



**LARGE-SCALE COMPANIES' PRACTICES IN CORPORATE SOCIAL RESPONSIBILITY:
A STUDY IN INDIA**

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Abstract

The corporate world cannot disregard the idea of Corporate Social Responsibility (CSR) in the current worldwide environment. Businesses must modify their work cultures to meet market needs while taking into account the shifting market environment. In this endeavour, Indian businesses are not at all falling behind, and some are even moving forward. Corporate social responsibility (CSR) describes a company's efforts to support the needs and well-being of society. According to the provision of the new Companies Bill, significant businesses must devote 2% of their annual net income to CSR initiatives. The purpose of this Bill is to require businesses to fulfil their social obligations to their stakeholders, including the government, the general public, and their customers. Alongside increase the company's economic growth. In the current global period, this study article aims to clarify the significance of corporate social responsibility. Additionally, it paints a picture of the CSR priority areas where large-scale businesses are investing more heavily in their operations.

Key words: CSR, stakeholders, community, and companies' bill.

To address societal issues, several firms in India have started putting the idea of corporate social responsibility (CSR) into practise. Corporate social responsibility encompasses a wide range of initiatives, from offering secure and environmentally sustainable goods and services to donating a portion of firm income to charitable organizations. In today's dynamic environments, nothing is permanent, yet the terms "social duty," "philanthropy," and "corporate social responsibility" have been around for a while. Every corporate organisation must operate inside a certain social environment, often known as society. As a responsible businessperson, you are accountable for the welfare of the community in which your firm operates. For example, you should assist the community by protecting the environment and preserving the natural resources. resources, waste recycling, public education, and health. The Ministry of Corporate Affairs anticipates that the new rule will be viewed as an opportunity to engage in improving workplace culture rather than as a necessary expense. For the enterprises to carry out their CSR efforts, the Ministry has established a few focal areas.

The previous legislation controlling how corporations operate has been superseded by the new Indian Companies Act, 2013. Every year, all businesses having a turnover of at least Rs. 1000 crore, a net



worth of at least Rs. 500 crore, or a net profit of at least Rs. 5 crore must spend at least 2% of their three-year average profit on CSR initiatives. They can use the money by working with other businesses or non-profit organisations. The annual CSR report must include information about all social cause spending, including its cost. Companies have come to understand that CSR may increase market respect for their brand and foster loyalty among both employees and customers. Especially in the increasingly competitive global environment of today, business executives need to monitor their business performance carefully.

Literature Review

According to Hemingway's article from 2002, Corporate Social Responsibility (CSR) can mean different things to different people. CSR is typically thought of as a multi-disciplinary topic, and different definitions exist depending on how much responsibility is thought to fall within the purview of a firm. CSR can be seen as a contemporary manifestation of philanthropy or charity. The official embrace of CSR by firms is said to have something to do with managers' shifting personal values. Researching the values at play both at the corporate and personal levels might help people comprehend CSR more clearly. [1]

Why CSR is vital for firms, ask **Premlata and A. Agarwal (2013)** in their article. Why should they support the economic development of the nation? They claim that CSR is a crucial component of growth since businesses, especially those operating in rural regions, need to care about the communities in which they operate. By engaging in social activities, businesses can stand out from the competition, gain better access to financing and markets, boost sales and profitability, promote consumer loyalty, improve brand image and reputation, and increase employee work satisfaction. [3]

In his article from **2017, Dr. Rajinder Singh (2017)** examined the CSR initiatives made by Bharti Airtel in accordance with the 2013 Companies Act. An industrial unit utilises societal resources, and societal support is necessary for its operation. As a result, these company divisions ought to contribute to the general welfare of society and its associates. One of the top telecom companies, Bharti Airtel, engages in CSR initiatives in a variety of fields, including education, combating hunger and poverty, advancing women's rights and gender equality, protecting the environment, responding to natural disasters, and waste management. [5]

Objectives of the Study

1. Researching the value of corporate social responsibility.
2. To be aware of the CSR operations of chosen large-scale firms' key priority areas.

Research Methodology



The purpose of the study was to determine the value of corporate social responsibility for commercial enterprises as well as the main areas in which the businesses engaged in CSR initiatives. This necessitated a thorough conversation with the senior management and some of the organisations that directly benefited from the CSR programmes that were put in place.

Primary Data

A structured questionnaire was used to obtain the main data for this study. An extensive questionnaire was created using mostly closed-ended and a few open-ended questions. By following a meticulous interview schedule, the researcher obtained questionnaire responses from the CSR/HR Executives or CSR/HR Managers of the chosen organisations in the chosen areas of study.

Secondary Data

The secondary data was gathered by going to different libraries and consulting the EBESCO online database, different journals, magazines, conference proceedings, research papers, annual reports of chosen organisations, the internet, government gazette, websites of different businesses, etc.

Importance of Corporate Social Responsibility to A Business

In the current environment of fierce competition, every corporation is so preoccupied with achieving commercial goals, turning a profit, and managing market pressure that they actually forget they also have a social responsibility to the society. The advancement of society depends heavily on corporate social responsibility, which is also advantageous to the business in many ways. Let's examine how crucial corporate social responsibility is.

1. Consumer Preferences

Consumers typically place more weight on a company's reputation than they do on how their products are perceived. People are increasingly aware today that they are buying a product from a firm that cares about its effects on the environment, therefore it's no longer enough to manufacture an innovative product or provide outstanding service.

2. Improves employee loyalty and retention by boosting morale

Employees enjoy working for companies with positive public perceptions because it raises their morale and happy workers are more productive. Companies that participate in corporate social responsibility initiatives have a higher chance of luring and keeping valuable and dedicated personnel. People are more inclined to apply for open positions if a company has a culture of corporate social responsibility.

3. Improved Relationships with Investors and Vendors

Vendors are still supporting businesses who have a strong commitment to not only their clients and staff but also to other people's lives. Even investors are eager to invest in businesses that have a strong sense of social responsibility. They are pleased that their money is being spent wisely and are involved in a good cause. Through their business relationships with the company, investors and vendors both directly and indirectly take part in CSR programmes.

4. Boosting the Company's Image

One of the reasons why firms from the past are embracing CSR is to improve the company's reputation. However, it is now a widespread occurrence, therefore businesses are experimenting with new social responsibility initiatives in an effort to increase their goodwill. In addition to treating it seriously, they are also applying a great deal of creativity to it in order to fulfil their ambitious goals and establish a unique brand for themselves in the marketplace.

Company	Eradicating	Health care	Education	Women Empow	Senior Citizen	Environment	Protection of	Sports	Government	War	Rural Develo	Slum
Karad Projects & Motors Lt d., Satara	N	Y	Y	N	N	Y	N	N	N	N	N	N
Paranjape Autocast Pvt. Ltd., Satara	N	Y	Y	N	N	N	N	N	N	N	N	N
Cooper Corporation Pvt. Ltd., Satara	Y	Y	Y	Y	N	Y	N	Y	N	N	Y	N
Emerson Climate Technologies (I) Ltd., Satara	N	N	Y	N	N	N	N	N	N	N	N	N
Bharat Forge Ltd., Satara	N	Y	Y	Y	N	N	N	Y	N	N	N	N
Spicer India Pvt. Ltd., Satara	N	Y	Y	N	Y	Y	N	N	N	N	Y	N
Nipro India	N	Y	N	N	N	Y	N	N	Y	N	N	N
Godrej &	N	Y	Y	Y	N	Y	N	N	N	N	Y	N



BoyceMfg. Co. Satara												
Asian Pain ts, Satara	N	Y	Y	Y	N	Y	N	N	N	N	N	N
Alfa Laval, Satara	N	Y	Y	Y	N	Y	N	N	N	N	N	N
Hindoostan Spinning & Weaving Mil ls, Satara	N	N	Y	Y	N	Y	N	N	N	N	N	N
Ajanta Universal Fabrics, Satara	N	Y	Y	Y	N	Y	N	N	N	N	N	N
Desai Broth ers, Satara	N	N	Y	N	Y	N	N	N	Y	N	Y	N
Mapro Foods , Satara	N	Y	Y	N	N	N	N	N	N	N	Y	N
Shriram Foundry Pvt. Ltd., Kolhapur	N	Y	Y	N	N	Y	N	N	N	N	Y	N
Menon & Pistons Pvt. Ltd., Kolhapur	N	Y		Y	Y	N	N	Y	N	N	N	N
Kirloskar Oil Engines, Kolhapur	N	Y	Y	N	N	Y	N	N	N	N	N	N
Manugraph India Ltd., Kolhapur	N	N	Y	Y	N	Y	N	Y	N	N	Y	N
GhatagePatil Industries Ltd., Kolhapur	N	Y	Y	N	Y	Y	N	Y	N	N	N	N
Kolhapur Steel Ltd., Kolhapur	N	Y	Y	N	Y	Y	N	Y	N	N	N	N
Fairfield Atlas Ltd.,	N	Y	Y	Y	Y	Y	N	N	N	N	N	N



Kolhapur												
Arvind Cotsy n India Ltd., Kolhapur	N	Y	Y	N	N	Y	N	N	N	N	Y	N
Indocount Industries Ltd., Kolhapur	N	Y	Y	Y	N	Y	N	N	Y	N	Y	N
Raymond Zambaiti Pvt. Ltd., Kolhapur	N	N	Y	N	N	Y	N	N	N	N	Y	N
R. M. Mohit e Textiles, Kolhapur	N	N	Y	N	N	Y	N	N	Y	N	N	N
Warana Group , Kolhapur	N	Y	Y	N	N	N	N	N	Y	N	Y	N
Sanjay Ghodawat Foods, Kolhapur	N	Y	Y	N	Y	Y	N	N	N	N	Y	N
Total	1	21	25	11	7	20	0	6	5	0	12	0
Percentage	3.70	77.78	92.59	40.74	25.93	74.07	0.0	22.22	18.52	0.0	44.44	0.0

Interpretation:

The graph above depicts the proportion of businesses engaging in CSR activities across different priority areas. It demonstrates that the vast majority of businesses actively engage in CSR initiatives in the fields of healthcare and education. Environmental protection activities come next.

The two focus areas that firms are heavily focused on are rural development and women's empowerment. While the firms continue to ignore the focus areas of eradicating hunger and poverty, protecting national heritage, providing activities for war widows and their dependents, and slum development.

Findings



1. It has been discovered that the idea of corporate social responsibility is becoming more and more important as a result of the long-term advantages it provides for businesses.
2. The majority of businesses are concentrating on CSR initiatives in the area of education, such as offering educational resources to underprivileged schools, promoting girls' education, and providing vocational training for employment.
3. Healthcare and environmental protection are the other key sectors on which the businesses have focused their emphasis. Healthcare initiatives include running free medical camps, funding the medical treatment of the underprivileged, and many more. Environmental protection involves a wide range of tasks, such as planting trees, recycling waste, properly disposing of industrial waste, etc.
4. After the aforementioned focus areas, rural development projects and women's empowerment initiatives are given preference. Rural development projects include tasks like building roads, restrooms, water storage tanks, and cleanliness drives.
5. The firms also participate in a number of CSR initiatives for senior citizens, rural sports promotion, and donating to the government, though not on a very significant scale.
6. Ending extreme hunger and poverty is another CSR emphasis area that needs to be tackled on a significant basis, however the graph above shows that the corporations have done relatively little effort in this area.

Suggestions

1. Companies should undertake a Need Assessment Survey in advance so they can design their CSR programmes based on these societal challenges, as opposed to conducting CSR activities at their convenience.
2. It appears that the majority of businesses are focusing on the same social issues; rather, they should collaborate and address other social issues that have been overlooked but still require attention.
3. Businesses should view CSR as a responsibility to give back to society, not as a burden.
4. For the society's general development, it is necessary to address the CSR emphasis areas that are still unexplored.

Conclusion

The new approach of corporate social responsibility (CSR) involves working together with business organisations and the government to solve social issues. Additionally, it serves as a vehicle for businesses to fulfil their social responsibility to stakeholders. The new Amendment to the 2013 Companies Act specifies a few key areas where businesses can carry out their social activity. It is clear that many businesses were fulfilling their social obligations in the areas covered by the Act before it was



amended. However, some of the focus areas, such as slum development, the preservation of national treasures art and culture, etc., should be investigated since they are not currently taken into account by the firms.

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