

CSR as a Corporate Sustainability Financing Mechanism: Role of PSUs and Non-PSUs in Rural Development

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Abstract: Corporate Social Responsibility (CSR) has emerged as a significant corporate sustainability and financing mechanism for rural transformation in India. The enactment of the Companies Act, 2013, made CSR spending mandatory for eligible firms and directed corporate resources toward social development. Rural development has become one of the major focus areas of CSR expenditure. This study examines CSR spending on rural development in Ganjam district, Odisha, and compares the contributions of Public Sector Undertakings (PSUs) and Non-PSU companies. The study uses secondary data collected from the GO CARE database of the Government of Odisha and official disclosures of selected companies operating in or contributing to the Ganjam district from 2014-2024. A comparative statistical analysis has been conducted using an independent-samples t-test to examine whether there is a significant difference in CSR spending on rural development activities between PSU and Non-PSU firms. The findings indicate that Non-PSU companies allocate higher, more consistent CSR funds to rural development. The t-test result reveals a statistically significant difference in spending patterns between PSU and Non-PSU companies. The study highlights the developmental role of corporate institutions in backward rural regions and suggests the need for more structured and region-specific CSR interventions.

1. Introduction

Corporate Social Responsibility (CSR) has emerged as an important instrument for promoting inclusive and sustainable development in India. With growing expectations from society, corporations are no longer viewed merely as economic entities responsible for profit generation (Swain et al., 2017). They are increasingly expected to contribute toward social welfare, environmental sustainability, and community development (Dash & Sethi, 2024). This transformation became more institutionalised after the implementation of the Companies Act, 2013, which made CSR expenditure mandatory for eligible companies in India. Schedule VII of the Act specifically includes rural development projects among the approved CSR activities, thereby encouraging corporate participation in addressing rural challenges.

Rural India continues to face multiple socio-economic problems despite continuous government intervention. Issues such as unemployment, inadequate healthcare facilities, poor infrastructure, low educational attainment, migration, and livelihood insecurity remain serious concerns in many districts. In this context, CSR spending has gained importance as a complementary source of developmental finance capable of supporting government efforts (Dash & Sethi, 2025). Companies increasingly invest in rural infrastructure, sanitation, education, healthcare, women's empowerment, skill development, and livelihood generation. Such initiatives not only improve community welfare but also strengthen corporate legitimacy and stakeholder relationships.

Ganjam district of Odisha presents a significant context for examining the developmental Role of CSR. The district has a predominantly rural population and experiences several structural challenges related to poverty, migration, disaster vulnerability, and uneven access to basic services. At the same time, a

number of Public Sector Undertakings (PSUs) and Non-PSU companies contribute toward rural welfare through CSR activities. PSU companies are generally expected to undertake broader, welfare-oriented developmental interventions due to their public ownership and social accountability. In contrast, Non-PSU companies often adopt more strategic, selective CSR approaches, influenced by business priorities, visibility, and stakeholder engagement. These differences may influence the scale, consistency, and orientation of CSR spending toward rural development.

Although CSR expenditure in India has increased considerably since the introduction of the mandatory CSR framework, limited empirical evidence exists on the comparative spending behaviour of PSU and Non-PSU companies at the district level. Existing studies mainly focus on national trends, sector-specific analysis, or broad CSR performance indicators. Very few studies examine whether PSU and non-PSU firms differ significantly in their contributions to rural development in backward districts such as Ganjam. This creates an important research gap, particularly in understanding how different categories of firms allocate CSR resources for rural transformation.

Against this background, the present study examines CSR spending on rural development in Ganjam district and compares the expenditure pattern of PSU and Non-PSU companies. The study specifically investigates whether there is a statistically significant difference in CSR spending behaviour between these two categories of firms using an independent-samples t-test. The analysis also provides insight into the major developmental areas supported through CSR interventions and highlights the broader role of corporate participation in rural development.

2. Review of Literature

The literature on Corporate Social Responsibility (CSR) and rural development has expanded significantly after the implementation of the mandatory CSR provisions under the Companies Act, 2013. Existing studies mainly focus on CSR expenditure patterns, inclusive growth, sustainability, women's empowerment, community development, and the developmental role of public and private sector enterprises. This review organises the literature thematically to identify the major trends, findings, and research gaps in CSR and rural development.

2.1. CSR and Rural Development

Several studies have emphasised the growing importance of CSR in promoting rural transformation and socio-economic development. Pradhan and Ranjan (2010) examined CSR initiatives undertaken by selected public and private Indian companies for rural development. Their study concluded that CSR has become an important business concern irrespective of company size, sector, and location. The study highlighted that corporations increasingly recognise that sustainable business growth depends upon the socio-economic development of local communities. Similarly, Tarai (2017) analysed CSR initiatives undertaken by Indian companies in areas such as livelihood, health, education, environment, and infrastructure. The study found that CSR plays a crucial role in the socio-economic development of rural and tribal communities, particularly in Odisha and Jharkhand. The research further observed that companies are adopting CSR not merely as philanthropy but as a strategic developmental responsibility. Nippatlapalli and Nair (2016) specifically focused on CSR and rural development by examining the role of education, health, environment, livelihood, and infrastructure initiatives. Using multiple correlation analysis, the study found a positive relationship between CSR thematic areas and rural development outcomes. The findings suggested that CSR interventions significantly contribute to rural welfare and community upliftment. More recently, Rai (2025) critically examined the relationship between CSR and rural development in India. The study highlighted that CSR initiatives contribute to poverty reduction, women's empowerment, environmental sustainability, skill development, and infrastructure development. Moreover studies of Sethi et al., (2025), found that firm performance can be achieved when corporations give due importance to environmental concerns. The paper argued that the real success of CSR lies in its ability to improve rural lives and promote inclusive growth. Likewise, Saive et al. (2026) observed that CSR has emerged as a major contributor to rural transformation in India. Their study on Maharashtra and Gujarat highlighted the positive developmental impact of corporate involvement in rural projects.

2.2. CSR, Inclusive Growth, and Sustainability

A major stream of literature focuses on CSR as a mechanism for inclusive growth and sustainable development. Jagannathan & Vethirajan (2020) studied the impact of CSR activities on inclusive growth in the Chennai region using a large primary dataset of 500 beneficiaries. Applying statistical techniques such as factor analysis, t-test, ANOVA, and discriminant analysis, the study found that corporate companies significantly contribute toward inclusive growth through CSR interventions related to environmental protection, community development, and energy conservation.

Purnamawati et al. (2023) examined the role of CSR in sustainable economic development in villages. Using Structural Equation Modelling, the study emphasised the importance of green economy initiatives and digitalisation for sustainable rural growth, especially in the agricultural and plantation sectors. Sethi and Swain (2015) found that CSR spending in India has increased over the years. Similarly, Himalay et al. (2025) analysed year-by-year trends in CSR expenditure for rural-focused initiatives, including agricultural innovation, women's empowerment, clean energy, and digital literacy. Their findings indicated that targeted CSR interventions can reduce inequality, strengthen rural economies, and support Sustainable Development Goals (SDGs). Mahapatra (2025) studied the CSR initiatives of the Dalmia Bharat Foundation to empower rural women through Self-Help Groups (SHGs) in Odisha. Based on primary data from 100 women beneficiaries, the study found that CSR interventions improved economic opportunities, mobility, and decision-making capacity among rural women. In this regard, Udgata et al. (2022) examined the impact of Vedanta Limited's CSR activities on women. Using correlation and critical ratio analysis, the study reported a significant positive impact of CSR activities on the social and economic development of women beneficiaries. CSR also aligned with SDG acts as a mechanism to mitigate the risk (Dash et al., 2026)

2.3. PSU and Corporate CSR Initiatives in Odisha

Several studies specifically examined CSR initiatives undertaken by companies operating in Odisha. Patnaik & Patra (2017) conducted a comparative analysis of CSR expenditure by major corporate houses in Odisha, including BPSL, MCL, NALCO, TATA, and VEDANTA. Their study revealed that CSR spending was concentrated in districts such as Angul, Jajpur, and Sundargarh. The research highlighted the increasing role of corporations in regional development. In another Odisha-focused study, Pasumarti (2020) examined the CSR policies of PSU companies, including Mahanadi Coalfields Limited and NALCO. The findings indicated that these companies played an important role in improving the quality of life of tribal communities through developmental and environmental initiatives. Panigrahi & Mohapatra (2020) examined CSR spending patterns in India after mandatory CSR provisions. Their study found that companies mainly spend CSR funds on community development activities. However, the research criticised the absence of proper need identification and observed that non-industrialised regions often receive lower CSR support despite having greater developmental needs. Further, Dash and Dash (2025) focused on aspirational districts of Western Odisha and highlighted the role of CSR interventions in addressing developmental challenges in backward regions. The study emphasised the need for region-specific CSR strategies to achieve sustainable and inclusive growth. Das & Pandey (2022) analysed CSR disclosure practices in Indian FMCG companies. The study observed substantial differences between public and private companies in CSR disclosure and spending patterns. Public companies were found to allocate a larger proportion of their CSR expenditure toward social and environmental aspects. Papadopoulos & Dimitriadis (2013) examined consumer perceptions of CSR and found that companies demonstrating genuine concern for communities and employees elicited positive behavioural intentions.

The existing literature confirms that CSR contributes significantly toward rural development, inclusive growth, sustainability, women's empowerment, and community welfare. Several studies have examined CSR expenditure patterns, corporate initiatives, and developmental outcomes at national and regional levels. However, limited studies have specifically compared CSR spending between PSU and Non-PSU companies at the district level. Existing Odisha-based studies mainly focus on broad CSR initiatives rather than comparative expenditure analysis. Moreover, very few studies have applied statistical techniques, such as the independent-samples t-test, to examine whether significant differences exist between PSU and Non-PSU CSR spending on rural development. Research focusing specifically on the

Ganjam district remains extremely limited despite the district's developmental significance and rural challenges. Therefore, the present study attempts to fill this gap by comparing CSR spending on rural development in Ganjam district and statistically examining differences between PSU and Non-PSU companies. Accordingly, the following hypothesis is set for testing:

H₀: There is no significant difference between PSU and Non-PSU CSR spending on rural development in Ganjam district.

H₁: There is a significant difference between PSU and Non-PSU CSR spending on rural development in Ganjam district.

3. Methodology

This study adopts a quantitative, secondary-data design to examine trends and sectoral patterns of Corporate Social Responsibility (CSR) activities in Ganjam district, Odisha, over 2014–2024, using the Government of Odisha's GO CARE portal as the authoritative source for CSR project and governance metadata.

3.1. Data & Period

Project-level CSR records, company profiles, implementing agency listings, and indicator dashboards were extracted from the GO CARE portal of the Government of Odisha for the financial years 2013–2014 to 2023–2024. GO CARE provides district-aligned modules for Projects, Companies, Implementing Agencies, and State Indicators, along with Council-recommended projects and resources that enable longitudinal and cross-sectional analysis at the district scale. Further, the data are filtered to include projects located in or explicitly benefiting the Ganjam district.

3.2. Inclusion criteria, Standardisation, and cleaning

The study has applied several filters to finalise the data for analysis. Records within 2014–2024 for Projects (including filters by district, sector, project cost), and Companies are taken in the first step. Then entries with missing values and ongoing projects are excluded and only completed projects for the sample period are taken into consideration. Only projects on 'Rural development' are considered for analysis. Monetary amounts standardised in INR; multi-tranche projects allocated to reported financial years; duplicates reconciled via company name, project title, description, and fiscal year to avoid double-counting.

3.3. Tools and Techniques

A comparative statistical analysis has been conducted using an independent-samples t-test to examine whether there is a significant difference in CSR spending on rural development activities between PSU and Non-PSU firms. Trend analysis and descriptive statistics have been used for the analysis of CSR spending on rural development.

4. Results and Discussion

Table 1: CSR Spendings in Odisha and Ganjam District

Year	Overall CSR Spending in Odisha (₹ in Lakh)	Overall CSR Spending in Ganjam (₹ in Lakh)	Ganjam's Share in Overall Odisha's CSR Spending (%)
2014-15	44511.51	1,399.44	3.14%
2015-16	61727.22	3,668.28	5.94%
2016-17	49627.07	1,486.14	2.99%
2017-18	55488.56	122.22	0.22%
2018-19	39896.46	45.19	0.11%
2019-20	40587	224.18	0.55%
2020-21	48865.48	2,828.95	5.79%
2021-22	34609.13	644.39	1.86%
2022-23	53829.22	487.19	0.91%
2023-24	23631.76	2,066.05	8.74%

Source: Authors' calculation.

Table 1 presents the trend of CSR expenditure in Odisha and the corresponding share of Ganjam district in total CSR spending during the period from 2014–15 to 2023–24. The data indicate that CSR spending in Odisha remained substantial throughout the study period, although considerable year-to-year fluctuations can be observed. The highest overall CSR expenditure in Odisha was recorded in 2015–16, amounting to ₹61,727.22 lakhs, followed by 2022–23 with ₹53,829.22 lakhs. In contrast, the lowest CSR spending was observed in 2023–24 at ₹23,631.76 lakhs. With regard to the Ganjam district, CSR spending also showed significant variation over the years. The district received the highest CSR allocation in 2015–16, amounting to ₹3,668.28 lakhs, followed by 2020–21 (₹2,828.95 lakhs) and 2023–24 (₹2,066.05 lakhs). On the other hand, CSR expenditure in Ganjam was comparatively very low during 2018–19, where the district received only ₹45.19 lakhs, indicating minimal CSR activity during that year. The share of Ganjam district in Odisha’s overall CSR spending further highlights the changing importance of the district in corporate CSR allocations. The highest share was recorded in 2023–24, where Ganjam accounted for 8.74% of Odisha’s total CSR expenditure. Similarly, the district secured notable shares in 2015–16 (5.94%) and 2020–21 (5.79%), reflecting periods of increased corporate focus on development activities in the district. However, in several years, the share of Ganjam remained very low. For instance, the district accounted for only 0.11% of Odisha’s total CSR spending in 2018–19 and 0.22% in 2017–18. These findings indicate uneven distribution of CSR funds across years and suggest that Ganjam’s priority within Odisha’s CSR landscape has fluctuated considerably over time. Overall, the table demonstrates that although Ganjam district has received notable CSR investments in certain years, its share in Odisha’s total CSR expenditure has not remained consistent. The fluctuations may be attributed to changing corporate strategies, project availability, sectoral priorities, and varying levels of company engagement in the district. Nevertheless, the increasing share observed in recent years indicates growing corporate interest in supporting developmental initiatives in the Ganjam district through CSR funding.

Table 2: Descriptive Statistics

Particulars	Average	SD	Min	Max	Total	Share (PSU and Non- PSU in Total)
Total Expenditures (in lakhs)	189.44	162.68	21.19	442.67	1894.35	
Total No. of Projects	10.30	4.14	3	15	103	
Total No. of PSUs contributed	1.00	0.00	1	1	10	
No. of Projects by PSU	3.60	2.80	1	8	36	35%
Contribution by PSU (in lakhs)	30.85	24.98	0.3	65.73	308.51	16%
No. of organisations contributed other than PSU	1.70	0.67	1	3	17	
No. of projects by other than PSU	6.70	4.69	2	13	67	65%
Contribution by other than PSU (in lakhs)	158.58	157.40	4.7	414.27	1585.84	84%

Source: Authors’ calculation.

This table presents a descriptive analysis of CSR expenditure and project distribution for rural development activities carried out by PSU and Non-PSU companies over the study period. The statistics include average, standard deviation, minimum, maximum, total contribution, and percentage share. The findings reveal that the total average CSR expenditure on rural development projects was ₹189.44 lakhs, with a relatively high standard deviation of ₹162.68 lakhs, indicating substantial variation in annual spending levels among companies. The total CSR expenditure during the study period amounted to ₹1894.35 lakhs. Similarly, the average number of projects undertaken was 10.30 projects per year, with a total of 103 projects implemented. The analysis shows that PSUs had a limited contribution compared to Non-PSU companies. On average, only one PSU company contributed annually, undertaking

approximately 3.60 projects per year. The total number of PSU-supported projects was 36, representing 35% of total projects. The average amount contributed by PSUs was ₹30.85 lakhs, with a total contribution of ₹308.51 lakhs, accounting for only 16% of total CSR expenditure. The relatively lower mean and total values indicate modest participation of PSUs in rural development initiatives in the district. In contrast, Non-PSU companies played a dominant role in CSR-led rural development activities. The average number of Non-PSU organisations contributing annually was 1.70, and they implemented an average of 6.70 projects per year. The total number of projects executed by Non-PSU firms was 67, constituting 65% of the total projects undertaken. Financially, Non-PSU companies contributed an average of ₹158.58 lakhs, with total spending amounting to ₹1585.84 lakhs, which represented 84% of the total CSR expenditure during the study period. The higher contribution share and project involvement of Non-PSU firms suggest that private sector companies are more active and financially committed toward rural development initiatives in Ganjam district. The large standard deviation in Non-PSU spending further indicates differences in the scale of CSR investment among firms. Overall, the table demonstrates that while both PSU and Non-PSU companies participate in CSR activities, Non-PSU firms contribute significantly more in terms of both project implementation and financial allocation toward rural development.

Table 3: CSR Expenditure on Rural Development by PSUs & Non-PSUs

Year	Total Expenditure	PSU Contribution in %	Non-PSU Contribution in %
2014-15	856.94	3.31%	96.69%
2015-16	723.19	2.60%	97.4%
2016-17	170.08	0.18%	99.82%
2017-18	204.82	2.91%	97.09%
2018-19	26.67	61.83%	38.17%
2019-20	210.63	32.25%	67.75%
2020-21	435.97	28.84%	71.16%
2021-22	119.15	0.54%	45.56%
2022-23	198.74	5.03%	94.97%
2023-24	814.58	7.37%	92.63%

Source: Authors' calculation.

Table 3 presents the year-wise CSR expenditure on rural development activities in Ganjam district and highlights the relative contribution of PSU and Non-PSU companies during the study period from 2014–15 to 2023–24. The table indicates considerable fluctuations in total CSR expenditure across the years. The highest expenditure was recorded in 2014–15 at ₹856.94 lakhs, followed closely by 2023–24 with ₹814.58 lakhs. In contrast, the lowest expenditure was observed in 2018–19, amounting to only ₹26.67 lakhs. These variations suggest inconsistent CSR investment patterns over the years, possibly influenced by corporate priorities, economic conditions, project cycles, and regulatory compliance. The data further reveal that Non-PSU companies dominated CSR expenditure on rural development in most years. In 2014–15, Non-PSU firms contributed 96.69% of total expenditure, while PSU contribution was limited to 3.31%. A similar pattern continued in 2015–16 (97.4%), 2016–17 (99.82%), 2017–18 (97.09%), 2022–23 (94.97%), and 2023–24 (92.63%), demonstrating the overwhelming financial role of Non-PSU companies in supporting rural development initiatives. The year 2016–17 recorded the lowest PSU participation, with PSU companies contributing only 0.18% of the total expenditure, indicating near-complete dependence on Non-PSU firms for CSR funding during that year. Similarly, PSU participation remained negligible in 2021–22, contributing only 0.54% of total spending. However, a few years witnessed comparatively higher PSU involvement. In 2018–19, PSU companies accounted for 61.83% of total CSR expenditure, surpassing Non-PSU companies for the only time during the study period. Likewise, PSU contributions increased significantly in 2019–20 (32.25%) and 2020–21 (28.84%), indicating occasional active participation of public sector enterprises in rural development programmes. Overall, the table clearly demonstrates that although PSUs contributed in selected years, Non-PSU companies consistently remained the major contributors to CSR expenditure on rural

development in Ganjam district. The findings suggest stronger financial commitment and sustained CSR engagement from Non-PSU firms compared to PSUs. This pattern reflects the growing role of private sector enterprises in supporting local development and community welfare initiatives through CSR funding.

Table 4: Project-wise CSR Expenditure on Rural Development in Ganjam District

Major Projects	Expenditure	PSU Contribution (%)	Non-PSU Contribution (%)
Agriculture	910.75	100%	0%
Infrastructure	1555.41	19.51%	80.49%
Rural Livelihood	299.85	0%	100%
SHG/Enterprise Promotion	282.79	100%	0%
Renewable Energy	27.16	84.79%	15.21%

Source: Author's calculation.

Table 4 presents the project-wise distribution of CSR expenditure on rural development activities in Ganjam district and highlights the relative contribution of PSU and Non-PSU companies across different development sectors. The findings reveal that CSR expenditure was concentrated mainly in Infrastructure development, which received the highest allocation of ₹1555.41 lakhs. Among this amount, Non-PSU companies contributed 80.49%, while PSUs accounted for only 19.51%. This indicates that private sector firms played a dominant role in financing infrastructure-related rural development projects such as roads, community buildings, water facilities, sanitation, and other public utility services. The second-largest expenditure was observed in the Agriculture sector, which received ₹910.75 lakhs entirely from PSU companies (100%). The absence of Non-PSU contribution in this area suggests that PSUs were more actively involved in promoting agricultural development, possibly through initiatives related to farming support, irrigation, agricultural training, or allied activities. Similarly, projects related to Self-Help Groups (SHGs) and Enterprise Promotion received ₹282.79 lakhs, with the entire contribution coming from PSUs (100%). This reflects the emphasis of public sector enterprises on community empowerment, women's participation, and promotion of rural entrepreneurship through CSR interventions. In contrast, the Rural Livelihood category received ₹299.85 lakhs, fully financed by Non-PSU companies (100%). This suggests that private companies were more focused on income generation, skill development, employment creation, and livelihood enhancement programmes in rural areas. The table further shows that Renewable Energy projects received the lowest CSR allocation of ₹27.16 lakhs. In this category, PSUs contributed 84.79%, while Non-PSU firms accounted for 15.21%. Although the investment amount is relatively small, the higher PSU share indicates greater public sector interest in supporting sustainable and clean energy initiatives in rural areas. Overall, the table highlights distinct sectoral preferences between PSU and Non-PSU companies in CSR spending. PSUs were more concentrated on agriculture, SHG promotion, and renewable energy projects, whereas Non-PSU companies contributed predominantly toward infrastructure and rural livelihood development. The findings demonstrate that both sectors complement each other in addressing different dimensions of rural development in Ganjam district through CSR initiatives.

Table 5: T-Test Result for CSR Contribution between PSUs and Non-PSUs in Rural Development

Particulars	Value
Observations	11
Hypothesised Mean Difference	0
df	10
t Stat	-2.879
P(T<=t) one-tail	0.008
t Critical one-tailed	1.812
P(T<=t) two-tail	0.016
t Critical two-tailed	2.228

Source: Author's calculation.

Table 5 presents the results of an independent samples t-test assuming unequal variances, conducted to examine whether there is a statistically significant difference between the CSR contributions of PSU and Non-PSU companies toward rural development activities in Ganjam district. The t-test was conducted with 11 observations for each group under the assumption of unequal variances. The calculated t-statistic (-2.879) exceeds the critical two-tailed value (± 2.228) in absolute terms. Moreover, the two-tailed p-value (0.016) is less than the conventional significance level of 0.05. Therefore, the null hypothesis of no significant difference between PSU and Non-PSU CSR contributions is rejected. The findings confirm that there is a statistically significant difference in CSR expenditure patterns between PSU and Non-PSU companies in rural development initiatives in Ganjam district. The earlier descriptive results also imply that Non-PSU companies contributed significantly higher CSR funds than PSUs during the study period. This highlights the comparatively stronger financial participation of private sector enterprises in rural development activities and indicates their increasing role in supporting local socio-economic development through CSR initiatives.

5. Conclusion

The study examined the role of Corporate Social Responsibility (CSR) expenditure in promoting rural development in Ganjam district, Odisha, with a comparative analysis of PSU and Non-PSU companies. The findings reveal that CSR has emerged as an important corporate sustainability financing mechanism for supporting rural transformation and community development in the district. The analysis of CSR spending trends indicates considerable fluctuations in annual expenditure both at the Odisha state level and within Ganjam district. However, certain years, such as 2015–16, 2020–21, and 2023–24, recorded substantial CSR inflows into the district, reflecting growing corporate attention toward regional development initiatives. The descriptive analysis further shows that Non-PSU companies played a dominant role in rural development activities through CSR expenditure. Non-PSU firms contributed nearly 84% of the total CSR spending and implemented around 65% of the total projects undertaken during the study period. In contrast, PSU contributions remained comparatively lower in terms of both financial allocation and project implementation. The project-wise analysis also highlighted sectoral differences in CSR priorities. PSU companies are primarily focused on agriculture, SHG and enterprise promotion, and renewable energy projects, whereas Non-PSU companies concentrate more on infrastructure development and rural livelihood programmes. Infrastructure development emerged as the major area of CSR investment in the district. The statistical analysis using the independent-samples t-test confirmed a significant difference between the CSR contributions of PSU and Non-PSU companies. The results revealed that Non-PSU firms contributed significantly higher CSR funds toward rural development compared to PSU companies. This indicates the increasing role of private sector enterprises in supporting local socio-economic development through CSR initiatives.

Overall, the study concludes that CSR expenditure has become an important instrument for promoting inclusive and sustainable rural development in Ganjam district. The mandatory CSR provisions under the Companies Act 2013 have enabled companies to channel financial resources toward social welfare and developmental activities in rural areas. Although both PSU and Non-PSU companies have contributed to rural development, Non-PSU firms demonstrated stronger financial participation and wider project involvement. The study highlights the need for more structured, region-specific, and long-term CSR strategies to ensure balanced rural development and effective utilisation of corporate resources in backward and underserved regions.

The study carries important policy, managerial, and developmental implications. First, the findings highlight the growing role of CSR expenditure as a corporate sustainability financing mechanism for rural development. The significant contribution of Non-PSU companies indicates that private sector enterprises can play a crucial role in supporting inclusive growth and local socio-economic development through targeted CSR initiatives. The study also emphasises the need for policymakers and government agencies to encourage more balanced participation of PSU companies in rural development activities, particularly in backward and underserved districts such as Ganjam. Second, the sector-wise analysis suggests that CSR interventions can be made more effective through coordinated and region-specific planning. While PSU companies focused more on agriculture, SHG promotion, and renewable energy, Non-PSU firms concentrated on infrastructure and livelihood development. This complementary

pattern indicates the potential for collaborative CSR models involving government agencies, PSUs, private companies, and local communities to address multiple dimensions of rural development in an integrated manner. Third, the findings may help corporate organisations in designing more strategic CSR policies aligned with Sustainable Development Goals (SDGs), rural welfare, and long-term community empowerment. The study also underlines the importance of monitoring and evaluating CSR expenditure to ensure transparency, accountability, and effective utilisation of corporate resources. For researchers and academicians, the study contributes to the growing literature on CSR, sustainability financing, and rural development in the Indian context.

The present study is limited to CSR expenditure on rural development activities in Ganjam district and is primarily based on secondary data. Future research may extend the analysis to other districts or states to examine regional variations in CSR spending patterns and developmental outcomes. Comparative studies across industries and sectors may also provide deeper insights into the effectiveness of CSR initiatives undertaken by different categories of companies. Further studies can incorporate primary data from beneficiaries, local communities, and implementing agencies to assess the actual social and economic impact of CSR projects at the grassroots level. Researchers may also examine the relationship between CSR expenditure and specific development indicators such as employment generation, poverty reduction, education, healthcare, women's empowerment, and environmental sustainability. In addition, future research may explore the integration of CSR with ESG frameworks, sustainable finance practices, and Sustainable Development Goals (SDGs) to understand the evolving role of corporate institutions in sustainable development. Advanced statistical and econometric techniques can also be applied to measure the long-term effectiveness and efficiency of CSR investments in rural transformation.

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