

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT

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ABSTRACT

CSR is what business does over and above its statutory obligations. Society and business are complimentary to each other in their goal for sustainable development. One cannot thrive without the other. Hence, business has a moral responsibility to contribute in enhancing larger social good. The main aim of this research paper is to analyze and understand the role of corporate social responsibility in the overall scenario of sustainable development and inclusive growth. Further, this paper will also analyse the contribution of various Indian organisations for the social upliftment. The present paper will illustrate the present status of organisations in India with regard to their compliance to social responsibility and ethical practices. To overcome the challenges found during the implementation of CSR,, few suggestions have been delineated.

Keywords: Corporate social responsibility (CSR),Green ecology, ICICI, welfare.

INTRODUCTION

The second half of this year (2013) makes the beginning of a new era for corporation in India. The new Companies' Bill has been approved by the Parliament and the President of India has given assent to it. This Act aims to improve the transparency & accountability of corporate sector in India. The Acts among other aspects provides for certain change in norms of CSR.

CSR is now accepted as a means to achieve sustainable development of an organization. Hence it needs to be accepted as an organizational objective. Under this Act, the prescribed plan of companies is required to outlay a portion of their profit on CSR activities.

Business can no longer limit themselves to using resources by indulging in activities that increase their profit only. The Companies have to be socially responsible corporate citizens and also contribute to greater common social good. Ultimately, the aim of social responsibility is all about integrating the three objectives: economic, environmental and social within the framework of company operations and growth. Though the philanthropy is a fore runner to the concept of CSR, it's much more than the philanthropy. An organization can accomplish sustainable development, if the CSR becomes an integral part of its business process. CSR impacts almost every operational area of a company. The Companies Act 2013, intends to inculcate the philosophy of CSR among Indian companies.

OBJECTIVES

- Make a critical analysis of the concept of corporate social responsibility.
- To analyse CSR in an Indian scenario.

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- To understand the areas of CSR in which the companies are involved.
- To study the challenges in implementation in CSR and recommendation for effective implementation.

HYPOTHESIS

CSR is an effective tool for sustainable development.

RESEARCH METHODOLOGY

The research proposes to use qualitative research tools to empirically support the arguments of this research paper that successful companies in India do value social responsibility. The researcher has adopted the doctrinal method in order to study the development of CSR in Indian context and would further adopt the empirical research to find out whether successful companies in India value social responsibility and standards of ethics.

LIMITATION

- Time constrain;
- Non accessibility of information held by various organisations.
- Non-availability of information in many cases.

CORPORATE SOCIAL RESPONSIBILITY IN INDIA

Tata honcho Ratan Tata emphatically stated : “ *We do not do it for propaganda, we do not do it for publicity.*”

According to Narayana Murthy , the Infosys Chief, *social responsibility is to create maximum shareholders working under the circumstances, where it is fair to all its stakeholders, workers, consumers, the community, government and the environment.*

Subrata Mukherjee the President of ICICI foundation declared : “CSR needs to be embedded in to the core of the business strategy” .

CONTRIBUTION OF VARIOUS COMPANIES

There are various companies in India engaged in CSR activities. Companies engaged in CSR mainly focus on the following areas:

Upliftment of Society: Various organisation in India are raising funds, joining and supporting NGO'S for upliftment of society like HDFC, ICICI, Jet Airways.

Concern for Health & Society : Awareness is being generated in the society for positive and good health. Various epidemic diseases like HIV/AIDS and improving access to medicine for poor and people in rural areas. Various organisation like NTPC, AMWAY, NOVARTIS, MODICARE, OXFAM are generating awareness successfully.

Child & Women Welfare: Children are the backbone of any nation. Various organisation are helping schools in slum and supporting socially backward women and also sponsoring various women & children upliftment projects. Organisation like WIPRO, NIIT, HINDUSTAN PENCILS LTD. are few among them.

Green Ecology: Environment plays an important role in the society. It is the duty of every citizen to protect the environment. Various kinds of toxic gases, waste production, and water contamination are some of the issues on which the organisation like Sony Panasonic, Orchard hotels are focusing.

Development of Rural areas: Various organisations are focusing on the overall development of adjoining villages around their plants. Various facilities like good educational infrastructure, hospitals etc. in villages have been developed by the various organisation like Bajaj Auto, ONGC.etc.

Employee's Welfare: Employees are the backbone of every organisation. Every organisation wants that their employees should be fully satisfied to enjoy the environment in which they work and live. Various international human rights and employees' welfare programme are handful of examples of CSR.

NEW TRENDS IN CSR ACTIVITIES

In India, various organisations are following charity- based philanthropic social initiative- based CSR approach. However in a globalised era, Indian CSR should focus beyond health and education scheme. Companies should work for propagating renewable sources of energy. The acute problem of power shortage can be overcome by encouraging renewable resources. Pollution is another focus area. Pollution damages human health as well as plants life. Organisation should take initiative to reduce this problem. Since industrialization has caused proliferation of fragile eco-system, companies should focus on creating and sustaining bio- diversity. Various organisations through the CSR should focus to protect the bio-diversity so that the variety of plants & animal life can be preserved. Few other areas like poverty alleviation, infrastructure development along with education, health, and environment should also be the focus areas of CSR.

CHALLENGES TO IMPLEMENT CSR

The biggest challenge of CSR is that the corporate should have a holistic approach and it can no longer be confined to its financial concerns alone but should also address concerns of the society and environment at large. Due to lack of awareness, various organisations have accepted CSR activities in a narrow perspective and there is a general apathy in pursuing CSR activities. Lack of specific areas of focus, and concomitant rules and regulations is one of the most important challenges to implement CSR most effectively.

SUGGESTIONS FOR EFFECTIVE IMPLEMENTATION OF CSR

- Every organisation should decide minimum annual expenditure for the CSR activities. In order to ensure, Inclusive growth, envisaged in our Plan Vision document ,rural areas should get priority over urban areas in the matter of getting returns from CSR activities.
- Public & private partnership can also be a better tool for effective implementation of CSR activities.

CONCLUSION

The concept of CSR is not new, rather it started during 1950s in India. Various authors and organisations have defined this concept but still a suitable and consensual definition of CSR is awaited.

CSR in India is known due to the efforts of the TATA. Nowadays galaxy of the organisations is following CSR activities. However, there are have been different point of view regarding CSR. In the present scenario, CSR is practised for social causes, healthcare, education, infrastructure development, women empowerment, community development, political empowerment and national heritage. However, there are certain areas which are untouched. In today's globalised era, new trends of CSR like generation of electricity, containing & checking pollution, bio- diversity production should be encouraged. CSR is the need of the hour to bring changes in the current situation to put socio- economic development in India on a fast track.

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