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A Peer View about Corporate Social Responsibility in India

A. Jayakodi*

Department of Economics, Government College for Women, Kumbakonam, Tamil Nadu

ABSTRACT

In india, when new economic policies were launched in 1991, the largest foreign companies (agricultural allied industries, soft drinks, other service sectors) came into existence, and local authorities had to face a stiff competition with their new rivals. Because of this, companies can only be successful in earning profit, and the interest in social care decrease, furthermore, companies may try to misuse employers and natural resources to maximize its profits, or look forward to any organization that will systematically process it from service loyalty. In any case, the role of human resources and natural resources are remarkable, and the need for the government is to organize them. So, what is the CSR Act 2014 brought about by the government, the present paper discuss about the benefits for this community by CRS.

KEYWORDS: Corporate, Social, Responsibility, Community, Welfare.

***Corresponding author**

Dr . A. Jayakodi

Assistant Professor

Department of Economics

Government College for Women

Kumbakonam, Tamil Nadu

Email: jayakodi1973@gmail.com

INTRODUCTION

As a researcher, advance wishes and greeting are distinguished for the CSR, which is to celebrate the fifth anniversary celebration of 1st April 2019. The CSR (CORPORATE SOCIAL RESPONSIBILITY) is the social responsibility of the industry. It is the big companies that spend a certain amount of money from their profits to social activities. While some companies have implemented it, there is no way to monitor and process it. A separate law has been introduced since 1st April 2014. Corporate companies take human resources and natural resources out of this society for their development. In return, this is a return to the society. Institutes of the Ministry of Corporate Affairs monitor these activities of companies. According to the Companies Act 2013, companies that have a net worth of Rs 500 crore or Rs 1,000 crore trading companies should spend 2 per cent of their profits. Apart from this, the companies that have net profit of Rs 5 crore will have to spend 2 per cent on social activities. The Act is in force in India since 2014. The aim is to bring positive thoughts into society Culture, ecology, education, medicine, business development, etc. This law should be spent on this amount, Companies can directly charge this amount, or through the charity and non-profit service providers. The company also spends money on disaster relief, prime minister's relief assistance, scientific research and personal assistance. Spending on CSR activities will undoubtedly increase the value and reputation of the company. That is why companies are the top priority. Infosys has spent about 240 crores this year on projects like education, medicine and student lunch. The Tata Chemicals company has spent over 12 crores this year on wildlife conservation, Siemens has set up a 12-kilowatt solar plant at Amla village in Maharashtra's Maharashtra state. Each of these companies will carry out their activities. It will also include activities such as workshop, business activities, housing and buildings. According to the CSR 2014 statistics, the number of CSR operations is expected to be Rs 20,000 crore from next year. Such expenditures will result in changes in social and social conditions. It can be believed that this will make changes in our economy too.

OBJECTIVES OF THE STUDY

On the basis of the related review of literature, it has been noted that Corporate Social Responsibility has become life and blood of the business organizations to survive in the term of long run. The CSR functions show initiative in social welfare activities. But, there are some criticisms about these systems, therefore, the main purpose of this article is to look into the positives and negatives of CSR. Hence the present paper has been trying to find the following objectives.

1. To study the Corporate Social Responsibility in India.
2. To study the contributions of CSR in social welfare schemes in India.
3. To study the role of CSR in India's development
4. To identify the problems of CSR connect with the people.
5. To suggest improve the enthusiasm of companies to work in social welfare programmes

METHODOLOGY

Secondary data were collected from various reliable sources. The official website of the application was one of the major sources. Various literatures from the newspapers were also taken for the completion of the paper which was collected online.

REVIEW OF LITERATURE

In view of the changes to the economy in India's economy since liberation, globalization, and the rapid growth in certain industrial sector or regions, CSR perception data is an important field to research. It is important for the researcher to be familiar with both previous theory and researches published so far in the field of investigation or study. Every research projects requires the review of concerned literature for doing the research. With the help of review of literature, a researcher can identify the methodology used, research design, methods of measuring concepts, techniques of analysis etc. The researcher presents here the resume on various studies undertaken by several researchers from time to time in India and also abroad.

¹**Dersky (2003)** in his study find out that, the enormous costs caused due to corporate scandals in terms of high finality, disruptions, morale of employee, profit, difficulty in recruitment, loss of public responsibility. However it was also put forth that though the managers have realized this truth yet the companies need to be responsible for all its stakeholders and should take greater responsibility to solve social and environmental problems.

²**ChamhuriSiwar and SitiHaslinaMd.Harizan (2004)** in their study on CSR practices amongst the companies in Malaysia aimed to analyse the extent of CSR practices among different types of companies and industries in Malaysia in terms of environmental and social point of view. Companies were selected based on the quota sampling that comprises 25 Government linked corporation, 50 other Malaysian corporations, 50 multinational corporation, 50 corporation and 375 small and medium sized enterprises total. The study revealed that multinational companies bring benefits to the society through width, employmentgeneration, skill development and community initiatives. It was also found that small and medium sized enterprises also participating and supports the practices of CSR.

³**Chacharkar and A. V. Shukla (2004)** in their paper entitled "A study of Corporate Social Responsiveness" the theoretical approach explain with "iceberg effect" diagram. At the conclusion of these studies, it was revealed that the organizers of the activities and involvements were appreciated. Because, the larger part of CSR initiatives for the company are away from the publicity, image building, expansion of customer base and profit.

⁴**Gupta (2005)** on the basis of the three driven models of corporate social responsibility, the community driven, competency driven and consumer driven, These are three driven. According to the author in the competency driven model of corporate social responsibility the company reaches out to the society by depending on its core companies. By doing so it helps create potential stakeholders and also adds to evolving higher efficiency standards. In community driven model the companies spend money in public welfare. Further, the consumer driven approach

stressing upon the consumer awareness and pressures has sensitized the companies to be considerate towards the needs of the consumers and the community in which core company operates.

⁵**Barnea and Rubin (2006)** identified and analysed, the factors of activities and rivals regarding corporate social responsibility. This is observed that corporate social responsibility is commitments for both the consumers and persons who are co-operating with them in business activities, further corporate social responsibility is found to positive reflection to whole of the society and regulate its impact on the social environment. The study concluded that apart from good behaviour with consumers and business partners it is equally important to take care of their employees and maintaining good relationships with their neighbours. Also initiatives should be taken to protect the whole environment.

⁶**Dutta and Durgamohan (2008)** explored the CSR strategies and initiatives of twenty six companies of different sectors like iron and steel, chemicals and fertilizers, durables, FMCG services and InfoTech. The findings indicated shows that the out of different CSR initiatives education was given top priority followed by health, social causes, women empowerment, rural development and environment.

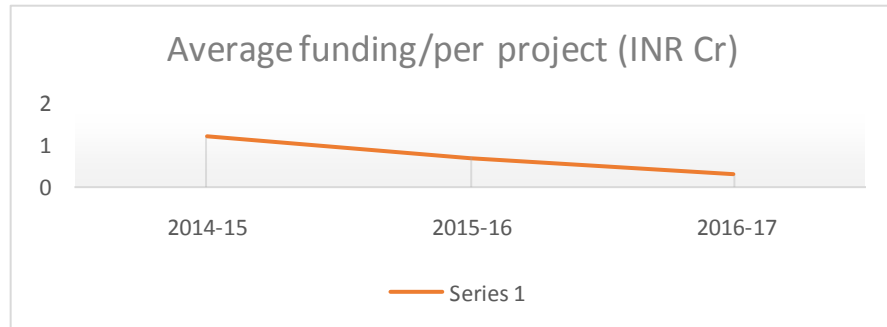
⁷**Belal and Momiii (2009)** point of view the CSR literature related to the emerging economies. Their research paper included the studies concentrated on the Asian-Pacific and African region. The studies under observations are explanation in the nature, used content analysis logics and readings the extent and part of disclosures contained within the annual reports. Their gives the highlighted that CSR agenda in emerging economies briefly driven by external forces such as threaten from parent companies, global market and global agencies. The authors further noted that the Brazilian companies undertake extensive CSR but too little or no research. The authors suggested encouraging contextually anchored country specific CSR research in European and BRICS (Brazil, Russia, India, China, South Africa).

⁸**Vasanthi Srinivasan (2010)** in his study on CSR and Ethics in Micro, small and medium Enterprise in India's tried to draw from the existing organizations of knowledge from both of the academic and popular literature in India to identify the CSR practices and develop a research agenda for responsible business practices in the small and medium enterprise in India. The nature of this type of activity has revealed that the ecosystem has been drastically increased.

⁹**Monika Hartman (2011)** in her paper "CSR in the food sector" analysed the importance of CSR in food sector especially those companies which have high brand. The study found that SME's are less capable of discharging their responsibility towards the society. Through these studies, consumers have increased their consumption of food products. Further the research showed that food sector always tries to improve the controlling and discharging its services towards consumers. It was also found that consumers show preference for those brands or food sectors that gives importance to CSR activities.

The Big picture of CSR in India

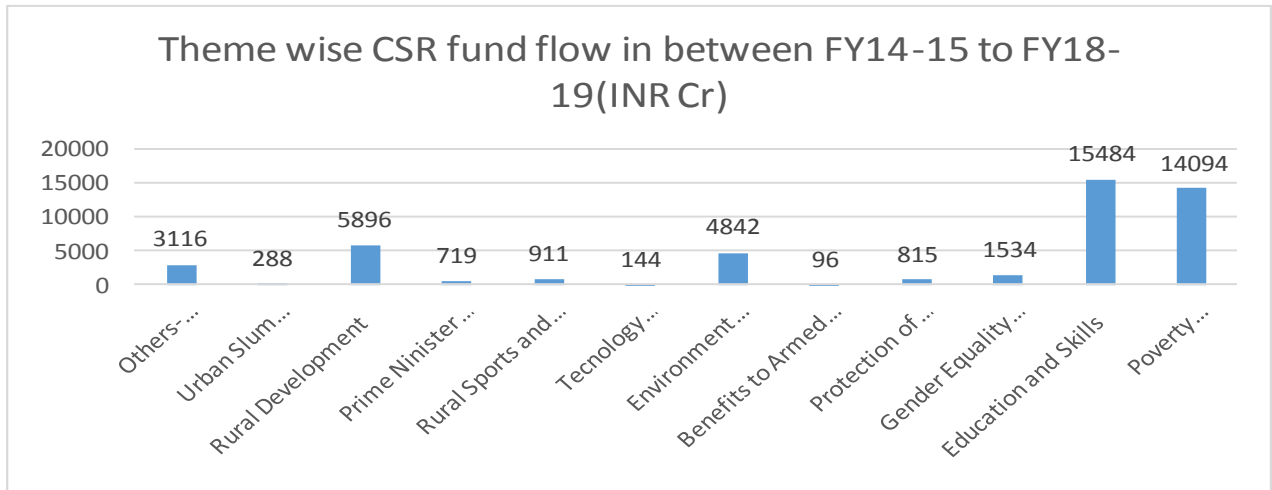
1. CSR compliance in-line with the prescribed CSR/ year is going to increase and would reach in the range of 97-99% by FY 2019-20.
2. Education is most preferred intervention area for companies, especially companies with medium CSR budget, most preferred them for years to come.
3. The average ticket-size of the CSR shown downwards from 2014-15 to 2016-17, but gradually, this will reverse.



Source :indiacsrsummit.in

4. Government collaboration for large scale CSR partners, many companies will align their CSR programs like Ayushman Bharat, Aspirational District Programme, Skill India Mission and National Nutrition Mission.
5. The practice of shifting CSR fund in CSR foundation and implementing partner as corpus-fund gradually cease.
- 6.

Theme Wise CSR Fund Flow: The Ministry of Corporate Affairs already take action against the companies that did not follow with the CSR rules, the CSR spend 97-98% of the money prescribed CSR to education in 2018-19. Education and skill development initiative amount in INR 14000 Cr.,



Graph 1: Theme wise CSR funds flow between FY 14-15 TO FY 18-19

Above diagram shows that, majority of the CSR fund 15484(INR Cr) spend on education and skills. Almost the same amount of money is spent 14094(INR Cr) on poverty eradication and health programme. At the same time the CSR have well knowledge about important contribution areas.

The New Trends in CSR Projects: Based on the CSR analytics through CSRBOX and our engagement with key stakeholders in the CSR ecosystem, we have analysed the various program-types in each of the broad theme of the Schedule VII of the Companies Act. Here are a few new trends that we found worth mentioning.

Table 1: New project types and themes

Theme	New Project Types
EDUCATION	<ul style="list-style-type: none"> Digital/smart-classrooms App-based learning modules both for teachers and students Scholarships and fellowships for students Career-counselling and mentoring of students Adoption of beyond classroom activities Supporting tech-based enterprises in ed-tech space through technologyincubators Teachers-training and capacity building through government-corporate and NGO collaborations Setting-up Science-Labs
SKILL DEVELOPMENT	<ul style="list-style-type: none"> Setting-up of special sectoral-skill based academies App-based curriculum delivery Integration of skills programmes with 10+2 curriculum or add on afterschool packages for adolescents Use of technology (Artificial Intelligence) to gauge interests of youth for skills-training
HEALTHCARE	<ul style="list-style-type: none"> Supporting tech-based enterprises in healthcare through technologyincubators Adoption of affordable technology and innovations in public healthcare projects Preventive healthcare measures for communities Nutrition and wellness initiatives for children and mother
WOMEN EMPOWERMENT	<ul style="list-style-type: none"> Programmes related to awareness building for women safety, gender equality and inclusion Entrepreneurial support for rural women Leadership building programmes for women

	<ul style="list-style-type: none"> • Non-farm Livelihood initiatives for women
ENVIRONMENT	<ul style="list-style-type: none"> • Recycling of plastic and paper products • Promotion of eco-friendly measures • Program-based use of Solar products
WATER AND SANITATION	<ul style="list-style-type: none"> • Adoption of drinking water delivery in rural and semi-urban areas <ul style="list-style-type: none"> • Water-ATMs on public places • Behaviour change communication initiatives for communities • Sanitary-pad distribution and setting-up of sanitary-pad vending machines
OTHERS	<ul style="list-style-type: none"> • Promotion of sports in rural areas • Road safety and awareness projects • Army/veteran soldiers' well-being initiatives

Source: Indaiacsrrsummit.in

CSRBOX is India's largest Corporate Social Responsibility (CSR) analytics and information platform. It lists CSR portfolio of 1000 + companies falling under the ambit of mandatory CSR and investing altogether over more than INR 10,000 Cr. on CSR projects each year.

The platform takes the engagement with organizations a step higher, where not-for-profits and social enterprises are provided support and outreach services to help them connect with businesses that are looking for good CSR implementation partners. The symbiotic partnerships service also focuses on facilitating business-business (B2B) collaboration for larger CSR projects that ultimately helps in reducing the duplication of efforts by various agencies. Broadly, it's a combination of online and offline support services to businesses, CSR services providers and CSR implementation partners to actualize CSR partnerships.

India CSR Summit & Exhibition: India CSR Summit and Exhibition is an annual event hosted by NGOBOX. This event is a largest CSR forum in india bringing together companies, CSR foundation, govt agencies, non-profit, social business and advisory firm to network, collaborate and scale up initiatives in development and impact sector.

5th CSR Impact Award 2018: The high impact company selected for this award by NGOBOX. 14 categories selected overall india. The award to encourage the companies to do social works with enthusiastically in particular thematic areas, to set benchmark in project planning, identification of partners and delivery of the results.

CONCLUSION

After india's globalization, india has received a reputable refutation of economic growth. By making a better change in the CSR system, it can provide the best role for this community. The ministry of HR has to observe that some of the provinces in CSR are complacent. The organizations have to do their utmost in using the proper level of natural resources. And CSR are playing the great attention to the development of social suitability. However, the challenge for the companies is to determining the strong and innovative CSR strategy which should deliver strong performance in ethical, environmental and social areas and meet all the stakeholders' objectives. In the coming years, the CSR will be better and reluctant. But, some research finds the CRS operating problem. Majority of the companies could not interest with CSR, because, the companies thoughts that, why should we lose our money for others, but they

have comfortably forgotten how much we have obtained from the society. Anyway, in the democratic society hoping only the government authorities, so, those authorities should take some measures to grow up the humanity to the companies. So, the Corporate Social Responsibility is gives some good compensation to society.

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