International Journal of Sustainability in Business and Economics (ISSN: 3052-6752)
an Open Access journal by Wohllebe & Ross Publishing, Germany.
Volume: 01 Issue: 02 Year: 2025
https://doi.org/10.51137/wrp.ijsbe.2025.bdct.45831

Corporate Social Responsibility as a Vehicle for Sustainable Development in North-Eastern India: A Stakeholder Perception Analysis

Authors:

Barun Das (dasofficial1313@gmail.com)
Indian Institute of Forest Management, Bhopal, India

Abstract:

This study explores stakeholder perceptions regarding Corporate Social Responsibility (CSR) implementation in three states of North-Eastern India: Assam, Arunachal Pradesh, and Meghalaya. Through analysis of survey data from 50 respondents, the research examines the effectiveness of CSR initiatives, regional investment disparities, and alignment with local needs. The findings reveal generally positive perceptions of CSR effectiveness (mean rating 5.98/7), but highlight significant challenges including geographical isolation, low industrial presence, and regional instability. Multiple regression analysis indicates that inclusive development and performance management are significant predictors of CSR best practices. The paper offers practical recommendations for improving CSR implementation to better serve the region's sustainable development goals, emphasizing the need for enhanced stakeholder engagement, better alignment with regional needs, and strategic risk management in conflict-affected areas.

Keywords:

Corporate Social Responsibility, Sustainable Development Goals, North-Eastern India, Stakeholder Perception, Regional Disparity

Submitted: 2025-06-23. Revised: 2025-06-28. Accepted: 2025-07-01.

International Journal of Sustainability in Business and Economics (ISSN: 3052-6752)
an Open Access journal by Wohllebe & Ross Publishing, Germany.
Volume: 01 Issue: 02 Year: 2025
https://doi.org/10.51137/wrp.ijsbe.2025.bdct.45831

Introduction

India's Corporate Social Responsibility (CSR) landscape transformed significantly with the Companies Act 2013, which mandated eligible corporations to allocate 2% of their average net profits toward social development initiatives (Das, 2023). This legislation positioned India as a global pioneer in formalizing corporate contributions to societal welfare and the advancement of Sustainable Development Goals (SDGs) (Pandey & Dubey, n.d.).

Despite this progressive framework, the distribution of CSR investments across India reveals stark regional disparities (Chaudhri & Kaul, 2023). The North-Eastern Region (NER), comprising eight states including Assam, Arunachal Pradesh, and Meghalaya, remains significantly underserved, receiving disproportionately less CSR attention despite facing unique developmental challenges (Ahmed, 2010). The region's distinct geographical, cultural, and socio-economic context presents both challenges and opportunities for strategic CSR implementation (Das, 2023).

This study explores stakeholder perceptions regarding CSR implementation in three northeastern states. Through analysis of survey data from 50 respondents, we examine how managers and corporate stakeholders evaluate CSR effectiveness, identify regional investment barriers, and assess alignment with local development priorities. Our findings reveal a generally positive perception of CSR impact (mean rating 5.98/7) but highlight substantial challenges including geographical isolation, limited industrial presence, and security concerns in some areas.

Statistical analysis identifies inclusive development approaches and effective performance management as key predictors of successful CSR implementation in the region. By documenting these perspectives, this research aims to bridge the knowledge gap regarding CSR in Northeast India and provide actionable insights for corporations, policymakers, and development practitioners. Ultimately, the study seeks to contribute to more equitable distribution of CSR investments across India's diverse regions and enhance the role of corporate initiatives in achieving sustainable development in the historically underserved Northeast.

Literature Review

Corporate Social Responsibility (CSR) has increasingly been recognized as a vital mechanism for bridging development deficits in under-resourced and marginalized regions, particularly in developing countries (Carroll, 2016). The strategic integration of CSR initiatives within the broader developmental agenda has the potential to support infrastructure growth, social equity, and environmental sustainability, especially where governmental interventions are either insufficient or inconsistent (Jamali & Karam, 2018). In the context of India, CSR has taken on added significance since the introduction of the mandatory CSR provisions under Section 135 of the Companies Act, 2013, which requires eligible

companies to allocate at least 2% of their average net profit towards social development projects. While this has encouraged private sector participation in social welfare, it has also brought to light the disparities in CSR investment across different Indian states.

Existing literature on CSR implementation in India indicates a skewed distribution of CSR funds, with more industrialized and urbanized states such as Maharashtra, Gujarat, and Tamil Nadu receiving a disproportionate share of investment compared to less developed regions (Sharma & Mani, 2020). This spatial imbalance raises questions about equity, local relevance, and the inclusive intent of CSR interventions. Studies have underscored the need for companies to go beyond compliance and align their CSR strategies with local development priorities and Sustainable Development Goals (SDGs), particularly in underserved geographies (Khurana & Sharma, 2021).

Despite the strategic importance of India's North-Eastern Region (NER)—comprising eight states with distinct ethnic, cultural, and ecological identities—there is a noticeable dearth of scholarly attention on CSR activities in this region. The few existing studies suggest that CSR holds substantial potential to address region-specific challenges such as inadequate physical infrastructure, high unemployment rates, and fragile ecosystems (Kumar, 2019; Singh & Dutta, 2022). However, these challenges are compounded by logistical difficulties, socio-political tensions, and the limited industrial base in the region, which collectively hinder both the inflow and effective utilization of CSR funds (Baruah & Phukan, 2021).

Additionally, researchers have noted that the absence of region-specific CSR frameworks has resulted in a disconnect between corporate priorities and local needs, leading to sub-optimal project outcomes (Bhattacharyya & Rahman, 2021). There is a growing consensus on the need to develop place-based CSR strategies that incorporate indigenous knowledge systems, cultural sensitivities, and environmental considerations unique to the North-East. Furthermore, capacity-building among local NGOs and community-based organizations has been identified as a critical enabler for successful CSR implementation (Thakur & Das, 2020).

The work of Das (2023) contributes to this underexplored domain by empirically analyzing stakeholder perceptions of CSR implementation in three North-Eastern Indian states—Assam, Arunachal Pradesh, and Meghalaya. Through survey data collected from 50 stakeholders, the study offers evidence on how CSR is perceived at the grassroots level and examines its alignment with local needs. Findings indicate an overall positive perception of CSR effectiveness, with particular emphasis on inclusive development and performance management as critical success factors.

Furthermore, the study identifies education, healthcare, infrastructure, and environmental sustainability as priority areas for CSR intervention. It highlights the necessity of adopting conflict-sensitive approaches, particularly in areas affected by socio-political instability. Emphasis is placed on community

International Journal of Sustainability in Business and Economics (ISSN: 3052-6752)
an Open Access journal by Wohllebe & Ross Publishing, Germany.
Volume: 01 Issue: 02 Year: 2025
https://doi.org/10.51137/wrp.ijsbe.2025.bdct.45831

engagement, localized partnerships, and transparent communication as essential components of effective CSR risk management in the NER.

In sum, this literature underscores the urgency of context-sensitive CSR frameworks that respond to the distinct developmental needs of India's North-Eastern region. Targeted policies, improved stakeholder engagement, and capacity-building mechanisms are essential to enhance CSR's role as a catalyst for sustainable and inclusive development in these underserved states. Moreover, collaborative governance involving government agencies, private corporations, and civil society can significantly strengthen CSR outcomes by ensuring greater accountability, community ownership, and long-term impact (Sen & Ghosh, 2022).

Methodology

Research Design

This study employed a quantitative research approach using survey methodology. Data was collected from 50 respondents including corporate managers, NGO representatives, and other stakeholders involved in CSR activities in Assam, Arunachal Pradesh, and Meghalaya.

Figure 1: Research Design

International Journal of Sustainability in Business and Economics (ISSN: 3052-6752)
an Open Access journal by Wohllebe & Ross Publishing, Germany.
Volume: 01 Issue: 02 Year: 2025
https://doi.org/10.51137/wrp.ijsbe.2025.bdct.45831

Data Collection and Analysis

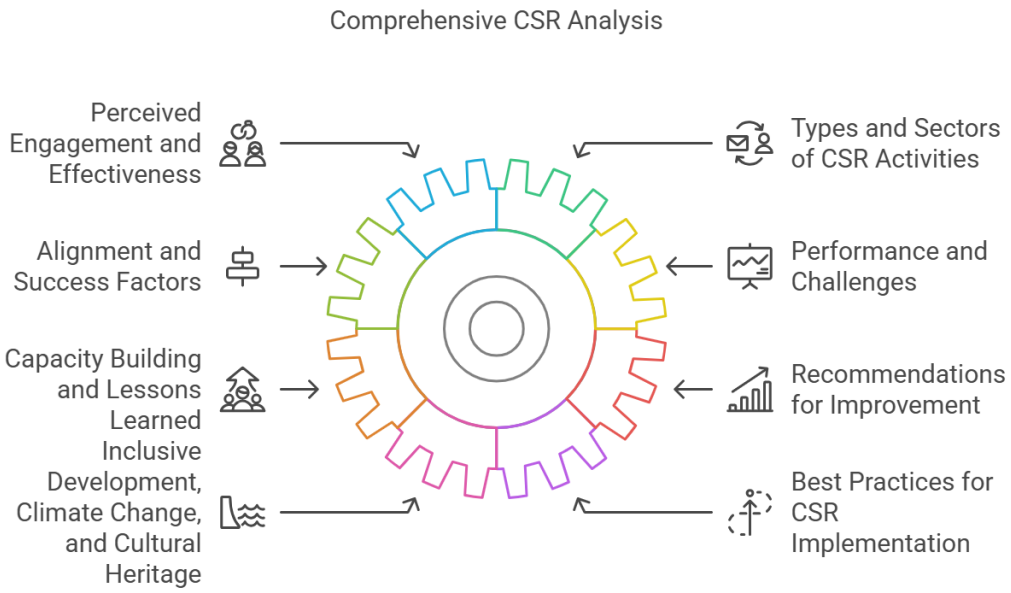

Figure 2: Perception Analysis

The research instrument consisted of structured questionnaires designed to measure perceptions across eight key variables:

1. Perceived Engagement and Effectiveness of CSR
2. Types and Sectors of CSR Activities
3. Alignment and Success Factors
4. Performance and Challenges
5. Capacity Building and Lessons Learned
6. Recommendations for Improvement
7. Inclusive Development, Climate Change, and Cultural Heritage
8. Best Practices for CSR Implementation

Data was coded numerically and analysed using SPSS (Statistical Package for the Social Sciences). Analysis techniques included descriptive statistics, frequency analysis, and multiple regression to identify relationships between variables.

International Journal of Sustainability in Business and Economics (ISSN: 3052-6752)
an Open Access journal by Wohllebe & Ross Publishing, Germany.
Volume: 01 Issue: 02 Year: 2025
https://doi.org/10.51137/wrp.ijsbe.2025.bdct.45831

Results and Discussion

CSR Effectiveness in North-Eastern Region

Analysis of CSR effectiveness ratings revealed generally positive perceptions, with a mean score of 5.98 on a 7-point scale (SD = 0.95). The vast majority of respondents (78%) selected ratings of 6 or 7 (strongly agree), indicating widespread agreement that CSR activities are making meaningful contributions to the region despite implementation challenges.

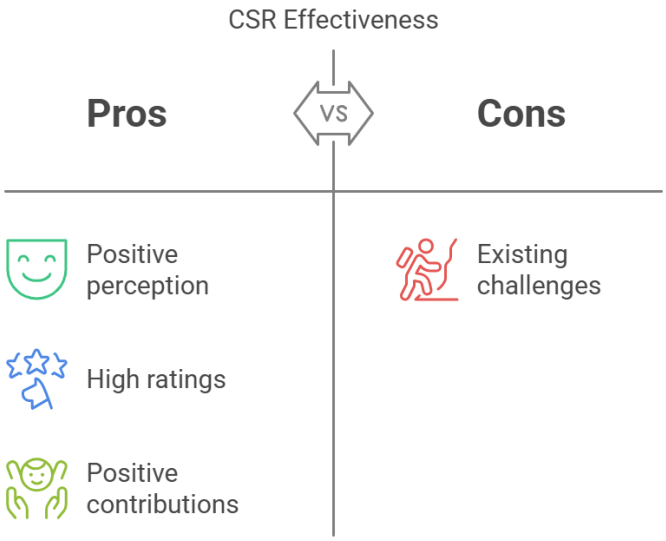

Figure 3: CSR Effectiveness

The figure 3 presents a pros and cons analysis of CSR effectiveness. The left side lists three pros: positive perception, high ratings, and positive contributions. The right side shows only one con: existing challenges. This visual comparison suggests that while challenges exist, the positive aspects of CSR effectiveness significantly outweigh the limitations

Regional Disparities in CSR Investment

Respondents identified several factors contributing to lower CSR investment in the North-Eastern region compared to other parts of India:

International Journal of Sustainability in Business and Economics (ISSN: 3052-6752)
an Open Access journal by Wohllebe & Ross Publishing, Germany.
Volume: 01 Issue: 02 Year: 2025
https://doi.org/10.51137/wrp.ijsbe.2025.bdct.45831

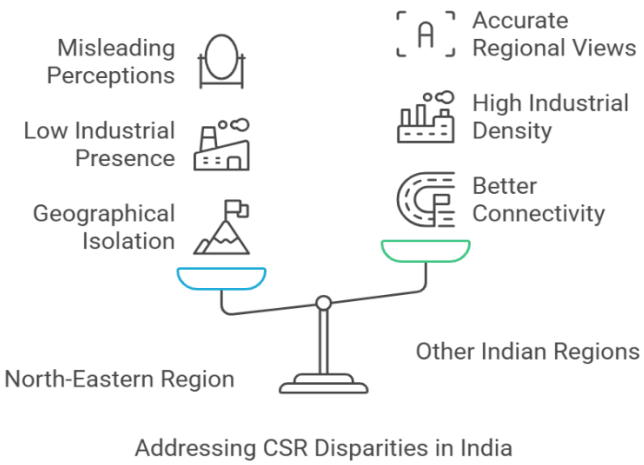

Figure 4: Disparity of CSR investment

This figure 4, illustrates the CSR investment imbalance between India's North-Eastern Region and other regions. The balance scale shows factors contributing to lower CSR investment in the Northeast: geographical isolation (symbolized by mountains), low industrial presence (shown as sparse factories), and misleading perceptions (represented by a mirror). In contrast, other Indian regions benefit from accurate regional views (checkmark), high industrial density (multiple factories), and better connectivity (transportation icon). The chart effectively visualizes the key findings from the research on regional CSR disparities and highlights the specific challenges that need addressing to achieve more equitable corporate social responsibility investment across India. These findings align with previous research on development disparities in the region (Panda & Guha, 2021) and highlight structural barriers that need to be addressed through policy interventions.

Alignment With Regional Needs

Regarding alignment of CSR activities with regional needs, responses were mixed. While some stakeholders believed organizations were making efforts to understand local contexts, others identified a lack of tailored approaches. The analysis revealed that CSR activities most needed in the region include:

International Journal of Sustainability in Business and Economics (ISSN: 3052-6752)
an Open Access journal by Wohllebe & Ross Publishing, Germany.
Volume: 01 Issue: 02 Year: 2025
https://doi.org/10.51137/wrp.ijsbe.2025.bdct.45831

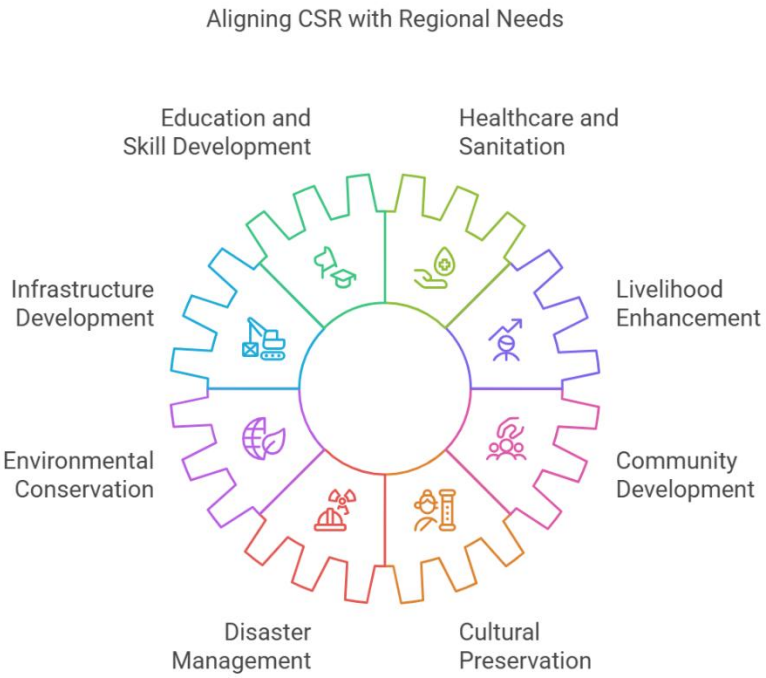

Figure 5: Aligning CSR with regional needs

This circular diagram illustrates the eight priority areas for aligning CSR activities with regional needs in North-Eastern India. Arranged like a gear or wheel, it emphasizes the interconnected nature of these development priorities. The sectors include: Education and Skill Development (represented by a graduation cap); Healthcare and Sanitation (leaf/water symbol); Livelihood Enhancement (human figure); Community Development (group icon); Cultural Preservation (traditional building); Disaster Management (warning symbol); Environmental Conservation (leaf pattern); and Infrastructure Development (construction equipment). Each sector features a simple icon representing its focus area. This visual effectively summarizes the key CSR activity types identified in the research as most needed in the North-Eastern Region. The identification of these priority areas provides a framework for corporations to better align their CSR initiatives with regional development need

International Journal of Sustainability in Business and Economics (ISSN: 3052-6752)
an Open Access journal by Wohllebe & Ross Publishing, Germany.
Volume: 01 Issue: 02 Year: 2025
https://doi.org/10.51137/wrp.ijsbe.2025.bdct.45831

Statistical Analysis of Key Variables

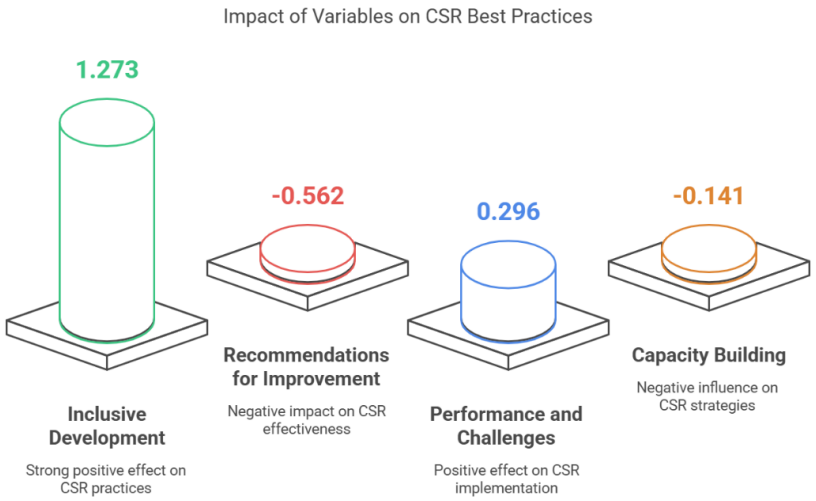

Figure 6: Analysis with key variables

Descriptive statistics for the eight variables showed mostly symmetric distributions, with means ranging from 5.23 (Perceived Engagement) to 18.40 (Inclusive Development). Standard deviations were moderate (0.71-2.14), indicating reasonable consensus among respondents.

Multiple regression analysis revealed a significant model predicting Best Practices for CSR ($F = 303.072$, $p < 0.001$), with an R^2 of 0.981. This indicates that 98.1% of the variance in best practices can be explained by the independent variables. The most significant predictors were:

1. **Inclusive Development** ($\beta = 1.273$, $p < 0.001$) - strong positive effect
2. **Recommendations for Improvement** ($\beta = -0.562$, $p < 0.001$) - negative effect
3. **Performance and Challenges** ($\beta = 0.296$, $p < 0.001$) - positive effect
4. **Capacity Building** ($\beta = -0.141$, $p = 0.024$) - negative effect

These results suggest that focusing on inclusive development strategies and addressing performance challenges are key to implementing CSR best practices in the region.

Risk Management in Conflict-Affected Areas

A crucial aspect of CSR implementation in the North-Eastern region involves managing risks in conflict-affected areas. Respondents emphasized several effective strategies:

International Journal of Sustainability in Business and Economics (ISSN: 3052-6752)
an Open Access journal by Wohllebe & Ross Publishing, Germany.
Volume: 01 Issue: 02 Year: 2025
https://doi.org/10.51137/wrp.ijsbe.2025.bdct.45831

Figure 7: Risk Management in Conflict-Affected Areas

These findings highlight the importance of conflict-sensitive approaches to CSR in regions with histories of insurgency and political instability.

Recommendations

Based on the analysis, the following recommendations are proposed to enhance CSR effectiveness in the North-Eastern region:

For Corporates: Strategic and Context-Sensitive CSR Deployment

Conduct Regional CSR Needs Assessments

Before initiating any CSR project, companies should conduct structured community needs assessments, preferably using participatory rural appraisal (PRA) or social audit methods to ensure alignment with local aspirations, development gaps, and cultural context.

Institutionalize Local Partnership Models

Foster long-term collaborations with local NGOs, self-help groups, and indigenous institutions to ensure deeper community integration. These partnerships will enhance credibility, local legitimacy, and knowledge sharing.

Prioritize High-Impact Development Areas

Based on stakeholder feedback, CSR efforts should focus on:

International Journal of Sustainability in Business and Economics (ISSN: 3052-6752)
an Open Access journal by Wohllebe & Ross Publishing, Germany.
Volume: 01 Issue: 02 Year: 2025
https://doi.org/10.51137/wrp.ijsbe.2025.bdct.45831

- **Education & Skill Development**
- **Healthcare Access**
- **Climate Resilience & Environmental Conservation**
- **Infrastructure Connectivity**
- **Cultural Preservation and Tribal Heritage**: Targeting these areas will maximize social return on investment and contribute directly to multiple SDGs (3, 4, 6, 13).

Integrate Conflict-Sensitive CSR Frameworks

Design and implement CSR projects using conflict-sensitive programming principles, including "Do No Harm" approaches, inclusive dialogue with conflict-affected communities, and third-party grievance redress mechanisms to mitigate risks in insurgency-prone zones.

Establish CSR Monitoring and Learning Systems

Develop Monitoring, Evaluation, and Learning (MEL) frameworks with baseline data, KPIs aligned to SDGs, and outcome indicators. Regular impact assessments and learning loops should be used to refine project strategy over time.

For Government: Policy Alignment and Institutional Enablers

Develop a Regional CSR Investment Policy for North-East India

The Ministry of Corporate Affairs and the North Eastern Council (NEC) should collaborate to formulate a dedicated policy that mandates minimum CSR investment quotas in NER based on development indices and industrial footprints.

Establish a North-East CSR Facilitation Cell (NE-CSRFC)

Create a state-level or regional CSR coordination hub that will act as a one-stop window for:

- Mapping CSR opportunities
- Hosting CSR portals/databases
- Facilitating corporate-NGO matchmaking
- Promoting sectoral innovations

Incentivize CSR through Tax Rebates and Recognition

Offer tax incentives for companies investing in backward blocks of the region. Additionally, initiate awards and recognition for top-performing CSR contributors in NER to build corporate goodwill and social capital.

International Journal of Sustainability in Business and Economics (ISSN: 3052-6752)
an Open Access journal by Wohllebe & Ross Publishing, Germany.
Volume: 01 Issue: 02 Year: 2025
https://doi.org/10.51137/wrp.ijsbe.2025.bdct.45831

Enhance Infrastructure and Logistics Support

Government agencies must invest in transportation, internet connectivity, and renewable energy infrastructure in CSR-priority zones, especially remote and hilly areas, to improve project feasibility and corporate participation.

Institutionalize CSR in District Planning

Integrate CSR funding and projects into District Development Plans through consultations with District Commissioners and Zilla Parishads to ensure alignment with state and local developmental priorities.

For Civil Society Organizations (CSOs): Enabling Bottom-Up Development

Build Organizational Capacity for CSR Engagement

CSOs in the region must develop technical, managerial, and financial capacities to design proposals, implement scalable projects, and report impact effectively to corporate donors.

Act as Knowledge Brokers and Trust Builders

Leverage the proximity to communities and trust built over years to act as mediators between corporations and tribal/local populations. Provide cultural insights and mediate expectations to ensure mutual respect and co-creation.

Promote Participatory Monitoring and Social Audits

Train community members to monitor CSR project implementation through participatory tools like citizen scorecards, transparency walls, and digital reporting to ensure accountability and ownership.

Preserve Indigenous Knowledge and Culture

Design CSR projects that document, preserve, and integrate indigenous knowledge systems, especially in biodiversity conservation, herbal medicine, eco-tourism, and sustainable agriculture.

Engage in Policy Advocacy for CSR Equity

Collaborate with academic institutions, media, and think tanks to generate evidence-based policy briefs and advocate for equitable CSR fund allocation, improved regulatory frameworks, and socially just development practices.

Cross-Cutting Recommendations

- Align CSR with SEEA and SDGs: Encourage integration of System of Environmental-Economic Accounting (SEEA) principles into CSR reporting for green accounting and better impact tracking on SDGs.

International Journal of Sustainability in Business and Economics (ISSN: 3052-6752)
an Open Access journal by Wohllebe & Ross Publishing, Germany.
Volume: 01 Issue: 02 Year: 2025
https://doi.org/10.51137/wrp.ijsbe.2025.bdct.45831

- Create CSR Innovation Labs: Establish regional CSR innovation labs or forums to co-create projects, develop scalable solutions, and test context-sensitive models.
- Use Technology for Transparency: Implement digital dashboards and geo-tagged CSR reporting systems to monitor fund flows, implementation status, and impact in real time.

Conclusion

This study has provided a comprehensive examination of Corporate Social Responsibility (CSR) implementation in the North-Eastern states of Assam, Arunachal Pradesh, and Meghalaya, with a focus on stakeholder perceptions, regional disparities, and alignment with sustainable development goals. The findings confirm that while CSR is generally perceived positively in the region—with a strong mean effectiveness rating of 5.98 on a 7-point scale—critical challenges persist, including geographical isolation, limited industrial presence, and socio-political instability.

The statistical analysis reinforces the importance of inclusive development and robust performance management as key predictors of successful CSR practices. Specifically, inclusive development emerged as the strongest positive predictor, underscoring the necessity for CSR initiatives to address systemic issues such as lack of education, healthcare infrastructure, and livelihood opportunities. Meanwhile, performance challenges and inadequate capacity among local stakeholders were highlighted as barriers to sustained impact, particularly in conflict-affected and remote areas.

The study's evidence-based recommendations urge corporations to engage in deeper community partnerships, adopt conflict-sensitive strategies, and align interventions with regional priorities. Simultaneously, government support through targeted policies, infrastructure investment, and the creation of CSR facilitation platforms is vital to attract and optimize CSR flows. Civil society organizations also play a critical role as intermediaries, bridging the gap between corporate intentions and community realities through cultural mediation, monitoring, and advocacy.

By bringing attention to an often-overlooked geographic region, this research makes a significant contribution to the discourse on equitable CSR distribution in India. It emphasizes the need for a paradigm shift—from compliance-driven CSR to context-driven, strategic engagement that enhances long-term sustainability outcomes. Ultimately, by recognizing the unique development needs of North-Eastern India and tailoring CSR accordingly, businesses can become active partners in nation-building and regional integration.

Future research should focus on longitudinal studies to assess the long-term outcomes of CSR investments in the region and explore how CSR can be synergized with frameworks like the SEEA and SDGs for deeper policy integration and impact assessment.

International Journal of Sustainability in Business and Economics (ISSN: 3052-6752)
an Open Access journal by Wohllebe & Ross Publishing, Germany.
Volume: 01 Issue: 02 Year: 2025
https://doi.org/10.51137/wrp.ijsbe.2025.bdct.45831

References

Ahmed, J. U. (2010). Development vision of North-East India. Concept Publishing Company.

Baruah, A., & Phukan, P. (2021). CSR in the North-East: Scope, constraints, and strategies. Indian Journal of Regional Studies, 5(2), 45–59.

Bhattacharyya, J., & Rahman, A. (2021). Contextualizing CSR in Northeast India: Insights and limitations. Indian Journal of Sustainable Development, 9(1), 60–74.

Carroll, A. B. (2016a). Carroll's pyramid of CSR: Taking another look. International Journal of Corporate Social Responsibility, 1(1), 3. https://doi.org/10.1186/s40991-016-0004-6

Carroll, A. B. (2016b). Carroll's pyramid of CSR: Taking another look. International Journal of Corporate Social Responsibility, 1(1), 1–8.

Chaudhri, V., & Kaul, A. (2023). 'Water in the desert?': Oil India's CSR impact in Assam. Indian Institute of Management Ahmedabad, 1–13. https://doi.org/10.1108/CASE.IIMA.2023.000038

Das, A. (2023b). Bridging the CSR divide: How India's North-Eastern Region can benefit from corporate giving. Journal of Organisation & Human Behaviour, 12.

Jamali, D., & Karam, C. (2018). Corporate social responsibility in developing countries as an emerging field of study. International Journal of Management Reviews, 20(1), 32–61.

Khurana, M., & Sharma, R. (2021). Regional disparity in CSR spending in India: Issues and challenges. Asian Journal of Business Ethics, 10(1), 87–104.

Kumar, R. (2019). CSR in India: Trends, issues and challenges. Sage Publications.

Kumar, S. (2019). CSR practices in North-East India: A case-based analysis. North East Development Review, 4(3), 24–39.

Pandey, A., & Dubey, B. N. (n.d.). Corporate social responsibility and tribal development in North-East India. Education and Society.

Panda, S., & Guha, A. (2021). Development disparities in North-Eastern India: Challenges and opportunities. Economic and Political Weekly, 56(8), 45–52.

Sen, S., & Ghosh, A. (2022). Collaborative governance in CSR: Insights for India's Northeast. Policy and Society Journal, 15(2), 99–117.

Sharma, A., & Mani, M. (2020). CSR and SDG alignment in India: Progress and policy implications. Journal of Business and Society, 29(4), 312–328.

International Journal of Sustainability in Business and Economics (ISSN: 3052-6752)
an Open Access journal by Wohllebe & Ross Publishing, Germany.
Volume: 01 Issue: 02 Year: 2025
https://doi.org/10.51137/wrp.ijsbe.2025.bdct.45831

Sharma, B., & Mani, M. (2020). Corporate social responsibility: An Indian perspective. Journal of Indian Business Research, 12(2), 167–185.

Singh, D., & Dutta, K. (2022). Corporate social responsibility and sustainable development in North-East India. Journal of Development Studies, 15(3), 278–295.

Singh, R., & Dutta, N. (2022). Unlocking CSR potential in North-Eastern India: A qualitative assessment. Journal of Sustainable Development Studies, 14(1), 75–93.

Thakur, R., & Das, T. (2020). Role of NGOs in CSR implementation: Lessons from Assam. Eastern India Social Work Review, 8(2), 130–144.