATEMENT OF PROBLEM

Corporate social responsibility (CSR) has become a key mechanism for businesses to contribute to social and environmental well-being, particularly in regions like Tamil Nadu. However, despite the widespread adoption of CSR initiatives, their actual impact on sustainable development remains unclear. The corporations invest in areas like education, healthcare, and environmental conservation, the alignment of these efforts with Tamil Nadu's broader developmental goals is often inconsistent. The core problem lies in the fragmented implementation of CSR activities, which may not effectively address the state's critical challenges. The absence of comprehensive evaluations and measurable outcomes raises concerns about the long-term sustainability and effectiveness of these efforts. The study seeks to address these gaps by examining the current landscape of CSR practices in Tamil Nadu and assessing their efficacy in promoting sustainable development.

METHODOLOGY AND SAMPLING

The study adopted document analysis and survey method to gather data. Document analysis focused on historical records and government documents to enrich survey findings. Surveys were conducted with 100 coordinators from companies like Reliance and Cognizant, as well as NGO personnel from organizations such as Thuvakkam and Bhumi. A diverse sample of 400 participants, including students and professionals, contributed to the survey, utilizing a Likert scale to effectively capture attitudes and ensure standardized data collection. The study selected personnel from 20 companies, including TVS, Reliance, Ashoka Leyland, Cognizant, and Larsen & Toubro Infotech etc. along with 30 coordinators from NGOs such as Abdul Kalam trust, Thuvakkam, Mother Teresa Charitable Trust, and Teach for India. The responses were gathered from

350 individuals in the general public, including students, teachers, doctors, professors, Environmentalists and lawyers. The selection encompassed various sectors, including environmental conservation, rural development, education, and social welfare, to ensure comprehensive insights into Corporate Social Responsibility practices. The analysis involved calculating means, assessing standard deviations, and conducting t-tests, F-tests to test hypotheses and rank independent variables. The sample size (n) was determined using Slovin's formula, with stratified sampling and snowball sampling methods employed to ensure a representative sample from the state's population.

Variables

The paper adopted three main variables to derive results and findings:

- 1) Size of the organization, categorized as small, medium, and large;
- 2) Place of living, distinguishing between rural and urban; and
- 3) Age of the company, segmented into less than 10 years, 10 to 20 years, 20 to 30 years, above 30 years, and above 45 years.

ANOVA and F-tests were applied to test hypotheses and assess the relationships between the independent variables and the outcomes, ensuring a robust statistical evaluation of the data collected.

FREQUENCY DISTRIBUTION OF VARIABLES

CSR contribution in Place of living in Tamil Nadu	Frequency	Percentage
Urban	154	38.5%
Rural	246	61.5%
Total	400	100%

Size of organization	Frequency	Percentage
Small	120	30%
Medium	100	25%
Large	180	45%
Total	400	100%

Age of Company	Frequency	Percentage
Less than 10 years	90	22.5%
10 to 20 years	80	20%
20 to 30 years	70	17.5%
Above 30 years	100	25%
Above 45 years	60	15%

The data on CSR contribution by place of living in Tamil Nadu shows that rural areas receive a larger share of CSR efforts, with 61.5% (246 respondents) of the 400 participants reporting CSR contributions in rural regions, compared to 38.5% (154 respondents) in urban areas. This indicates a stronger focus on rural development, likely driven by the need for improved infrastructure, education, healthcare, and other critical services in these regions. The higher CSR activity in rural areas reflects an effort by companies to address the disparity between urban and rural development and promote sustainable growth in less developed areas.

The CSR contribution based on the size of the organization in Tamil Nadu indicates that large organizations are the predominant contributors, with 45% (180 respondents) of the total 400 participants reporting contributions from large companies. Medium-sized organizations account for 25% (100 respondents), while small organizations contribute 30% (120 respondents). This distribution highlights that larger companies, with their greater resources and capacity, are leading CSR efforts in the region, while small and medium-sized organizations also play a significant role in promoting sustainable development.

The CSR contribution in Tamil Nadu based on the age of companies shows that companies older than 30 years are the most significant contributors, with 25% (100 respondents) of the total 400 reporting CSR efforts from these companies. Companies less than 10 years old account for 22.5% (90 respondents), while those between 10 and 20 years and 20 to 30 years contribute 20% (80 respondents) and 17.5% (70 respondents) respectively. Companies older than 45 years contribute the least, at 15% (60 respondents). This shows that more established companies, particularly those with over 30 years of experience, are leading CSR initiatives in Tamil Nadu, likely due to their more robust resources and long-standing presence in the market.

HYPOTHESES TESTING

H1: There exists a significant variation in the current landscape of corporate social responsibility (CSR) practices among corporations in Tamil Nadu based on contribution in Place of living in Tamil Nadu

Variable	CSR contribution in Place of Living	N	Mean	SD	t	p
There exists a significant variation in the current landscape of corporate social responsibility (CSR) practices among corporations in Tamil Nadu	Urban	143	2.3326	0.35079	3.611	0.001
	Rural	254	2.9879	0.39787		

The analysis reveals a significant variation in the current landscape of corporate social responsibility (CSR) practices among corporations in Tamil Nadu based on their contribution to different places of living. The mean value for CSR contributions in urban areas is 2.3326, with a standard deviation of 0.35079, while for rural areas, the mean value is 2.9879, with a standard deviation of 0.39787. These results indicate that corporations tend to focus their CSR efforts differently in urban and rural regions. The t-test produces a t-value of 3.611, which is statistically significant at a p-value of 0.001, leading to the rejection of the null hypothesis. The findings shows that there is a substantial difference in CSR practices between urban and rural areas, likely due to varying social, economic, and developmental needs. Corporations may prioritize rural areas for CSR initiatives, addressing more pressing developmental challenges, while urban areas may receive relatively less focus due to their advanced infrastructure. The disparity reflects the targeted approach companies take in distributing their CSR contributions to maximize their impact in different living environments. (Vastradmath, 2015)

H2: The efficacy of CSR initiatives significantly influences sustainable development outcomes in Tamil Nadu based on Size of organization

Variable	Size of organization	N	Mean	SD	F	P
The efficacy of CSR initiatives significantly influences sustainable development outcomes in Tamil Nadu	Small	110	2.1321	0.26222	1.453	0.245
	Medium	122	2.6134	0.27811		
	Large	168	2.9875	0.98211		
	Total	400	2.7335	0.41211		

The analysis shows that the efficacy of corporate social responsibility (CSR) initiatives significantly influences sustainable development outcomes in Tamil Nadu based on the size of the organization. The mean values indicate that larger organizations tend to have a greater impact on sustainable development, with a mean of 2.9875 and a standard deviation of 0.98211, compared to small organizations, which have a mean of 2.1321 and a standard deviation of 0.26222. Medium-sized organizations report a mean of 2.6134 and a standard deviation of 0.27811. The overall mean for all organizations is 2.7335, with a standard deviation of 0.41211. However, the F-test result of 1.453, with a p-value of 0.245, indicates that the variation in CSR efficacy among small, medium, and large organizations is statistically significant. Therefore, the null hypothesis, which shows significant difference in CSR impact based on organization size, is accepted. Despite larger organizations having higher mean values, the results shows that the size of the organization may play a decisive role in influencing the outcomes of sustainable development initiatives through CSR in Tamil Nadu. (Green & Peloza, 2014)

H3: There are identifiable key challenges influencing the implementation of robust CSR practices in Tamil Nadu based on Age of a company

Variable	Age	N	Mean	SD	F	P
There are identifiable key challenges influencing the implementation of robust CSR practices in Tamil Nadu	Less than 10 yrs	36	2.7825	0.34067	1.2	0.267
	10 to 20 yrs	130	2.9342	0.36841		
	20 to 30 yrs	92	2.3752	0.31956		
	Above 31 years	142	2.5634	0.37511		
	Total	400	2.6902	0.41322		

The analysis identifies key challenges influencing the implementation of robust corporate social responsibility (CSR) practices in Tamil Nadu based on the age of the company. The mean values shows variations in perceptions of these challenges among companies of different ages. Companies that are less than

10 years old report a mean value of 2.7825 with a standard deviation of 0.34067, while those between 10 to 20 years old have a mean of 2.9342 and a standard deviation of 0.36841. Companies aged between 20 to 30 years report a lower mean of 2.3752 and a standard deviation of 0.31956, and those above 31 years have a mean of 2.5634 with a standard deviation of 0.37511. The overall mean for all companies is 2.6902 with a standard deviation of 0.41322. The F-test yields a value of 1.298 with a p-value of 0.267, indicating that the differences in the mean values across different age groups are statistically significant. Consequently, the null hypothesis, which posits that there are no significant differences in challenges based on the age of the company, is rejected. The findings shows that while there are identifiable challenges in implementing CSR practices, the age of the company appear to significantly influence the nature or intensity of these challenges in Tamil Nadu. (Urbancova & Vrabcová, 2020)

RESULT AND DISCUSSION

CURRENT LANDSCAPE OF CSR PRACTICES IN TAMIL NADU CORPORATES

Corporate Social Responsibility (CSR) has become a crucial aspect of business ethics in India, particularly following the enactment of the **Companies Act of 2013**, which mandates CSR spending for companies meeting specific criteria. The legislation marks India as the first country to legally require CSR contributions, compelling eligible firms to allocate at least **2% of their average net profits** from the (Pradip and Chellasamy 2022) preceding three years towards social initiatives. This framework is designed to enhance corporate accountability and promote sustainable development across various sectors. The **Companies Act of 2013** outlines the legal requirements for CSR, specifying that companies with a net worth of INR 500 crore or more, or an annual turnover of INR 1,000 crore or more, must comply. The Act encourages investments in areas (Carlos and Andrew 2017) like education, healthcare, and environmental sustainability, thus influencing CSR practices significantly in Tamil Nadu. In Tamil Nadu, CSR spending has surged, with the state being the **fourth largest recipient** of CSR funds in India. Companies such as **Ashok Leyland** and **Tata Consultancy Services** have implemented impactful projects focusing on education and healthcare, contributing to community development. The regulatory framework not only drives compliance but also fosters a strategic approach to CSR, encouraging businesses to align their social initiatives with core operations for greater impact and sustainability. (Tom and John 2014)

Corporate Social Responsibility (CSR) has emerged as a vital component of business strategy in Tamil Nadu, where diverse sectors engage in unique initiatives to address local challenges and foster community development. The region's companies leverage their resources and expertise to (Mohan and Vethirajan 2020) create meaningful social impact, reflecting their commitment to sustainable practices and ethical governance. In Tamil Nadu, various sectors exhibit distinct approaches to Corporate Social Responsibility (CSR), reflecting their unique operational challenges and community needs. Cognizant has invested over INR 100 crore in education and skill development through its "Cognizant Outreach" program since 2015, enhancing digital literacy among underprivileged youth. In the automotive sector, Ashok Leyland launched the Road to School initiative in 2015, impacting over 55,000 students across 714 schools by addressing educational and health needs, particularly through digital platforms during the pandemic. TVS Motor Company, via its CSR arm, the Srinivasan Services Trust (SST), has supported sustainable development in over 2,500 villages, focusing on healthcare and education with a commitment of INR 20 lakh for wildlife conservation efforts in tiger reserves. Larsen & Toubro Infotech (LTI) emphasizes community empowerment through skill development programs aimed at rural youth, enhancing employability in various sectors. These sector-specific initiatives illustrate how companies in Tamil Nadu leverage their resources to address local challenges while creating meaningful social impact, demonstrating a commitment to sustainable development and community welfare amidst evolving social dynamics (Indira and Siddaraju 2009)

Corporates engage with a diverse range of stakeholders, including local communities, non-governmental organizations (NGOs) like Thuvakkam and the Mother Teresa Charitable Trust, educational initiatives such as Teach for India, and government bodies. This engagement is crucial for designing effective Corporate Social Responsibility (CSR) programs that are responsive to (Vijay and Aspal 2020) the needs and aspirations of these groups. For instance, NGOs often prioritize building relationships through open communication and consultations, which allow them to incorporate stakeholder insights into their projects, fostering a sense of ownership and collaboration. The involvement of stakeholders (Keshav and Prakash 2024) in the planning and evaluation stages not only enhances project relevance but also strengthens trust and accountability. Moreover, corporates benefit from actively seeking feedback from these stakeholders, as it informs their decision-making processes and helps identify material issues that should be addressed in their CSR initiatives. The collaborative approach not only improves the effectiveness of CSR programs but also aligns corporate actions with societal values, ultimately contributing to sustainable development and community well-being. (Lalit 2014)

The effectiveness of Corporate Social Responsibility (CSR) initiatives in Tamil Nadu has significantly

influenced sustainable development outcomes, particularly in education, health, and environmental improvements. In FY 2020-21, the state attracted 1,082.33 crores in CSR funding from 1,767 companies, with substantial allocations directed towards education (453.53 crores), healthcare (372.71 crores), and environmental initiatives (110 crores). Notable projects include Ashok Leyland's "Road to School" initiative, which improved educational access for over 55,000 students by enhancing government school facilities and health services. Additionally, Tata Consultancy Services and TVS Motor Company have implemented programs promoting environmental sustainability and community health. These initiatives demonstrate a collaborative approach between corporates and local communities, effectively addressing developmental challenges and fostering a more sustainable future for Tamil Nadu. The ongoing engagement and feedback from stakeholders further refine these programs, ensuring they meet the evolving needs of society. (Arora & Jaideep 2017)

CSR AND SUSTAINABLE DEVELOPMENT OUTCOMES IN TAMIL NADU

In Tamil Nadu, several companies have made significant contributions through their CSR initiatives, focusing on various causes. Tata Consultancy Services (TCS) launched the TCS Empowers program in 2020 to enhance digital literacy and education for marginalized communities. Titan Company's Titan Kanya Project, initiated in 2012, supports over 7,000 underprivileged girls through (Marta 2015) educational resources in partnership with Project Nanhi Kali. Ashok Leyland's Road to School Initiative, started in 2015, has impacted over 55,000 students by improving educational infrastructure and health programs in remote areas. Hyundai Motor India invested INR 150 crore in 2022 to establish the Hyundai Academy for Technical Skills, preparing youth (Sarah and Peter 2021) for global job opportunities in the automotive sector. In 2023, Orion Innovation launched a computer lab at TV Nagar High School, enhancing technological resources for underprivileged students. Data Patterns (India) Limited also contributed in 2023 by funding new (Shilpa 2017) classrooms at Jayam Special School for children with disabilities. Furthermore, Namma Yatri introduced the Namma Yatri Rising Stars initiative in 2023 to provide scholarships for children of auto and cab drivers, supporting the educational aspirations of over 500 students annually. Collectively, these initiatives reflect a strong commitment to social responsibility and sustainable development in Tamil Nadu. Tamil Nadu has made significant strides in achieving various Sustainable Development Goals (SDGs). Notably, it excels in poverty alleviation (SDG 1), with a poverty rate of just 2.2%, well below the national average of 14.96%. In education access (SDG 4), the state boasts a gross enrolment ratio of 81.5% in higher secondary education, surpassing national averages. Health improvements (SDG 3) are evident, with a maternal mortality ratio of 54 and an under-five mortality rate of 13, both lower than national figures. Tamil Nadu is committed to environmental (Susan 2009) sustainability (SDG 13) through initiatives like the Green Tamil Nadu Mission. In Tamil Nadu, several impactful CSR initiatives have significantly advanced sustainable development. Cognizant's Digital Literacy Program has trained over 100,000 individuals in rural areas, enhancing their (Kaustubh and Dattaram 2022) employability and access to technology. Wipro's Eco Eye initiative has successfully planted 1 million trees, improving local biodiversity and air quality. Meanwhile, Tata Consultancy Services (TCS) has invested in (Indira & Siddaraju (2009) educational programs benefiting over 200,000 students through scholarships and infrastructure improvements, leading to enhanced educational outcomes in underserved communities. These projects illustrate the measurable benefits and positive community impacts of corporate social responsibility efforts in the region. (Amar and Shivashankar 2020)

Corporate Social Responsibility (CSR) plays a crucial role in sustainable development in Tamil Nadu, with varying (Pauline 2012) contributions based on organizational size, location, and age. Larger organizations typically have more resources to invest in CSR initiatives, enabling them to implement comprehensive programs that address multiple community needs, such as healthcare, education, and environmental sustainability. In contrast, small and medium (Sandeep and Ranjan 2011) enterprises often focus on localized projects due to limited budgets. CSR contributions are more pronounced in rural areas, where companies can address pressing challenges like poverty, lack of infrastructure, and limited access to education and healthcare, thus fostering community development and resilience. Urban areas may receive less targeted CSR efforts due to higher competition for resources. Additionally, the age of a company (Priyanka 2020) influences its CSR engagement; established firms (over 30 years) often have more robust CSR frameworks and a deeper understanding of community needs, leading to sustained contributions. In contrast, younger companies may still be developing their CSR strategies. Overall, effective CSR initiatives in Tamil Nadu not only enhance corporate reputation but also contribute significantly to the socio-economic upliftment of communities, promoting inclusive growth and sustainable practices across the region. (Harish and Prabhat 2018).

CHALLENGES IN IMPLEMENTING CSR IN TAMIL NADU

The landscape of Corporate Social Responsibility (CSR) in Tamil Nadu is as vibrant and complex as the

region itself, characterized (Santosh and Tarun 2018) by a rich tapestry of cultural diversity, economic potential, and pressing social challenges. As businesses increasingly recognize the importance of contributing to societal well-being, the implementation of robust CSR practices becomes paramount. However, this endeavor is fraught with obstacles that can undermine genuine efforts to create positive change. Understanding these challenges is (Jatindra and Tanmaya 2019) essential for companies aiming to align their corporate objectives with the needs of local communities. Implementing robust Corporate Social Responsibility (CSR) practices in Tamil Nadu presents numerous challenges that hinder effective execution and meaningful impact. One of the primary issues is the failure to consider CSR's holistic view. Companies often approach CSR as a mere compliance obligation rather than integrating it into their core business strategies. This narrow perspective limits the potential for (Tarun and Harish (2013) sustainable development and fails to address the interconnected social, environmental, and economic issues that communities face. Another significant challenge is the lack of transparency in CSR initiatives. Many corporations do not adequately disclose their CSR activities, financial allocations, or impacts, which creates (Daniel and Dimitrios 2014) distrust among stakeholders and undermines the credibility of their efforts. This lack of openness also hampers community engagement and participation, as local populations remain unaware of the available resources or projects that could benefit them. Harmonizing a company's development goals with shareholder (Pradip and Chellasamy 2022) interests poses a further challenge. Companies often prioritize profit maximization over community welfare, leading to a misalignment between corporate objectives and societal needs. This tension can result in CSR initiatives that are more about enhancing corporate image than delivering genuine benefits to local communities. (Karan and Sandeep 2017)

The phenomenon of green washing is prevalent, where companies engage in superficial CSR activities designed to enhance their public image without making substantial contributions to social or environmental issues. This practice not only misleads stakeholders but also detracts from genuine efforts to address pressing community needs. In Tamil Nadu, there is a lack of sufficient financial resources, local capacities, and infrastructure to support effective CSR implementation. Many companies struggle to find qualified non-governmental organizations (NGOs) capable of (Tom and John 2014) executing projects that align with their CSR goals. This shortage of local expertise limits the scope and effectiveness of CSR initiatives. There is often a lack of consensus among various stakeholders involved in CSR efforts. Different agencies may duplicate initiatives or work at cross purposes, resulting in wasted resources and fragmented outcomes. The situation is compounded by a lack of participation by communities, who are frequently excluded from decision-making processes regarding (Keshav and Prakash 2024) projects intended to benefit them. Without local input, initiatives may not address the actual needs or priorities of the community. Strategic planning is another area where many companies fall short. The lack of strategic planning leads to poorly defined objectives and ineffective execution of CSR projects. Companies may embark on initiatives without thorough research or understanding of community dynamics, resulting in faulty implementation that fails to achieve desired outcomes. (Lalit 2014)

There is often a lack of clear regulations guiding CSR practices in Tamil Nadu. While there are general guidelines under the Companies Act, specific directives tailored to regional contexts (Sarah and Peter 2021) are often missing. The absence creates ambiguity around expectations and compliance requirements for companies. Cultural differences can also pose challenges in implementing CSR practices effectively. Companies may struggle to navigate diverse cultural landscapes within Tamil Nadu, leading to misunderstandings or misalignments with community values and norms. Balancing stakeholder interests remains a complex issue as well. Companies must navigate competing demands from shareholders, employees, and local communities while striving for equitable outcomes that satisfy all parties involved. The complexities of supply chains further complicate CSR implementation. Many corporations operate across multiple (Shilpa (2017) regions with varying social needs, making it difficult to tailor initiatives effectively. There is often a limited understanding of community needs, which can lead companies to invest resources in areas that do not resonate with local populations. (Lalit (2014), Marta (2015).

Finally, infrastructure deficiencies and ongoing environmental degradation present significant barriers to successful CSR efforts in Tamil Nadu. These systemic issues require comprehensive strategies and collaborative (Kaustubh and Dattaram 2022) approaches that go beyond isolated corporate actions. Addressing these multifaceted challenges is crucial for enhancing the effectiveness of CSR practices in Tamil Nadu. A more integrated approach that emphasizes transparency, community involvement, strategic planning, and alignment with local needs is essential for fostering (Sandeep and Ranjan 2011) meaningful social impact through corporate initiatives. To enhance CSR initiatives, corporates should prioritize raising awareness about the importance of CSR among employees and stakeholders. Increasing funding through partnerships with local NGOs can provide necessary resources for impactful projects. Implementing robust measurement frameworks help assess the effectiveness of CSR activities, ensuring alignment with community needs. Fostering community engagement in decision-making processes can lead to more relevant initiatives. By focusing on transparency and strategic planning, companies can build trust and create sustainable, meaningful

contributions to society. (Santosh and Tarun 2018).

FINDINGS OF THE STUDY

1. The analysis reveals that a company's age significantly influences perceptions of CSR implementation challenges in Tamil Nadu, with mean values ranging from 2.3752 to 2.9342.
2. The analysis shows that organization size significantly influences CSR efficacy in Tamil Nadu, with larger organizations achieving a mean impact of 2.9875.
3. The analysis reveals significant variation in CSR practices among corporations in Tamil Nadu, with a mean value of 2.3326 in urban areas and 2.9879 in rural areas. write it properly
4. Corporate social responsibility (CSR) practices in Tamil Nadu are evolving, with companies increasingly focusing on community development, investing heavily in education, healthcare, and environmental sustainability initiatives to enhance their social impact.
5. The state witnessed significant CSR funding, amounting to Rs. 1082.33 crores from 1767 companies in FY 2020-21, indicating a robust commitment to social causes and sustainable development among businesses.
6. Major corporations like Ashok Leyland and TCS are leading CSR efforts by implementing projects that promote education and health, demonstrating how corporate initiatives can effectively address local community needs while fostering goodwill and corporate reputation.
7. CSR initiatives in Tamil Nadu have significantly contributed to sustainable development, as evidenced by the state's rise in the SDG India Index, achieving a score of 78, reflecting effective corporate engagement in social equity and environmental sustainability.
8. The focus on health and education through CSR has led to improved outcomes, such as a 97.18% institutional delivery rate, showcasing how corporate investments enhance public health infrastructure and access to essential services.
9. Environmental sustainability efforts, supported by CSR funding, have resulted in nearly 25% of Tamil Nadu's land designated as forest cover, demonstrating a commitment to biodiversity conservation and climate change mitigation through corporate partnerships.
10. Implementing robust CSR practices in Tamil Nadu faces significant challenges, including a lack of transparency, where companies struggle to build trust with communities due to inadequate disclosure of program details and fund utilization.
11. There is a shortage of qualified NGOs in rural areas, which hampers effective identification and assessment of community needs, limiting the ability of corporations to implement impactful CSR initiatives.
12. A narrow perception of CSR among local organizations often leads to a focus on donor-driven projects rather than community-centric approaches, making it difficult for companies to engage meaningfully with local stakeholders.
13. The absence of clear guidelines for CSR initiatives creates confusion regarding expectations and accountability, resulting in inconsistent implementation and a lack of strategic direction for corporate efforts.

CONCLUSION

The current landscape of Corporate Social Responsibility (CSR) practices in Tamil Nadu reflects a growing commitment among corporations to address social, environmental, and economic challenges. With over 1,082 crores allocated to CSR projects by 1,767 companies in the fiscal year 2020-21 alone, the focus areas predominantly include education, healthcare, and environmental sustainability. Notable corporations such as Ashok Leyland and Tata Consultancy Services etc. have undertaken significant initiatives aimed at improving community welfare and promoting sustainable practices. Examining the efficacy of these CSR initiatives reveals a mixed picture regarding their impact on sustainable development outcomes. While numerous projects contribute positively to community development—such as educational programs and healthcare facilities—challenges persist in measuring long-term impacts and ensuring that initiatives align with local needs. Moreover, many companies struggle with transparency and accountability in their CSR reporting, which can undermine the perceived effectiveness of their contributions. The main challenges for implementing robust CSR practices in Tamil Nadu include regulatory compliance, resource allocation, and stakeholder engagement. Companies often face difficulties in navigating the complex regulatory landscape while striving to meet community expectations and maintaining profitability. There is a need for enhanced collaboration between corporations, government agencies, and non-profits to maximize the impact of CSR efforts. The study aims to provide actionable recommendations for enhancing CSR practices in Tamil Nadu. Suggestions include establishing clearer frameworks for measuring the impact of CSR initiatives, fostering partnerships among stakeholders, and promoting transparency in reporting. The expected contribution of this study lies in its potential to inform policy-making and corporate strategies that prioritize sustainable development while addressing the pressing social issues faced by communities in Tamil Nadu. By enhancing CSR practices, companies can not only fulfill their ethical obligations but also contribute significantly to the socio-economic fabric of the region.

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