

India Inc's CSR Spends on Sports Likely to Surge in Next Few Years

Listed cos' estimated FY23 CSR expenditure on sports pegged at around ₹280 crore; RIL, Tata Steel, IOCL, ONGC leading spenders on category

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ET Intelligence Group: As the Indian contingent is gearing up for participating in the 2024 Olympics in Paris next month, companies that have been supporting the athletes would be keenly following their performances.

The foundations of several companies, such as the Reliance Group, Tata Steel, JSW, Hindustan Zinc and SKF India, have been supporting sports as part of their corporate social responsibility (CSR) commitments. However, the data on whether there has been an increase in the CSR spend on sports and by which companies is not available. This is due to an MCA notification in September 2022 that no longer requires companies to disclose

details of their CSR spends but only the total spends towards CSR.

As per data sourced from Prime Database, between FY19 and FY22 listed Indian companies altogether spent an average of ₹248 crore annually towards sports. This amounts to an average of 1.8% of their total CSR spends. Companies such as Reliance Industries, Tata Steel, IOCL, ONGC and Hindustan Zinc, have been the leading consistent spenders in championing sports in India. Reliance Industries has been the top CSR spender on sports — spending on average ₹41.6 crore annually between FY19 and FY22. Incidentally, the total CSR amount spent by companies in FY23 stood at ₹15,600 crore, as per Prime Database. Applying the average of 1.8% of that amount, CSR spend on sports could be estimated to be about ₹280 crore in FY23.

STEADY CLIMB LIKELY?

According to industry experts, the CSR expenditure on sports has not increased disproportionately higher, but it is likely to increase steadily over the years.

“Earlier the companies used to consider spending on sports with a view of how they can get promo-

tional value, but now there is an increase in understanding of the category, the needs on the ground”, said sports industry veteran Joy Bhattacharjya. “However, they find it tough to directly undertake initiatives since it is not just about spending but having a long-term vision and expertise

about the kind of difference one must make. So, companies now tend to engage specialist organizations already in the space such as GoSports Foundation and Olympic Gold Quest to undertake the initiatives. These agencies either offer them options for best using their funds

or carve out targeted projects for these companies to support. Companies have different needs and objectives, some might want their funds to build capacity in Olympic sports, while some others may be aiming to support more general objectives like providing facilities for underprivileged children”.

According to him, the companies are not spending disproportionately more on sports than what they were spending earlier. “However, as India gears up to bid for hosting the 2036 Olympics, we should definitely see an increase in CSR spends on sports”, he said.

Based on voluntary disclosures of their detailed CSR spends, 135 companies of the top 1,000 listed companies have disclosed in FY23 their detailed CSR spends — which in case of sports, stood at ₹91 crore altogether.

Corporate India's CSR Spends on Sports

FY	No. of cos for which CSR is applicable	Final Actual Amt Spent (₹ cr)	No. of cos which spent on sports	Total Amount Spent on sports (₹ cr)
2018-19	1,096	11,883	251	236
2019-20	1,161	14,797	274	278
2020-21	1,192	14,825	227	236
2021-22	1,265	14,862	254	240
2022-23	1,382	15,602	135^	91^

^Based on Voluntary Disclosures; Source: primeinfobase.com

