

Convergence of Environmental Constitutionalism and Corporate Social Responsibility: A New Era of Environmental Sustainability

By

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Abstract

Environmental constitutionalism refers to the recognition and enforcement of environmental rights and obligations within a nation's constitutional framework. It emphasizes the state's duty to protect environmental quality, which often extends to private entities, including corporations, to uphold these rights and obligations. Corporate Social Responsibility (CSR), especially in the Indian context, had originated as a voluntary activity and now emerged into legislatively mandated commitment by corporations to contribute positively to societal and environmental well-being.

The Indian Constitution provides the foundational basis for this linkage—**Article 21** guarantees the right to life, now judicially interpreted to include a clean and healthy environment; **Article 48A** places a duty on the State to safeguard ecological balance; and **Article 51A(g)** recognizes the responsibility of citizens to protect the environment. Over time, judicial innovation has elevated these principles, turning environmental rights into enforceable fundamental rights. Alongside this constitutional backdrop, India pioneered a statutory CSR mandate through the **Companies Act, 2013**, requiring eligible companies to allocate at least **2% of their average net profits** toward social and environmental initiatives.

By studying constitutional provisions, judicial decisions, the CSR framework, this paper explores how CSR complements state functions in protecting the environmental rights enforceable by the Constitution, strengthens corporate accountability, and promotes environmental sustainability. At the same time, it highlights ongoing challenges, such as **CSR-**

washing, measuring and monitoring the CSR impact, policy limitations that risk undermining CSR's transformative potential.

Keywords: *Environmental Constitutionalism, Corporate Social Responsibility, CSR, Environmental Rights, Sustainable Development Goals, Environmental Sustainability*

Introduction

India is grappling with multitude of pressing environmental issues, some prominent ones such as, air and water pollution, land degradation and deforestation. Rapid population growth, industrialization, urbanization, unsustainable waste management amongst others have exacerbated these problems. India's environmental challenges have grown in scale and complexity as the abovementioned factors interact with governance constraints. Air pollution remains the most visible symptom. India, once a nation that epitomised environmental stewardship, now ranks 176th out of 180 countries in the Environment Performance Index 2024. This ranking surpasses only Pakistan, Vietnam, Laos, and Myanmar, signifying an urgent need for introspection and decisive action.¹The State of Global Air 2024 estimates that air pollution contributes to more than two million premature deaths annually in India, with fine particulate matter (PM_{2.5}) exposures well above health guidelines in many regions. The report underscores a persistent burden from household solid-fuel use alongside ambient pollution from industry, transport, and power generation. These exposures are among the highest globally and impose a sizable public-health and economic cost.²

Climate change has amplified India's environmental risks especially extreme heat. Emerging India specific health studies state that recent epidemiological work links longer and intense heatwaves to higher all-cause mortality.³While national monitoring notes that 2024 was on track to be the warmest year recorded, increasing heat hazard and exposure across multiple states.⁴Water scarcity and quality stress are another defining pressure. NITI Aayog's Composite Water Management Index (CWMI) reveals chronic over-extraction of groundwater, sub-optimal irrigation practices, and weak wastewater treatment as structural issues. Many states

¹Environmental Performance Index 2024, report available at <https://epi.yale.edu/measure/2024/EPI>

²State of Global Air,2024 Special Report, Health Effects Institute, 2024, Boston available at <https://www.stateofglobalair.org/resources/report/state-global-air-report-2024>

³Jeroen de Bont, Amruta Nori-Sharma & et al, Impact of heatwaves on all cause mortality in India – A Comprehensive multi-city study, 184Environment International, ELSEVIER, 2024 available at https://www.sciencedirect.com/science/article/pii/S0160412024000473?utm_source=chatgpt.com

⁴Report Heat-Health Preparedness and Response Activities, National Programme on Climate Change and Human Health, 2024, available at https://ncdc.mohfw.gov.in/wp-content/uploads/2024/12/Report-of-Heat-Related-Activities-2024_NPCCHH.pdf?utm_source=chatgpt.com

are categorised as poor performers on water management. The CWMI emphasises that India's water challenge is national in scope, not limited to arid geographies, and warns of risks to agricultural output and urban supply without systemic reform. The report also highlighted that food security is at risk as agricultural producers struggle to manage their water resources effectively.⁵ The Falkenmark Water Index shows that almost 76% of people are already living with water scarcity in India.

Land, forests, and biodiversity show a mixed picture. The India State of Forest Report 2023 reports an overall increase in measured forest and tree cover alongside higher estimated carbon stocks, aligning with national climate pledges. Yet, qualitative concerns persist such as the composition and ecological quality, for instance, plantations and natural forest cover, fragmentation, and pressures from development projects can degrade ecosystem services even where headline area expands; this presents a central challenge for conservation policy.⁶

In summary, three themes define the rise in environmental issues in India. First, exposure is widespread and multiform, household and ambient air pollution is escalating heat extremes, and chronic water stress also affecting both urban and rural population with disproportionate burdens on low-income communities. Second, climate change acts as a risk multiplier, intensifying heat, altering monsoons, and magnifying disaster risks. This increases the demand for mainstreaming climate resilience into sectoral policies rather than treating the environment as a standalone domain. Third, although the policy response has strengthened, certain implementation gaps and data constraints are impeding the progress. Therefore, India's environmental issues have risen not only because pressures have grown, but because their interconnectedness and costs have become clearer than ever through the evidence based from the global and national assessments.

Evolution of Environmental Constitutionalism in India

Environmental Constitutionalism focuses on protecting the environment through constitutional means. It encompasses both the rights and duties of the state and individuals. Several countries incorporate environmental rights and duties of the State and individuals in their respective Constitutions. The Constitution of India is the supreme law of the nation, outlining the rights,

⁵Composite Water Management Index, 2019, NITI Ayog, Ministry of Jal Shakti and Ministry of Rural Development, August 2019, available at https://www.niti.gov.in/sites/default/files/2023-03/CompositeWaterManagementIndex.pdf?utm_source=chatgpt.com

⁶India State of Forest Report, 2023, Volume 1, Forest Survey of India, Ministry of Environment, Forest & Climate Change, Government of India, 2023 available at https://fsi.nic.in/uploads/isfr2023/isfr_book_eng-vol-1_2023.pdf?utm_source=chatgpt.com

duties, and principles that each individual must abide by. The Indian Constitution, originally enacted, did not contain any direct environmental provisions. No specific provisions were enumerated in the document for protection against ecological ruin; caused due to several factors including rapid deforestation, air and water pollution resulting in secondary pollutions, depletion of natural resources to support industrial development. The lack of constitutional backing and legislative gaps contributed to the escalating degradation of the environment.

The Stockholm Declaration conducted in 1972⁷ initiated the first step for India to recognize environment protection as a part of the fundamental rights and basis for achieving sustainable development. The declaration had recognized that right to a clean and quality environment is a fundamental need for the survival of present and future generations. It linked environmental protection to human rights under its first principle. India's endorsement of this concept influenced significant changes to the domestic policy and constitutional framework and inspired judicial activism to interpret the constitutional provisions in order to protect the environment. The 42nd Amendment Act⁸, was the result of India's commitment towards the Stockholm Declaration. The constitutional mandate to protect the environment against damage, were enshrined in the directive principles of state policy and fundamental duties, introduced by this constitutional amendment. Article 48A was added to the DPSP, directing the State to protect and improve the environment and Article 51A(g) was inserted as a fundamental duty on the citizens to protect the environment against damage. These provisions proved to be revolutionary because they made environmental protection a shared duty for the State and citizens.

This commitment created space for the courts to develop substantive environmental protections by reading those provisions with Article 21 which protects against the deprivation of the right to life and personal liberty except for the procedure established by the law. Therefore, scope of the right to life, as guaranteed under Article 21 of the Indian Constitution, was extended to an environment that is healthy, clean and free from diseases and infections. This crucial aspect was established in the **Rural Litigation and Entitlement Kendra Dehradun v. State of Uttar Pradesh**⁹, also known as the Dehradun quarrying case, the court in this case had not specifically referred to the environmental protective principles specified in the Directive Principles of State Policy or the Fundamental duties, but it had observed that the quarrying operations in the valley

⁷United Nations Conference on the Human Environment, Stockholm Declaration, 1972

⁸ The Constitution (Forty-second Amendment) Act, 1976

⁹AIR 1985 SC 652

of Mussoorie Hill was violative of Article 21 because those activities were bound to have detrimental effect on not only the environment but also the lives of the people residing in that area.¹⁰

Alongside this beneficial interpretation, the judiciary also developed a potent mechanism, the public interest litigation (PIL), which expanded the scope of environmental protection. Public Interest Litigation served as a key legal tool to enforce constitutional environmental provisions to protect natural resources and promote environmental awareness. The Supreme Court of India made an unprecedented introduction of the public interest litigation concept in the case of **Ratlam Municipal Council v. Vardhichand**¹¹, which dealt with the failure of Ratlam Municipal Council to establish an adequate drainage system. In its ruling, the apex court established the foundation for Public Interest Litigation (PIL) as a legal mechanism to address issues of public interest. This mechanism ensures that government entities are held accountable for their responsibilities in matters of public health and welfare.¹²

The environmental constitutionalism in India is developed not only through landmark judicial rulings which interpreted Article 21 to include right to health environment in its ambit of protection and enabling PIL as key legal tool to expand the scope of judicial activism to protect public health and interest against environmental damage. But also, through building a doctrinal architecture by a distinctive set of principles such as public trust doctrine, absolute liability for hazardous industries, precautionary principle and polluter pays principles which were reinforced through landmark judgements, thereby, giving the right a practical bite. Therefore, India's environmental jurisprudence is built on three pillars: fundamental rights, the DPSP, and fundamental duties. Courts harmonize these provisions to create an effective and cohesive framework. This synergy, known as the Triveni Sangam, reflects the confluence of constitutional principles and collectively bolsters environmental protection. Judicial creativity drives this integration by addressing legislative gaps and ensuring ecological balance.¹³

¹⁰Happy Khushwah, "Article 21 of the Indian Constitution and Environmental Rights Jurisprudence", Jus Corpus Law Journal, 529-541, 2024 available at <https://www.juscorpus.com/wp-content/uploads/2024/05/61.-Happy-Kushwah.pdf>

¹¹1980 SC 1622

¹²Rekha Tewathia & Santosh Kumar, "Public Interest Litigation (PIL) and Environmental Constitutionalism: Exploring the Nexus of Judicial Activism and Environmental Protection in India", Vol1. Maharaja Surajmal Institute Law Journal, 42-48, 2024 available at <https://journals.acspublisher.com/index.php/msilj/article/view/21509/18677>

¹³Manjit Singh & Sahibpreet Singh, "Constitutional Dimensions of Environmental Jurisprudence in India: An Analysis", Indian Constitution: Changing Paradigms, Pacific Books International, 114-125, 2025 available at <https://dx.doi.org/10.2139/ssrn.5504598>

Concept of Corporate Social Responsibility in India

Corporate social responsibility (CSR) is a way of managing business through which companies strive to achieve the economic, environmental, and social goals to bring about an overall positive impact on the communities, cultures, societies and environment in which they operate while at the same meet the expectations of the shareholders and stakeholders. It is essentially a business management strategy that uses the triple bottom line approach to contribute responsibly to the society in an attempt to uphold its reputation and strengthen its brand value. There is no universally standard definition of CSR but some suggests it as the way the businesses gives back in return for the benefits it received from the society while others state that it is a strategic fulfilment of social accountability towards the environment it operates in. The World Business Council for Sustainable Development, in its report *Meeting Changing Expectations*, defined Corporate Social Responsibility (CSR) as “the ongoing commitment of businesses to behave ethically and contribute to economic development. This commitment also involves improving the quality of life for the workforce, their families, the local community, and society as a whole and also emphasizes that CSR is an integral part of sustainable development”.¹⁴The progression of CSR from a charity activity to a responsibility governed by the country’s legislation had created more awareness in the society that companies have certain obligations towards the societal welfare, beyond their minimum business and legal compliance.

The evolution of CSR in India runs parallel to the nation’s historical development and had acquired a dynamic nature over time due to changes in the corporate engagement with it. The concept of corporate social responsibility in India emerged from a philanthropic practice to an organized mandatory obligation with the Companies Act, 2013, making India the first country to legislate CSR. Although the legislative mandate had been introduced recently, the roots of CSR evolution can be traced back to the Mauryan dynasty. Kautilya, an eminent philosopher of Mauryan time, had stressed on the importance of ethical practices in business management.

¹⁴Kuldeep Kuman Chauhan & Shuchi Dawra, “Corporate Social Responsibility in India – Evolution and Challenges (From Ancient Period to Present Age)”, Vol 15. International Journal of Applied Business and Economic Research, 23-36, 2017 available at https://www.researchgate.net/profile/Shuchi-Dawra/publication/334624821_Corporate_Social_Responsibility_CSR_in_India_-_Evolution_and_Challenges_From_Ancient_Period_to_Present_Age/links/5d368711299bf1995b429999/Corporate-Social-Responsibility-CSR-in-India-Evolution-and-Challenges-From-Ancient-Period-to-Present-Age.pdf

Since, then the practice of giving back to the society by the businesses as part of social responsibility began and continued throughout in different forms. Another important factor that played a key role in the development of CSR is religion. Both in Islam and Hinduism, the idea of CSR was promoted in the form of performing charitable activities to benefit the deprived and needy by the merchants. In summary, both secular and religious sources of history had evidences of how CSR activities were encouraged and promoted.

According to the study conducted by the Sawati Nagwan in 2014, titled “Evolution of Corporate Social Responsibility in India”, evolution of CSR was categorized in to four main stages in India. The first phase was in the form charities and philanthropic activities and the second phase in the form of commitment shown by the businessmen during the period of independence struggle. The third phase had seen rise in the public sector programs, restrictive government policies such as high taxes, limitations on private sector, although, these proved to be unsuccessful. During the latest stage, CSR was incorporated in to sustainable business plans and what was once considered a charity is now acknowledged as a responsibility. At present, the Companies Act of 2013 mandated, that corporate organizations spend two percent of their net profit from the previous three fiscal years on CSR under its section 135. This made India the first country to legislate initiatives involving corporate social responsibility.¹⁵

Section 135 of the New Companies Act, 2013 was introduced making corporate social responsibility, a mandatory requirement for companies. This section has to be read along with the Companies (Corporate Social Responsibility Policy) Rules, 2025 and Schedule VII of the Act. Companies with an annual turnover of Rs. 1000 crore or more, a net worth of Rs. 500 crore or more, or a net profit of Rs. 5 crore or more during any financial year are subject to the CSR provisions. These rules have been in effect since the financial year 2014-2015. The Act mandates that all such target companies allocate at least 2% of their average net profit generated during the preceding three financial years to corporate social responsibility (CSR) activities. Schedule VII of the Companies Act, 2013, outlines the permissible activities for CSR initiatives, providing companies with guidance on fulfilling their CSR obligations under Section 135 of the Act. This list of eligible activities offers clarity and focus for social responsibility efforts, encompassing areas such as poverty eradication, education, environmental sustainability, gender equality promotion, and disaster management. Serving as

¹⁵ Kaushal Kumar & Dr. Kavita Sindhav, “Corporate Social Responsibility in India: Evolution, Compliance, and Future Directions”, Vol 27. African Journal of Biomedical Research, 06-13, 2024 available at <https://doi.org/10.53555/AJBR.v27i5S.4798>

a broad framework, this list enables companies to select and implement CSR projects that positively impact society. Therefore, according to the provision, companies covered under section 135 are required to carry out one or more of the activities specified in Schedule VII of the Act. Every company that qualifies for CSR obligations under the Companies Act must establish a CSR Committee. This committee plays a crucial role in formulating and monitoring the company's CSR policy. Additionally, it ensures that selected CSR activities align with the company's business values and statutory requirements.

Apart from the 2019 amendments, many important amendments to the CSR provisions were introduced in both 2021 and 2022. Some important amendments, such as, third party impact assessment was made mandatory for CSR projects exceeding 1 crore and surpluses are required to be reassigned into the CSR provisions were incorporated through the 2021 amendment. While, in 2022, expenditure for impact assessment was reduced from five percent to two percent. Updates to annual CSR report format was made to enhance transparency of the data and finding. These amendments emphasized on developing accountability, improving transparency and broaden the social impact of the CSR activities, by creating a structured framework.¹⁶

Relationship between Corporate Social Responsibility and Environmental Constitutionalism – Through Judicial Decisions

Judicial decisions that interpret the constitutional and statutory provisions, defining and expanding the corporations' responsibility towards environmental sustainability have played a crucial role in bridging these two paradigms –environmental constitutionalism and corporate social responsibility. They have shaped the interface between CSR and environmental constitutionalism, underscoring the fiduciary responsibilities and statutory obligations placed upon corporations, and how courts have articulated and enforced environmental rights as a part of CSR imperatives. Article 14, 21 and 48A have collectively established the constitutional obligation to uphold a healthy environment. The Supreme Court of India has been proactive in interpreting these provisions expansively to include environmental rights within the ambit of fundamental rights.

¹⁶Mr Kaushal Kumar & Dr. Kavita Sindhav, "Corporate Social Responsibility in India: Evolution, Compliance, and Future Directions". Vol 27. African Journal of Biomedical Research, 06-13, 2024 available on <https://africanjournalofbiomedicalresearch.com/index.php/AJBR/article/view/4798/3701>

Several judicial decisions have established a nexus between corporate conduct, environmental rights and constitutional obligations. In the pioneering case of **Tata Iron & Steel Co. Ltd vs. State of Bihar**¹⁷, which predates the explicit CSR legislation but set an early precedent on the corporate responsibility towards environment. It laid the groundwork for corporate accountability and responsibility. The Apex court mandated that companies have a duty towards the environment and the communities in which they operate. It emphasized that corporations should avoid causing environmental harm and should actively contribute to the social and economic development of their surrounding areas. This case set the precedent that companies have obligations beyond their shareholders, requiring them to consider their impact on both the community and the environment. In another landmark case, **Indian Council for Enviro-Legal Action vs. Union of India**¹⁸ the Supreme Court addressed environmental pollution caused by industries in the village of Rajasthan. It held that the polluting industries are responsible for cleaning up the environment and compensating the affected villages. This case reaffirmed the principle that companies bear a social responsibility to tackle and rectify any harm resulting from their activities, especially environmental damage.

One case that was often cited in discussions about importance of CSR and its role in upholding environmental sustainability is the **Rural Litigation and Entitlement Kendra vs. State of Uttar Pradesh**¹⁹, also known as the Dehradun Quarrying case. This particular judgement highlighted that businesses should not concentrate solely on profit but must also account for the environment and social impacts of their actions. The judgements in the **M.C Mehta vs. Union of India**²⁰ and the **Essar Oil Ltd vs. Halar Utkarsh Samiti**²¹ have reinforced the importance to integrate environmental sustainability into the companies' business practices and their CSR activities. Both the cases had a long-lasting impact on the management of environmental responsibilities by the businesses which is now a key component of CSR under Indian Companies Act, 2013. It emphasized that both local communities and companies must act responsibly in regards to the environment. The **Balco Employees' Union**²² case had stressed that privatization should not lead to the neglect of social and environmental

¹⁷AIR 1958 SC 452

¹⁸1996 AIR 1446

¹⁹1985 AIR 652

²⁰(2001) 1 SC 1651

²¹(2004) 2 SCC 392

²²AIR 2002 SC 350

responsibilities. It indirectly influenced CSR by upholding the social responsibility of the companies, even during transitions from public to private ownership.

The Apex court in the **Sterlite Industries Ltd. Vs. Union of India**²³ emphasized in its ruling, that companies have a duty to surpass mere legal compliance and actively take steps to reduce environmental damage. It also reaffirmed the notion that CSR entails safeguarding the health of the environment and the well-being of communities. **Suraksha Foundation vs. Union of India**²⁴ had addressed the mandatory recall of unsafe vehicles by manufacturers. The Supreme Court emphasized that corporate responsibility extends to ensuring that products do not pose a risk to consumers' lives. The judgment encouraged increased corporate accountability in safeguarding product safety and protecting public health.

In **Vedanta Resources PLC vs. Lungowe & Ors**²⁵ a case that was adjudicated in the UK Supreme Court, had noteworthy implications for India. The court ruled that a parent company, Vedanta, headquartered in UK could be held responsible for the actions of its subsidiary in India concerning environmental and human rights violations. The dispute originated from pollution caused by Vedanta's subsidiary in Zambia, but repercussions were felt in India, where Vedanta had operational presence. This case significantly influenced the multinational companies operating in India by highlighting their accountability related to environmental sustainability issues including human rights. It also broadened the scope of corporate responsibility, making it clear that companies cannot shield themselves behind subsidiaries to evade liability.

Although there are relatively few Supreme Court cases directly centered on CSR, numerous public interest litigations (PILs) were filed concerning issues like environmental degradation, worker exploitation, and community development. These petitions have compelled companies and the government to adopt more responsible corporate practices. While not all the above references explicitly focus on CSR as defined under the Companies Act, 2013 they reflect the evolving societal expectations of corporate responsibility in India. With the enactment of the Companies Act, 2013, many principles emphasized in the mentioned cases, such as environmental sustainability, social welfare and environmental accountability for the business activities have been formalized into legal requirements. These landmark cases and PILs have

²³(2013) 4 SCC 575

²⁴(2015) 15 SCC 1

²⁵(2019) UKSC 20

played a significant role in shaping corporate behaviour and broadening the scope and understanding of CSR in India.²⁶

Impact of CSR initiatives on Environmental Sustainability

The evolution of CSR in India, especially after the enactment of the Companies Act of 2013, has seen companies increasingly investing in environmentally friendly projects such as reforestation, renewable energy adoption, waste management, and pollution control, yielding notable environmental benefits. One of the key impacts of CSR in India is the advancement of renewable energy projects. Companies have invested heavily in solar and wind energy infrastructure, contributing to India's goal of reaching 175 GW of renewable capacity by 2022. CSR funding has facilitated the development of clean energy sources, which reduce reliance on fossil fuels and significantly lower greenhouse gas emissions,. These initiatives directly contribute to climate change mitigation efforts by decreasing carbon footprints and promoting sustainable energy consumption patterns. Additionally, CSR activities have substantially improved waste management and recycling efforts across the country. Indian companies have established waste collection, segregation, and recycling facilities, along with community engagement programs aimed at reducing plastic use, especially single-use plastics. These measures foster a circular economy, reduce landfill waste, and prevent environmental pollution,. Organizations' active participation in such initiatives has resulted in tangible improvements in local environmental quality, as observed in regions where waste management programs have been rigorously implemented.

Water conservation is a pressing issue in rural India, and corporate social responsibility (CSR) initiatives have played a crucial role in addressing this challenge. Over the past decade, companies have prioritised water management, watershed development, and promoting renewable energy as part of their CSR efforts. A notable trend in this area is the shift towards integrated regional development. Companies are no longer focussing solely on water conservation but adopting holistic approaches that include afforestation, soil conservation, and sustainable agriculture. By collaborating closely with local communities and NGOs, corporates ensure the sustainability and long-term impact of their water conservation projects. Mahindra Lifespaces' water sustainability initiative exemplifies this approach. They employ innovative

²⁶Dr. R Uma Rani, "Corporate Social Responsibility in India: Exploring the Legal Mandate under the Companies Act, 2013, Vol. 27 African Journal of Biomedical Research, 1359-1363, September 2024 available on <https://doi.org/10.53555/AJBR.v27i3S.2298>

solutions such as rainwater harvesting, water-efficient fixtures, and wastewater recycling to conserve water. This initiative aims to reduce water consumption and enhance resource efficiency across their residential and commercial projects. Similarly, Tata Power has been actively promoting renewable energy solutions, empowering rural communities to access clean and affordable energy.

Biodiversity conservation is another critical area impacted by CSR in India. Many corporations have engaged in reforestation projects, habitat restoration, and afforestation, especially in ecologically sensitive areas. CSR-led efforts to restore mangrove forests, for example, have not only sequestered carbon but also protected marine biodiversity and mitigated the risk of natural disasters like flooding and storm surges. The protection of endangered species and preservation of ecosystems through these initiatives help maintain ecological balance and enhance resilience against climate change impacts. Furthermore, CSR initiatives have fostered awareness and community involvement in environmental issues. Companies often collaborate with NGOs, government agencies, and local communities to conduct environmental education, conservation campaigns, and awareness programs. Such engagement increases environmental literacy among citizens and promotes sustainable practices at the grassroots level, contributing to long-term behavioural changes.

Challenges

Environmental constitutionalism and corporate social responsibility have become integral components of advancing sustainable development in India. The legislative commitment towards fostering social and environmental well-being through corporate engagement was underscored by making CSR mandatory under the Companies Act, 2013. Despite this progressive framework, numerous challenges hinder the effective implementation of CSR initiatives and environmental constitutional principles. These challenges are multidimensional, encompassing issues related to policy, institutional capacity, stakeholder engagement, transparency, and broader socio-economic factors. Some of the major challenges faced by the companies are the following -

1. CSR Washing

Many companies prioritize promoting their CSR activities over actually implementing substantive initiatives. This practice, often referred to as "CSR washing," involves companies leveraging superficial CSR efforts to craft a disproportionately favourable

public image. A close review of CSR reports from some of India's leading corporations highlights this disparity: they extensively advertise modest CSR efforts while minimizing or overlooking major environmental and social issues directly associated with their primary business activities.

2. Lack of Community Involvement and Awareness

There exists a naive understanding among the Indian companies about the scope and purpose of CSR. Many are unaware of or do not actively engage with corporate initiatives leading to a disconnect between CSR projects and the actual needs of local populations. This gap hampers the development of sustainable projects that could have more meaningful social and environmental impacts. Without active participation and support from local communities, CSR programs risk being superficial, lacking the grassroots relevance necessary for sustainable change

3. Lack of Transparency and Accountability

While India has introduced regulatory measures such as Section 135 of the Companies Act (2013), mandating certain companies to allocate a percentage of their profits to CSR, implementation gaps remain. Regulatory frameworks alone may not be sufficient; enforcement and monitoring mechanisms are often weak, and companies might engage in superficial compliance to meet legal requirements without embracing the deeper, strategic integration of sustainability principles. Furthermore, inconsistent enforcement and lack of dedicated oversight can result in CSR activities that are fragmented, ineffective, or misaligned with environmental needs.

4. Financial Constraints and Resource Allocation

Implementing environmentally sustainable CSR initiatives can be resource-intensive. Not all companies, particularly smaller firms, have sufficient financial capacity to undertake significant environmental projects such as investing in renewable energy infrastructure or eco-friendly technology. Limited resources may result in the prioritization of lower-impact, low-cost projects that might not substantially influence environmental sustainability. Moreover, the variability in CSR budgets across firms underscores the importance of establishing dedicated financial support and incentives from government bodies to encourage more ambitious environmental endeavours.²⁷

²⁷ Anonymous, "The Limitations and Challenges of Corporate Social Responsibility", Contemporary Issues and Concerns in Indian Administration, November 14, 2023, <https://pubadmin.institute/contemporary-issues-and-concerns-in-indian-administration/limitations-challenges-corporate-social-responsibility>

5.Challenges in Measuring and Monitoring Impact

Quantifying the environmental benefits of CSR activities remains a persistent challenge. There is often a gap between CSR projects and their measurable outcomes related to sustainable development. Without clear indicators, standardized reporting, and monitoring mechanisms, it becomes difficult to assess progress, identify best practices, or justify continued investments. This lack of measurement tools discourages companies from pursuing innovative or large-scale sustainable projects, leading to superficial or symbolic CSR efforts rather than substantive environmental change.

6.Environmental Challenges and Complexities

India faces significant environmental issues like air and water pollution, deforestation, resource depletion, and climate change. These challenges are complex and interconnected, requiring multisectoral approaches and long-term commitments. Many CSR programs tend to focus on small-scale or localized activities that, while beneficial, might not be sufficient to address these systemic problems effectively. Larger structural interventions, policy reforms, and technological innovations are necessary but often require scales of investment and collaboration that are difficult to mobilize.

7. Integration of CSR with Strategic Business Goals

Transforming CSR from a philanthropic or compliance activity into a strategic element of business operations is a complex process. Many companies face challenges in aligning their core business strategies with environmental sustainability goals. This misalignment can occur due to short-term profit pressures, lack of expertise, or scepticism about the long-term benefits of sustainability investments. Consequently, CSR efforts may be limited to isolated projects rather than integrated practices that influence overall business models.²⁸

Conclusion

Environmental constitutionalism and corporate social responsibility (CSR) represent converging pathways that steer India towards sustainable development and environmental stewardship. This article has delved into the intricate interplay between constitutional

²⁸Manoj Kumer Ganesh & Bangaru Venugopal, Challenges, Practice and Impact of Corporate Social Responsibility on Sustainable Development of Environment and Society”, Vol.11 Journal of Law and Sustainable Development, 01-18, 2023

mandates, judicial activism, and corporate obligations, underlining their collective role in shaping a new era of environmental governance. The evolution of environmental constitutionalism in India reflects a dynamic trajectory, transitioning from an era with no direct constitutional provisions to one where environmental rights are interwoven with fundamental rights. The judiciary has played a pivotal role in interpreting Articles 21, 48A, and 51A(g), thereby embedding environmental protection within the fabric of constitutional law. Through landmark cases, the courts have not only expanded the scope of Article 21 to encompass the right to a healthy environment but also reinforced the doctrine of public trust, the precautionary principle, and the polluter pays principle. These judicial innovations have transformed environmental rights from aspirational goals to actionable legal entitlements.

Parallely, CSR in India has undergone a significant metamorphosis from voluntary philanthropy to a legislatively mandated obligation under Section 135 of the Companies Act, 2013. This progression has institutionalised corporate accountability towards social and environmental welfare. Companies are now required to allocate a portion of their profits towards activities that address critical issues, including environmental sustainability, renewable energy, water conservation, biodiversity protection, and community development. The statutory framework, coupled with subsequent amendments, has enhanced transparency, accountability, and the strategic alignment of CSR activities with national and global sustainability goals. The intersection of environmental constitutionalism and CSR is most evident in judicial decisions that have extended corporate responsibilities beyond compliance to encompass proactive environmental stewardship. The judiciary's expansive interpretation has bridged constitutional rights and corporate duties, ensuring that businesses contribute meaningfully to environmental protection. Judicial rulings highlight how courts have held corporations accountable for environmental degradation, reinforcing the idea that corporate activities must align with constitutional values.

However, despite the robust legal and institutional frameworks, challenges persist. Issues such as lack of community involvement, inadequate transparency etc., undermine the transformative potential of CSR. Overcoming these barriers necessitates a multi-pronged approach that involves improved regulatory oversight, capacity building, transparent reporting, strategic integration of CSR into core business models, and stronger collaboration among businesses, government, civil society, and communities. Only through concerted efforts can CSR initiatives achieve their full potential in safeguarding the environment and fostering sustainable development for future generations.

In conclusion, the synergy between environmental constitutionalism and CSR holds immense promise for India's sustainable future. While constitutional mandates provide the legal foundation, CSR serves as the operational arm, translating legal obligations into tangible actions. Together, they create a holistic framework that not only protects environmental rights but also fosters corporate accountability and community well-being.