

Corporate Social Responsibility and Environmental Sustainability: An Assessment of CSR Initiatives and Their Impact on Industries in Rajasthan

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Citation: Sharma, M. & Sharma, P. (2026). Corporate Social Responsibility and Environmental Sustainability: An Assessment of CSR Initiatives and Their Impact on Industries in Rajasthan. International Journal of Global Research Innovations & Technology, 04(03), 235–242. <https://doi.org/10.62823/ijgrit/04.03.9564>

ABSTRACT

The state of Rajasthan received CSR funding worth ₹1,145.67 crore from 1,851 firms in FY2023-24, making it one of the biggest states receiving mandatory Corporate Social Responsibility expenditure in India (The CSR Journal, 2025). This paper evaluates not only the extent to which the leading industries in Rajasthan invest in CSR and environmental sustainability but also the tangible results of their investments based on data available on the National CSR Portal and impact reports from Hindustan Zinc Limited, Shree Cement Limited, Cairn Oil & Gas (Vedanta Limited), and RSWM Limited. State-wise, Education attracted 48% of the total CSR funds, followed by Health with 19% share, Rural Development with 13%, with Hindustan Zinc being the biggest CSR spender at ₹200.13 crore. Company-wise, the impact of CSR investment depends on the design of the respective programs. Hindustan Zinc's Zinc Kaushal skilling program trained 1,771 youth in FY2023-24, 77% of whom secured jobs or became self-employed, while Hindustan Zinc's water-stewardship programs resulted in 2.41 times water positivity; in turn, Shree Cement claimed more than eight times water positivity and impacts on more than 6.7 lakh beneficiaries due to CSR interventions.

Keywords: CSR Impact Assessment, Environmental Sustainability, Rajasthan, Hindustan Zinc, Shree Cement, National CSR Portal, Companies Act 2013.

Introduction

Rajasthan holds an important place in India's CSR map. Rajasthan contains around 90% of India's total mineral deposits (The CSR Journal, 2025), and has significant mining, cement, oil and gas, and textiles industries, each of which under Section 135 of the Companies Act, 2013 must contribute at least 2% of its average net profit to CSR. In fiscal year 2023-24 alone, National CSR Portal figures indicate that Rajasthan has received CSR funding worth ₹1,145.67 crore from 1,851 companies, with Jaipur District alone receiving ₹248.24 crore, followed by Udaipur, Ajmer, Alwar, and Bhilwara districts (The CSR Journal, 2025).

CSR expenditure figures, however, are different from CSR impact figures. Since 2021, under the Companies (Corporate Social Responsibility Policy) Amendment Rules, companies with CSR obligation above certain thresholds must conduct an independent third-party impact assessment of their CSR project, leading companies to report not just rupee figures but outcomes: number of people benefiting, skills developed, jobs created, and water or greenhouse gas emissions saved. This paper recognizes the difference and asks not just how much money do the major industries of Rajasthan contribute in CSR and sustainability efforts, but what measurable impact this contribution has had.

In this paper, the impact is analyzed at two levels. Firstly, at the state level by analyzing the CSR funding distribution within the state of Rajasthan through the National CSR Portal data for FY2023-24. This analysis focuses on the sectors and companies that contribute the highest amounts of CSR funding. Secondly, at the company level through impact evidence by the four major industrial players Hindustan Zinc Limited (mining sector), Shree Cement Limited (cement sector), Cairn Oil & Gas/Vedanta Limited (oil and gas sector), and RSWM Limited (textiles).

The structure of the paper is as follows. In Section 2, the existing literature on CSR impact assessment in India and Rajasthan is reviewed. In Section 3, the methodology is presented. In Section 4, the CSR funding distribution data at the state level is provided. In Section 5, the impact evidence at the company level is shown. In Section 6, the impact evidence across the companies is compared using four figures.

Literature Review

However, the move towards CSR impact assessment in India is a fairly new regulatory phenomenon and there is not much research about it in either academic literature or within the industry, especially pertaining to a particular state like Rajasthan. The most notable indication from the institutional level is seen in the Companies (CSR Policy) Amendment Rules, 2021, which mandates impact assessment of CSR projects having an investment of ₹1 crore or higher for those projects that have been functioning for three years or more, resulting in evidence-based third-party assessment rather than mere assertions made by companies. As per the disclosures made by Hindustan Zinc itself, it conducted an independent third-party impact assessment, through CSR Box, of two of its CSR activities, namely 'community asset creation' and 'sewage treatment,' in FY2023-24 (Hindustan Zinc Limited, 2024).

There is limited literature on Rajasthan-specific cases, however insightful. According to a research into Shree Cement's CSR initiatives in the *Inspira Journal of Commerce, Economics & Computer Science*, the expenditure in at least one year considered was below its statutory requirement showing that financial obligations and achievement of CSR goals are different entities (*Inspira Journal of Commerce, Economics & Computer Science*, n.d.).

The companies themselves disclose results in terms of outcomes and not inputs. The Zinc Kaushal youth training initiative conducted by Hindustan Zinc reports that out of 1,771 youngsters trained in FY2023-24, 77% were absorbed into reputed organizations or became self-entrepreneurs earning an average salary in excess of ₹12,000 per month (Vedanta Resources, n.d.), while its Samadhan livelihood development scheme states that the turnover of supported farmer-producer organizations amounted to ₹7.75 crore in FY2024-25 (India CSR, 2025c). In terms of environment, the organization claims to have a water positivity ratio of 2.41 and 8.67% decline in freshwater usage from the baseline year 2020 (Hindustan Zinc Limited, n.d.), whereas Shree Cement has achieved water positivity of more than eight and its CSR initiatives benefitted more than 6.7 lakh people in FY2023-24 (StartupGrants India, n.d.; India CSR, 2025a).

The aggregating of this company-level data at a state level can be done through the National CSR Portal that according to The CSR Journal (2025), indicates Education, Health and Rural Development as the top three CSR sectors of Rajasthan based on spending in FY 2023-24, and Hindustan Zinc, HDFC Bank and Chambal Fertilizers & Chemicals as the top three spenders from within the state. The combination of state-level information and company-level information on outcomes forms the foundation of this paper's analysis.

Research Methodology

For creating this two-level impact assessment framework, this study makes use of two secondary data sources. At the state level, it uses figures derived from National CSR Portal with regards to Rajasthan for financial year 2023-24, as presented by The CSR Journal (2025). This includes total CSR fund received, sector-wise allocation of funds and in-state corporations with maximum corporate spending. At the company level, it will make use of CSR and sustainability disclosures provided by four companies operating in major industries of Rajasthan: Hindustan Zinc Limited (mining), Shree Cement Limited (cement), Cairn Oil & Gas, Vedanta Limited (oil and gas) and RSWM Limited (textiles), which are same four industries that have been covered in the studies with respect to industrial CSR in Rajasthan.

Among the various metrics found in the disclosures of each of these companies, this study will focus on outcome and impact metrics, beneficiaries, placement or income outcomes, water or emissions metrics and not input metrics such as rupee spend only. Where an organization reports both an input measure (CSR spending) and an outcome measure (lives affected, placement rate, water positivity ratio),

in relation to the same initiative or time period, both are included in the report so that their relationship can be assessed, as they are in Section 6.

All numbers used in this paper have been provided in their exact form from the source materials. For instance, where state-wise and company-wise numbers seem different, such as when Hindustan Zinc's sustainability report provides the amount spent on CSR in both Rajasthan and Uttarakhand, but The CSR Journal (2025) states that the National CSR Portal figure is ₹200.13 crore for Rajasthan alone, the difference is clearly stated in this paper.

Table 1: Data Sources Used in This Assessment

Level	Source	Coverage
State-level allocation	National CSR Portal, via The CSR Journal (2025)	All CSR-filing companies operating in Rajasthan, FY2023-24
Mining sector impact	Hindustan Zinc Limited, Integrated/Sustainability Reports	FY2023-24, FY2024-25
Cement sector impact	Shree Cement Limited, CSR disclosures; India CSR (2025)	FY2023-24, latest ESG rating
Oil & gas sector impact	Cairn Oil & Gas, Vedanta Limited, CSR/Sustainability Reports	FY2021-22 to FY2024-25
Textile sector impact	RSWM Limited, Sustainability Reports	FY2023-24, FY2024-25

State-Level CSR Allocation in Rajasthan

From the data provided in the National CSR Portal for FY2023-24, compiled by The CSR Journal (2025), it emerges that Rajasthan received a total of ₹1,145.67 crore CSR funding from 1,851 companies reporting. The largest share went to Jaipur district, which received ₹248.24 crore, followed by Udaipur, Ajmer, Alwar, Bhilwara, Churu, Pali, Jodhpur, Jaisalmer, and Kota. This distribution of the CSR funding broadly follows the pattern of location of the industries and mines in Rajasthan.

In terms of sectors, Education got the largest allocation of CSR funds at ₹546.43 crore (48% of Rajasthan's CSR total), followed by Health at ₹213.45 crore (19%), and Rural Development at ₹150.15 crore (13%), while the rest of 21% went to various other sectors like environment, sports, and heritage. From the above data, it can be observed that the CSR activities in Rajasthan seem to be somewhat skewed towards human development than the sustainability of environment. However, as observed in section 5, there are some very big industrial firms of Rajasthan which also do environmental CSR work.

At the firm level, Hindustan Zinc emerged as the largest in-state CSR spender in FY2023-24 spending ₹200.13 crore on CSR, while HDFC Bank spent ₹57.7 crore, and Chambal Fertilisers & Chemicals spent ₹31.82 crore on CSR (The CSR Journal, 2025). The amount of ₹200.13 crore in-state expenditure on CSR by Hindustan Zinc is less than the ₹269 crore CSR expenditure reported by the firm in its own sustainability report for FY2023-24, an anomaly which is indicative of the fact that the company undertakes CSR in both Uttarakhand and Rajasthan.

Table 2: Rajasthan CSR Allocation by Sector and Top Spenders, FY 2023-24

Category	Entity	Amount (₹ crore)
Sector	Education	546.43
Sector	Health	213.45
Sector	Rural Development	150.15
Top spender	Hindustan Zinc Limited	200.13
Top spender	HDFC Bank Limited	57.70
Top spender	Chambal Fertilisers & Chemicals Limited	31.82
State total	All 1,851 filing companies	1,145.67

Company-Level Impact Evidence

Hindustan Zinc Limited. Apart from its CSR spend, other impact metrics of Hindustan Zinc include livelihoods, skilling, and water. Hindustan Zinc's Zinc Kaushal skill development initiative trained 1,771 youths in over 550 villages in FY 2023-24, with 77% of trained youths being placed in employment or turning into self-employed entrepreneurs with an average monthly income of more than ₹12,000 (Vedanta Resources, n.d.). Its Samadhan livelihood program for agriculture serves over 30,000 farming households in seven districts, while those farmer producer organizations supported under the program generated a collective turnover of ₹7.75 crore in FY 2024-25 (India CSR, 2025c). In terms of water, the company claims that it is 2.41 times water positive with an 8.67% decrease in freshwater use compared

to a 2020 base year (Hindustan Zinc Limited, n.d.). Also, in FY 2023-24, Hindustan Zinc conducted an independent third party impact assessment of its community asset creation and sewage treatment initiatives, as per 2021 CSR impact assessment guidelines (Hindustan Zinc Limited, 2024).

Shree Cement Limited. The CSR activities of Shree Cement Limited have benefited more than 6.7 lakh people in FY2023-24 for a CSR expenditure of ₹51.34 crore, via various initiatives such as Shree Shiksha Yojana (Education), Shree Shakti Yojana (Women Empowerment), and Shree Khet Baag Yojana (Agricultural Training) (StartupGrants India, n.d.). When it comes to environmental issues, Shree Cement is known for achieving water positivity over eight times compared to others in this list of companies, and consuming over 60% renewable energy compared to the operational energy consumption mix, which is helping it achieve an improved CareEdge ESG score of 73.8 from 70.8 (India CSR, 2025a; CareEdge ESG Ratings Limited, 2024).

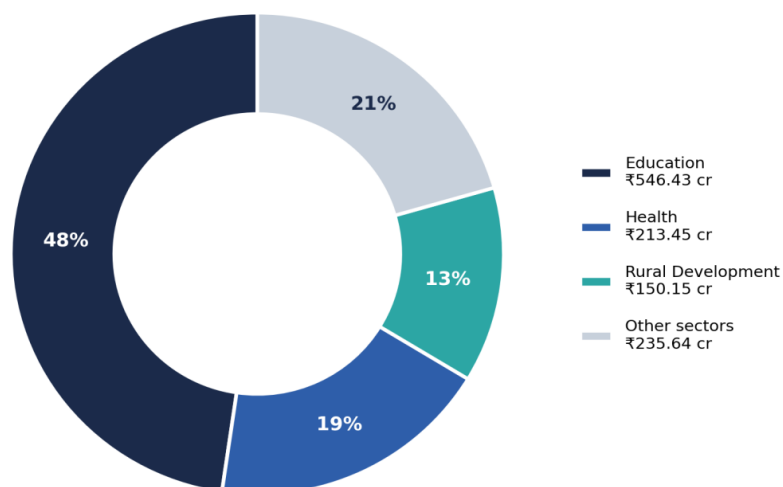
Cairn Oil & Gas, Vedanta Limited. While the community programs run by Cairn are easily interpreted positively since the company has been active in conducting such activities in Rajasthan, Gujarat, Assam, and Andhra Pradesh despite the decrease in the CSR expenditure during the last four fiscal years, from ₹25.53 crore in FY2021-22 to ₹10.26 crore in FY2024-25, the environmental impact is much easier to assess positively owing to the investment of ₹74 crore towards reducing emissions in FY2023-24, which led to reducing 229,000 tonnes of CO₂ equivalent emissions in the preceding four years (Cairn Oil & Gas, Vedanta Limited, 2022, 2025).

RSWM Limited (LNJ Bhilwara Group). In contrast to other companies, the impact reports of RSWM are mostly related to water conservation and circular economy results linked to the manufacturing process rather than to the community activities. Thus, Zero Liquid Discharge systems of the company allow conserving between 22.3 and 23.37 lakh kilolitres of water in FY2023-24 and FY2024-25, while PET-bottles' recycling process involves processing approximately 1,830 million bottles per year into recycled polyester fibre, and the CSR interventions of RSWM reach 2.44 lakh people in FY2024-25 (MediaBrief, 2024; Perfect Sourcing, 2025).

Comparative Analysis of Impact

Table 1 depicts the allocation of CSR fund by sector in Rajasthan for FY2023-24. The education sector's 48% share is over twice the health sector's 19% and over thrice the rural development sector's 13%, suggesting that human capital-driven CSR expenditure overwhelmingly outweighs other forms of CSR expenditure.

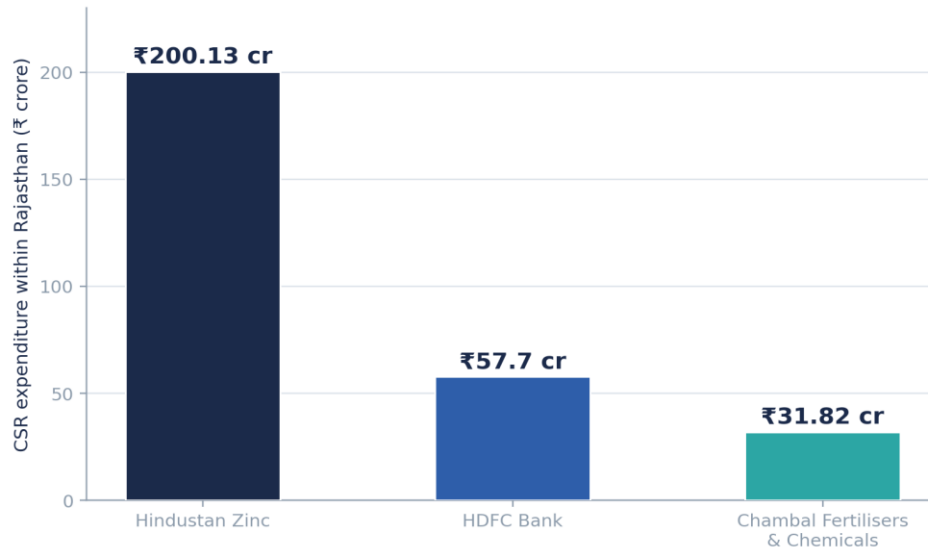
Figure 1. Rajasthan CSR Fund Allocation by Sector, FY2023-24 (Total: ₹1,145.67 crore)



Source: National CSR Portal data, as reported in The CSR Journal (2025).

Figure 2 gives the details of top three in-state CSR donors in the same year. In-state CSR contribution of ₹200.13 crore made by Hindustan Zinc Ltd is over three times and over six times the amount donated by HDFC Bank at ₹57.7 crore and Chambal Fertilisers & Chemicals Ltd at ₹31.82 crore respectively.

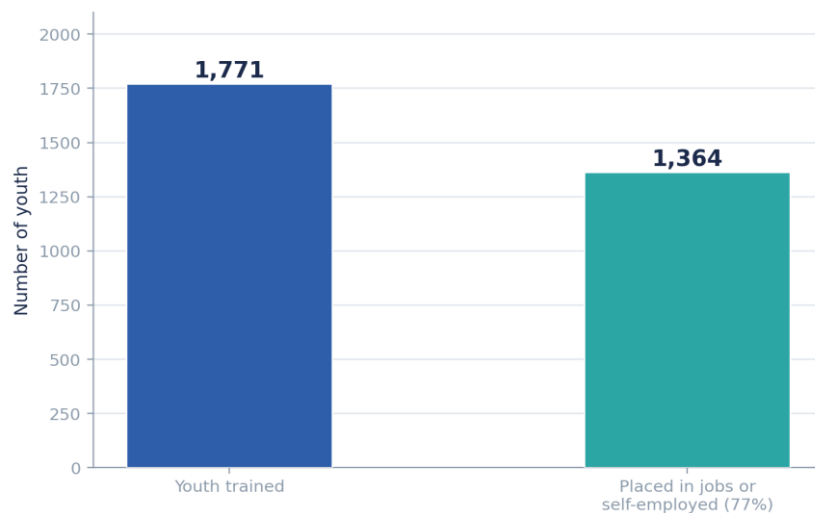
Figure 2. Top 3 CSR Spenders Within Rajasthan, FY2023-24 (National CSR Portal Data)



Source: National CSR Portal data, as reported in The CSR Journal (2025).

Figure 3 reflects an output measurement as compared to the input measurement, because out of 1,771 trainees enrolled in Hindustan Zinc's Zinc Kaushal training program in FY2023-24, 1,364 (77%) found employment or gained employment through self-employment. The placement ratio of the participants can be considered a direct impact measurement in comparison to the cost of rupees incurred on their training.

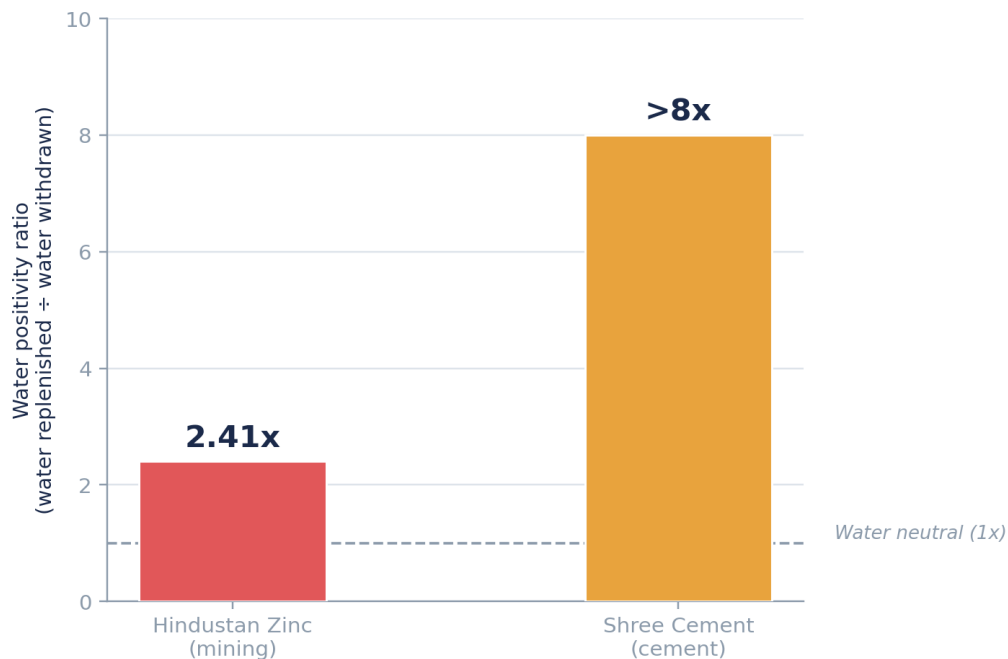
Figure 3. Hindustan Zinc's 'Zinc Kaushal' Skill-Training Program Outcomes, FY2023-24



Source: Hindustan Zinc Limited, Integrated Report FY2023-24.

Figure 4 contrasts the water positivity ratio of water replenished versus water used for Hindustan Zinc (2.41) and Shree Cement (greater than 8), both of which work in water stressed conditions in Rajasthan. There appears to be a significant variation between these two water positive ratios such that even amongst large companies working in similar water-stressed conditions, there exists significant variance in terms of water impact efficiency.

Figure 4. Water Positivity Ratio: Hindustan Zinc vs. Shree Cement, Latest Reported Year



Sources: Hindustan Zinc, Progress on Sustainability Goals 2025; Shree Cement/India CSR (2025).

When put together, all four graphs seem to show that the measurement of the influence of CSR in Rajasthan cannot be solely made based on the numbers spent: the allocation of the spending at the state level and the ranking of the biggest spenders (Figure 1 and Figure 2) show where the money is going, while the indicators of the outcomes of those programs (Figure 3 and Figure 4) show what these amounts of money seem to result in.

Discussion

There are three major insights drawn from this analysis of impact-oriented assessment. First, Rajasthan's corporate social responsibility funds are overwhelmingly invested in Education, Health, and Rural Development – 80% of Rajasthan's total CSR investment. Environmental sustainability outcomes are included only when they are incorporated in the individual corporations' operations sustainability programs (for example, water positivity and emissions reduction), which do not fall into CSR budget (Figure 1). It shows that although there is a discussion about CSR and environmental sustainability being connected concepts, they are to some degree separate budget flows within the same corporation.

Second, metrics such as Hindustan Zinc's 77% placement rate under Zinc Kaushal or Shree Cement's eight-time water positivity are a completely different level of assessment compared to the sole figure of CSR rupees spend by each company. Rupees spend on corporate social responsibility is an input metric, but this paper's comparison showed that the impact assessment, which is becoming increasingly important under the 2021 CSR impact assessment guidelines, should include metrics like these.

Thirdly, Cairn Oil & Gas' four-year decline in CSR spending together with continued investments in reducing emissions demonstrates how the CSR effect of an individual business and its environmental effects may be different from each other. In considering CSR expenditure as a measure of the

contribution to society and the environment made by the firm, as is the case with aggregated CSR statistics like figures 1 and 2, the contribution of firms which are making large investments in decarbonization or other environmental capital expenditures can be underestimated.

Recommendations

Table 3: Recommendations for CSR Impact Assessment in Rajasthan

Recommendation	Rationale	Relevant Audience
Report outcome metrics alongside CSR spend	Placement rates and water-positivity ratios are more informative than rupee figures alone	Company CSR/Sustainability Teams
Disaggregate state-level CSR portal data by entity location	Hindustan Zinc's in-state (₹200.13cr) and total (₹269cr) CSR figures differ due to multi-state operations	National CSR Portal / MCA
Track environmental capex separately from, but alongside, CSR spend	Cairn's declining CSR spend contrasts with continued emission-reduction investment	Investors / ESG Analysts
Expand mandatory third-party impact assessment coverage	Only two of Hindustan Zinc's many CSR programs were independently assessed in FY2023-24	MCA / Policy Makers
Benchmark sector-specific impact metrics (e.g., water positivity) across industries	Hindustan Zinc (2.41x) and Shree Cement (>8x) are not directly comparable without sector context	Industry Associations

Conclusion

This research evaluated the CSR efforts and the effects of these initiatives on the leading industries in Rajasthan. The study analyzed these issues from two perspectives: first, the perspective of CSR expenditure of ₹1,145.67 crore during the financial year 2023-24, from the perspective of the government of Rajasthan; second, the perspective of specific CSR programs and initiatives implemented by the leading industrial organizations, Hindustan Zinc, Shree Cement, Cairn Oil & Gas, and RSWM, and the effects of these programs and initiatives.

It is clear from the analysis that CSR spending and CSR effects are different things, even though they have a correlation. It is evident that the allocation of CSR funds in Rajasthan is biased toward Education, Health, and Rural Development; Hindustan Zinc is the largest in-state spender of CSR budget; each company reports specific outcome metrics, such as a 77% placement rate for skills training and water positivity ratio between 2.41 and 8 times. However, at the same time, the reduction in CSR spending and increase in environmental capital investments of Cairn Oil & Gas show the limits of expenditure-based approach.

The way forward for CSR impact assessments in Rajasthan seems to be an increase in the use of outcome-oriented reporting, which is what the CSR impact-assessment guidelines introduced in 2021 suggest anyway, so that the substantial amount of CSR money being raised in the state can be assessed based on its outcomes and not just how it has been spent.

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