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Corporate Social Responsibility and Sustainable Development: A Legal Nexus for Inclusive Growth

RESEARCH

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Abstract

This article advances a thesis that has received insufficient attention in Indian corporate law scholarship: That Section 135 of the Companies Act, 2013 is structurally misconfigured to deliver the sustainable development outcomes it promises. The argument here is that India's CSR regime suffers from three interconnected failures. First, it is architecturally compliance driven rather than outcome driven, measuring what companies spend rather than what communities gain. Second, it treats CSR as a standalone obligation detached from the broader constitutional framework of Part IV and Part IVA, missing the opportunity to ground CSR in enforceable fundamental duties and directive principles. Third, the absence of mandatory due diligence obligations creates structurally hollow accountability architecture. This article advances a thesis that has received insufficient attention in Indian corporate law scholarship: That Section 135 of the Companies Act, 2013 is structurally misconfigured to deliver the sustainable development outcomes it promises. The argument here is that India's CSR regime suffers from three interconnected failures. First, it is architecturally compliance driven rather than outcome driven, measuring what companies spends rather than what communities gain. Second, it treats CSR as a standalone obligation detached from the broader constitutional framework of Part IV and Part IVA, missing the opportunity to ground CSR in enforceable fundamental duties and directive principles. Third, the absence of mandatory due diligence obligations creates a structurally hollow accountability architecture.

Keywords: *CSR, Sustainable Development Goals, Constitutional Law, ESG, Corporate Accountability, Due Diligence, BRSR, Indian Corporate Law, Environmental Governance, Section 135.*

1. Introduction

India is frequently celebrated as the world's first country to legally mandate corporate social responsibility. Since Section 135 of the Companies Act, 2013 came into force, eligible companies have collectively spent over Rs. 2.23 lakh crore on CSR activities. That number gets cited often, by governments, industry bodies, and law journals alike, and usually with considerable pride.

But there is a quieter question that this celebration tends to crowd out: What did that money actually change? This article is not a cynical answer to that question. It is a structural one. The Indian CSR regime, as currently designed, cannot reliably answer that question itself. Not because the intentions behind it are bad. But because it was not built to answer it. It was built to verify expenditure, not impact. It was designed to enforce compliance, not to produce outcomes. And this design failure is not incidental. It is architectural. Scholars who have examined Section 135 have generally focused on its administrative mechanics: The composition of the CSR committee, the Schedule VII activities, the rules on unspent funds, and the penal consequences of non-compliance [1].

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What has gone largely unexamined is the deeper normative incoherence at the heart of the provision. This is a statute that invokes the language of social responsibility while structurally decoupling it from any constitutional obligation, any human rights due diligence requirement, and any meaningful measurement of social outcomes. This article develops three original arguments in response to that gap. The first is what this article calls the constitutional orphan problem. Section 135 exists in a curious legal vacuum, disconnected from the Directive Principles of State Policy under Part IV of the Constitution, which explicitly envision economic arrangements that serve the common good, and from Article 51A(g), which imposes a fundamental duty to protect the natural environment. The failure to constitutionally anchor the CSR mandate is not merely a theoretical concern. It has practical consequences for enforcement, interpretation, and legitimacy. The second argument targets what this article calls the disclosure paradox embedded in SEBI's Business Responsibility and Sustainability Report framework. The BRSR is India's most sophisticated attempt to align CSR with global ESG standards. But by making disclosure the primary accountability mechanism, it inadvertently privileges companies that are good at reporting over companies that are good at development. Disclosure and impact are not the same thing. They can diverge significantly, and in India they appear to have done exactly that. The third argument makes an affirmative case for a sector differentiated CSR due diligence model. This is a legal mechanism currently absent from Indian law that would require companies to assess and remedy the negative social and environmental consequences of their own operations, not merely fund third party projects that happen to qualify under Schedule VII. The article proceeds as follows. Part II traces the evolution of CSR in India and globally, paying particular attention to intellectual transitions that existing scholarship tends to treat superficially. Part III analyses the existing legal framework with precision. Part IV develops the three original arguments in full. Part V situates India in comparative perspective with depth rather than description. Part VI synthesizes these threads into a concrete reform agenda. A conclusion follows.

2. Evolution of Corporate Social Responsibility: Beyond the Standard Narrative

The standard narrative of CSR evolution moves in a familiar arc from Howard Bowen's 1953 formulation of managerial obligation, through the stakeholder theory of Freeman, to the codification of sustainability in the UN's 2030 Agenda [2]. India fits this arc neatly enough. A philanthropic pre independence business culture, followed by formal codification through Section 135 in 2013. This narrative is accurate. It is also incomplete [3].

A. The Intellectual Tension that Standard Accounts Miss

What the standard narrative obscures is that there have always been two competing visions of what CSR should actually be. And India's statutory model effectively chose one of them while pretending to embrace both. The first vision, rooted in classical liberal theory and most powerfully articulated by Milton Friedman in 1970, holds that corporations have no social responsibilities beyond maximizing returns for shareholders within the bounds of law [4]. The second vision, dominant in contemporary governance discourse, holds that corporations are quasi-public institutions whose activities affect stakeholders far beyond their shareholders, and who must therefore account for those effects [5]. India's enactment of Section 135 appears to adopt the second vision. Companies are mandated to spend on society. But the architecture of Section 135 betrays its Friedmanite roots. The obligation is financial, not behavioral. Companies must spend 2% of their net profits. What they need not do, what the law does not ask, is change the conduct that created the need for that spending in the first place. A mining company that pollutes a river can discharge its CSR obligation by funding a water purification project

nearby. The law does not require it to stop polluting. This contradiction is not an oversight. It is the product of a legislative compromise that sought to impose social obligation on corporations without structurally challenging the primacy of profit. Understanding this tension is essential to any serious reform proposal.

B. The Indian Philanthropic Tradition and its Limits

India's pre legislative CSR culture, exemplified by the Tata Trusts, the Birla foundations, and similar ventures by large family business houses, is often cited as evidence of an indigenous CSR ethic predating the Companies Act [6]. This is true. But it is important to be precise about what that tradition actually was. It was philanthropic, not accountable. It was relationship based, not systemic. And crucially, it was entirely voluntary, which meant it was responsive to the interests of the donor, not the rights of the recipient. The shift from voluntary philanthropy to statutory obligation was therefore not merely a formalization of existing practice. It was, in principle, a transformation of the normative basis from beneficence to duty, from charity to accountability. The problem is that Section 135 achieved this transformation in form but not in substance. The language of obligation replaced the language of generosity. But the underlying framework, which is to spend money, report expenditure, and move on, retained the essential logic of philanthropy. The recipient community was never given a right. The spending company was never given a conduct obligation. The gap between what Section 135 says and what it does is precisely located in this space.

C. Global Intellectual Influences and India's Selective Adoption

Three global intellectual developments shaped CSR in the late twentieth and early twenty first centuries the emergence of the Triple Bottom Line (people, planet, profit) the articulation of the stakeholder theory of the firm and the development of the UN Guiding Principles on Business and Human Rights in 2011 [7]. Each of these offered India a template for a substantive CSR model. India adopted the language of all three without internalizing the accountability logic of any of them. The Triple Bottom Line requires companies to measure social and environmental performance alongside financial performance [8]. India's CSR framework requires only financial measurement, which is the 2% spend. Stakeholder theory requires companies to give weight to the interests of non-shareholder constituencies in governance decisions. But Section 135's CSR committee has no authority over operational decisions that harm communities. The UN Guiding Principles require companies to identify and remedy human rights harms caused by their operations. India's CSR regime imposes no such due diligence obligation whatsoever. The Triple Bottom Line requires companies to measure social and environmental performance alongside financial performance. India's CSR framework requires only financial measurement, which is the 2% spend [9]. Stakeholder theory requires companies to give weight to the interests of non-shareholder constituencies in governance decisions. But Section 135's CSR committee has no authority over operational decisions that harm communities. The UN Guiding Principles require companies to identify and remedy human rights harms caused by their operations. India's CSR regime imposes no such due diligence obligation whatsoever.

3. The Legal Framework: Architecture and its Fault Lines

A. Section 135: Structure and Scope

Section 135 of the Companies Act, 2013 imposes CSR obligations on companies meeting any one of three financial thresholds: Net worth of Rs. 500 crore or more, turnover of Rs. 1,000 crore or more, or net profit of Rs. 5 crore or more in any preceding financial year. Such companies must constitute a CSR Committee of the Board comprising at least three directors, including one independent director, which is

charged with formulating and recommending a CSR policy, specifying the amount of expenditure to be incurred, and monitoring implementation [10]. The 2% spend requirement is calculated on the average net profits of the three immediately preceding financial years. Activities must be drawn from Schedule VII of the Act, which includes eradicating hunger and poverty, promoting education, environmental sustainability, gender equality, healthcare, and contributions to national disaster relief funds, among others [11]. The Companies (Amendment) Act, 2019 and subsequent amendments by the Ministry of Corporate Affairs introduced significant structural changes: Mandatory transfer of unspent CSR funds to designated accounts or Schedule VII funds, mandatory impact assessment for projects exceeding Rs. 1 crore, and the CSR 2 form for annual disclosure to the Registrar of Companies [12]. The January 2021 amendment further introduced penal consequences for non-compliance, a significant departure from the earlier comply or explain model [13].

B. The BRSR Framework: India's ESG Architecture

The Securities and Exchange Board of India mandated the Business Responsibility and Sustainability Report for the top 1,000 listed entities from Financial Year 2022 to 2023, replacing the earlier Business Responsibility Report [14]. The BRSR requires companies to disclose performance across nine National Guidelines for Responsible Business Conduct principles, covering ethical conduct, environmental stewardship, employee wellbeing, stakeholder engagement, human rights, and customer responsibility [15]. The framework aligns India with international reporting standards including the Global Reporting Initiative, the Task Force on Climate Related Financial Disclosures, the Sustainability Accounting Standards Board, and the International Sustainability Standards Board frameworks. The BRSR Core, which is a subset of 39 key performance indicators introduced by SEBI in 2023 for mandatory third party assurance from Financial Year 2023 to 2024, represents the most rigorous disclosure requirement to date [16].

C. The Regulatory Ecosystem: MCA, SEBI, and the NGT

India's CSR regulatory architecture is not a single system. It is a patchwork of overlapping and sometimes conflicting mandates. The Ministry of Corporate Affairs oversees Section 135 compliance. SEBI governs BRSR reporting for listed entities. The National Green Tribunal enforces environmental law including the Environment (Protection) Act, 1986. The National Human Rights Commission handles human rights violations. These bodies operate largely in silos, with minimal cross institutional coordination [17]. The practical result is striking. A company can simultaneously comply with its Section 135 CSR obligation, file a technically compliant BRSR report, and face National Green Tribunal proceedings for environmental damage, with no mechanism connecting these three tracks. This institutional fragmentation is a critical fault line that any meaningful reform must address head on.

4. Three Original Arguments: Rethinking the CSR Regime

A. The Constitutional Orphan Critique: Why Section 135 must be Constitutionally Anchored

The most under examined dimension of India's CSR mandate is its constitutional ambiguity. Section 135 is a provision of company law. It imposes a financial obligation on corporations. But it is entirely silent on its constitutional grounding. On which provision of the Constitution of India provides the normative basis for compelling private entities to expend resources on public welfare, the statute says nothing. This silence matters more than it might appear. Courts in India, when interpreting statutory provisions, look to constitutional principles to fill ambiguities, determine legislative purpose, and resolve conflicts between competing rights. In the absence of a clear constitutional anchor for CSR, courts have defaulted to treating it as a regulatory obligation, enforceable but normatively thin [18]. There are,

in fact, strong constitutional hooks that are readily available and that scholars have left largely untouched. Article 39(b) of the Constitution directs the State to secure that ownership and control of material resources of the community are distributed so as to best sub serve the common good [19]. The Supreme Court's landmark nine judge bench decision in Property Owners' Association V. State of Maharashtra (2024) revisited the scope of Article 39(b), affirming that it encompasses a range of material resources, including privately owned resources, whose mobilization for the common good the State may regulate [20]. This ruling, though not directly about CSR, has profound implications for how Section 135 might be constitutionally understood and judicially enforced. Article 51A (g) imposes a fundamental duty on every citizen to protect and improve the natural environment. While fundamental duties are not directly enforceable, the Supreme Court has repeatedly held that they are relevant to statutory interpretation and that courts may use them to impose obligations consistent with these duties [21]. A corporation, which derives its legal personality from state sanction, is not beyond the reach of this normative framework. Perhaps most powerfully, the Supreme Court's decision in M.K. Ranjitsinh V. Union of India (2024) explicitly recognized the right to be free from the adverse effects of climate change as a fundamental right under Articles 14 and 21 [22]. If climate harm is a fundamental rights violation, then corporations that contribute to climate degradation are, at least in normative terms, implicated in fundamental rights violations. This creates a constitutional case for mandatory CSR obligations that go far beyond Schedule VII philanthropy and move toward enforceable obligations of environmental and social due diligence. The reform implication is clear. Section 135 should be explicitly grounded in the Directive Principles, particularly Articles 39 (b) and 38, and the Supreme Court's emerging climate rights jurisprudence should be used to expand the legal basis for mandatory environmental due diligence within the CSR framework. This would transform CSR from a financial obligation into a constitutional one, giving it greater interpretive weight, judicial enforceability, and normative legitimacy.

B. The Disclosure Paradox: How BRSR Creates Accountability without Impact

India's BRSR framework is the most sophisticated piece of the CSR architecture. It is also, this article argues, its most subtle failure. Not because its design is wrong, but because of what it structurally privileges. The core assumption of disclosure based accountability is that transparency produces accountability, and accountability produces behavioral change. This assumption underlies most securities regulation globally and has powerful empirical support in financial markets, where disclosure of material information demonstrably affects investor behavior and firm conduct [23]. But social and environmental disclosure does not work the same way. The reasons are well documented in the sustainability accounting literature but are significantly underappreciated in Indian law scholarship [24]. Financial disclosure is backed by auditor liability, market pricing mechanisms, and regulatory sanctions for misrepresentation. ESG disclosure under the current BRSR framework is backed by none of these with comparable rigor. The BRSR Core introduced third party assurance for 39 key indicators. But assurance in ESG terms is not audit in the financial sense. It verifies that the disclosed numbers were produced by a credible process, not that the underlying social and environmental outcomes are real or significant. A company can receive reasonable assurance on its BRSR Core indicators while simultaneously implementing CSR projects that have zero measurable social impact [25]. The data makes this concern concrete. According to MCA Annual Reports, total CSR spending by compliant companies rose from approximately Rs. 10,065 crore in Financial Year 2015 to 2016 to approximately Rs. 29,987 crore in Financial Year 2022 to 2023 [26]. Yet the Social Progress Index for India, which measures actual social outcomes in areas like nutrition, education, water access, and personal safety, showed India's

rank declining from 101 to 110 between 2014 and 2023 [27]. Spending went up. Outcomes went the other way. This gap is what this article calls the disclosure paradox. The better India gets at reporting on CSR, the harder it becomes to see whether CSR is working. Disclosure creates a paper trail that substitutes for accountability rather than leading to it. The form and the substance have quietly separated. The reform response must go beyond disclosure to impact measurement. This requires, at minimum, mandatory outcome indicators tied to specific SDG targets for all CSR projects above Rs. 50 lakh; independent third party impact assessments with public disclosure of findings rather than merely the fact that an assessment was conducted; a centralized searchable MCA database of project level CSR outcomes disaggregated by geography, sector, and implementing agency; and real consequences not for failing to disclose but for disclosing outcomes that third party verification finds to be materially misstated.

C. The Case for Sector Differentiated CSR due Diligence

The third and perhaps most consequential argument in this article concerns what India's CSR law does not require: An obligation on corporations to identify, assess, and remedy the negative social and environmental consequences of their own business operations. Current Indian law asks companies to do good. It does not ask them to stop doing harm. This distinction between affirmative CSR obligations (spend on development) and negative due diligence obligations (do not harm communities or ecosystems) is the single most important gap between India's CSR regime and the global frontier. The EU's Corporate Sustainability Due Diligence Directive, adopted in May 2024, requires large companies operating in or supplying to the EU to conduct human rights and environmental due diligence across their value chains [28]. This means identifying actual and potential adverse impacts, taking measures to prevent or mitigate them, providing remediation where harm occurs, and maintaining stakeholder engagement throughout. The Directive imposes civil liability for failure to conduct adequate due diligence, which is a sanction that India's CSR regime does not contemplate [29]. The objection that this model is unsuited to India's context deserves to be taken seriously. The complexity of Indian supply chains, the prevalence of the informal sector, and the capacity constraints of regulatory agencies are genuine concerns, not rhetorical ones. But they support a conclusion of differentiation, not inaction. This article proposes a sector differentiated due diligence model for India, calibrated to three factors: Sector risk profile, company size, and supply chain depth. High risk sectors with significant human rights and environmental exposure, such as extractives, textiles, chemicals, and construction, would face mandatory due diligence obligations calibrated to their scale. Medium risk sectors would face disclosure based due diligence requirements aligned with existing BRSR indicators. Low risk sectors would face incentivized voluntary due diligence under a regulatory sandbox supervised by MCA. This is not an impractical proposal. The National Guidelines for Responsible Business Conduct already provide a framework of nine principles governing responsible business conduct. The BRSR Core already requires disclosures on supply chain social and environmental performance [30]. What is missing is the legal obligation to act on what these disclosures reveal, and legal consequences for failing to do so. Closing this gap would transform India's CSR regime from a spending mandate into a genuine accountability system.

5. Comparative Perspectives: Learning with Precision

A. The European Union: Mandatory due Diligence and its Lessons

The EU's approach to CSR has undergone a qualitative transformation in the decade since India mandated corporate spending under Section 135. The Corporate Sustainability Reporting Directive, adopted in 2022, expanded mandatory sustainability reporting to approximately 50,000 companies,

which is far broader than India's top 1,000 BRSR mandate [31]. The Directive requires double materiality assessment: Companies must disclose not only how sustainability issues affect their financial performance, but also how their operations affect the world [32]. This bidirectional logic is absent from India's BRSR framework, which effectively requires only one directional disclosure of how ESG factors affect the company. The Corporate Sustainability Due Diligence Directive, as noted above, goes further still. It creates a civil liability mechanism for due diligence failures that is unprecedented in global corporate law. Companies can be sued by affected stakeholders in EU member state courts for failure to conduct adequate due diligence, even for harms that occur in third country supply chains [33]. The lesson for India is precise. India does not need to replicate the Directive wholesale. The institutional infrastructure, civil society capacity, and judicial tradition that make it workable in Europe do not all exist in India. But India can adopt the due diligence obligation while adapting the liability mechanism. A sector differentiated model, enforced primarily through MCA regulatory action rather than civil litigation, would achieve the normative purpose of due diligence without the institutional demands of a litigation heavy pathway.

B. South Africa: Integrating CSR into Corporate Governance

South Africa's King IV Report on Corporate Governance, adopted in 2016, represents a fundamentally different integration of social responsibility into corporate law than India's approach [34]. Rather than creating a standalone spending obligation, King IV integrates sustainability, defined as including social, environmental, and economic considerations, as a core principle of corporate governance applicable to all organs of governance, from board composition to risk management to stakeholder engagement [35]. The Johannesburg Stock Exchange's Sustainability Disclosure Guidance, adopted in alignment with IFRS sustainability Disclosure Standards, creates a market based accountability mechanism that complements governance level obligations [36]. The result is a system where social responsibility is embedded in how companies are governed, not merely in how much they spend. India's reform agenda should take note of something important here. The problem with Section 135 is partly that it is located in company law as a spending provision rather than in corporate governance as a conduct principle. Embedding CSR obligations within the governance framework, linking them to board level fiduciary duty, director liability, and the internal risk management architecture, would give them far more institutional traction than the current committee and spend model. South Africa's experience is the clearest proof of concept for that proposition.

C. Indonesia and Brazil: CSR in Extractive Sector Regulation

Indonesia's Law No. 40 of 2007 on Limited Liability Companies and Law No. 25 of 2007 on Capital Investment impose mandatory CSR obligations specifically on companies in the natural resources sector [37]. This sectoral targeting reflects an important insight. CSR obligations should be calibrated to the sector's harm profile, not merely its profit profile. A pharmaceutical company and a coal mining company may both clear India's Rs. 5 crore net profit threshold. But their social and environmental risk profiles are not remotely comparable, and their CSR obligations arguably should not be either. Brazil's model under the Amazon Fund and the Forest Code imposes environmental restoration and compensation obligations on extractive companies that go substantially beyond India's Schedule VII philanthropy model [38]. These instruments combine financial penalties for environmental damage with mandatory restoration obligations. This is a pay and restore model that is meaningfully different from India's profit and spend model. These comparisons directly support the sector differentiated due diligence model proposed in the preceding Part. They also suggest that India's reform should pay particular

attention to the extractive, textile, and construction sectors as priority candidates for mandatory due diligence, given both their economic weight and their demonstrated harm profiles.

6. Toward a Reimagined CSR Framework: Six Reform Proposals

The three original arguments in this article converge on a reform agenda that is specific, sequenced, and grounded in the institutional realities of Indian law. Six reforms are proposed below.

Reform 1: Constitutional Anchoring of Section 135

Section 135 should be amended to include a constitutional grounding clause that explicitly situates the CSR mandate within the framework of Article 39 (b), which covers the distribution of material resources for the common good, Article 38, which covers securing a social order for the promotion of welfare, and the Supreme Court's emerging climate rights jurisprudence under Articles 14 and 21. This is not merely a preamble exercise. It would equip courts with interpretive tools to expand CSR obligations beyond their current narrow financial form, and would give civil society organisations a constitutional hook for litigation against companies that discharge CSR obligations in bad faith or through superficial expenditure.

Reform 2: Mandatory Outcome Indicators Linked to SDG Targets

The MCA should, in coordination with NITI Aayog, develop a mandatory framework of outcome indicators aligned with specific SDG targets for all CSR projects above Rs. 50 lakh. These indicators should be project specific and measurable, not generic references to Schedule VII categories. Companies should be required to report baseline data before project commencement and outcome data at project completion. The MCA's CSR portal should be upgraded to a publicly searchable, geographically disaggregated database of project level outcomes. Without this, the nation has no credible way of knowing what its Rs. 2.23 lakh crore has actually produced.

Reform 3: Independent Impact Assessment with Real Consequences

Mandatory impact assessments, already required under the 2021 amendment for projects above Rs. 1 crore, should be substantially strengthened. Currently, companies must commission assessments and the results are disclosed. But there are no consequences for finding that a project had minimal impact. The reform proposal here is to connect impact assessment findings to future CSR planning obligations. Companies whose assessed projects fall below a minimum impact threshold should be required to commission an independent remediation plan as a condition of future CSR compliance. This creates a feedback loop that the current system entirely lacks. Right now, failure is recorded and forgotten. It should instead trigger a mandatory correction.

Reform 4: Sector Differentiated due Diligence Framework

Parliament should enact a Business and Human Rights (Due Diligence) Act or, alternatively, MCA should introduce a standalone set of rules under the Companies Act that creates a three tier due diligence obligation calibrated to sector risk. High risk sectors, including extractives, textiles, chemicals, construction, and agribusiness, would face mandatory value chain due diligence encompassing supply chain mapping, adverse impact identification, mitigation planning, and grievance mechanism requirements. Medium risk sectors would face disclosure based due diligence aligned with BRSR Core indicators. Low risk sectors would operate under a voluntary regime with regulatory incentives. Civil liability for due diligence failures should be introduced, initially for high risk sectors only, and phased in over five years as institutional capacity develops.

Reform 5: Institutional Integration through a National CSR Authority

The current institutional fragmentation, with MCA, SEBI, the National Green Tribunal, and the National Human Rights Commission operating in silos, must be addressed directly. India should consider establishing a National CSR and Sustainability Authority as a statutory body with cross sectoral jurisdiction over CSR compliance, ESG disclosure, environmental due diligence, and human rights accountability. This authority would have power to conduct audits, impose sanctions, and maintain the centralized outcome database proposed in Reform 2. It should include representation from civil society, environmental experts, and affected communities. Not just government officials and industry representatives, because an accountability body governed entirely by the entities it is meant to hold accountable is not an accountability body at all.

Reform 6: Broadening the Base through MSME Incentives

India's current CSR mandate reaches only companies above the threshold in Section 135. Micro, Small, and Medium Enterprises account for approximately 30% of India's GDP and employ over 110 million people [39]. They are entirely outside this framework. A voluntary CSR regime for MSMEs, backed by meaningful incentives such as a 150% tax deduction on qualifying CSR expenditure, preferential access to government procurement, and CSR certification that serves as a credible market signal, would extend the reach of CSR without imposing the compliance burden that a mandatory scheme would create for smaller enterprises. The goal is not to penalize small businesses. It is to make doing good worth their while.

7. Conclusion

India's mandatory CSR mandate was an act of legislative courage in 2013. But courage without architecture produces good intentions rather than good outcomes. More than a decade into the Section 135 experiment, the architecture requires a reckoning. This article has argued that the reckoning must be structural. The three arguments developed here, namely the constitutional orphan critique, the disclosure paradox, and the case for due diligence, each identify a different dimension of the same underlying problem. Indian corporate law requires companies to fund development without requiring them to change the conduct that makes development necessary in the first place. The reform agenda proposed in Part VI does not ask India to abandon its pioneering position. It asks India to deepen that position. To move from a world where CSR means spend 2% and file a form to a world where CSR means account for your impact, remedy your harms, and demonstrate what changed. That is a harder standard. It is also the only one worth having. The global direction of travel is clear. The EU's Corporate Sustainability Due Diligence Directive, South Africa's King IV Report, and the emerging climate constitutionalism in jurisdictions from Colombia to Germany all point toward a model of corporate accountability that is outcome based, rights grounded, and institutionally integrated. India's corporate law has the intellectual tradition, the judicial capacity, and the developmental urgency to lead rather than follow this global transition. What it currently lacks is the legal architecture to do so. That is what this article has tried to begin building.

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