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CORPORATE SOCIAL RESPONSIBILITY: SOCIETAL INITIATIVES TAKEN BY INDIAN COMPANIES

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In recent years, the concept of corporate social responsibility has gained prominence from all avenues. Organizations must realize that government alone will not be able to get success in its endeavor to uplift the downtrodden of society. The present societal marketing concept of companies is constantly evolving and has given rise to a new concept - Corporate Social Responsibility. Many of the leading corporations across the world had realized the importance of being associated with socially relevant causes as a means of promoting their brands. The idea that corporations bears a responsibility that stretches beyond their shareholders is not new. The field of corporate social responsibility (CSR) has grown exponentially in the last decade. Nearly all leading organizations in India are involved in corporate social responsibility (CSR) programs in areas like education, health, livelihood creation, skill development, and empowerment of weaker sections of the society. Notable efforts have come from the Tata Group, Infosys, Bharti Enterprises, ITC Welcome group and Indian Oil Corporation among others. This paper examines the concept of firms sacrificing profits in the social interest within the environmental realm. Although the analysis of goodwill and quality of different initiatives within the umbrella of CSR is challenging, but an attempt can be made to fulfill the social responsibility.

Keywords: Corporate Social Responsibility, Organizations and social interest

INTRODUCTION

Corporate social responsibility is basically a concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment. Corporate social responsibility is represented by the contributions undertaken by companies to society through its business activities and its social investment. This is also to connect the

Concept of sustainable development to the company's level. Over the last years an increasing number of companies worldwide started promoting their Corporate Social Responsibility strategies because the customers, the public and the investors expect them to act sustainable as well as responsible. In most cases CSR is a result of a variety of social, environmental and economic pressures

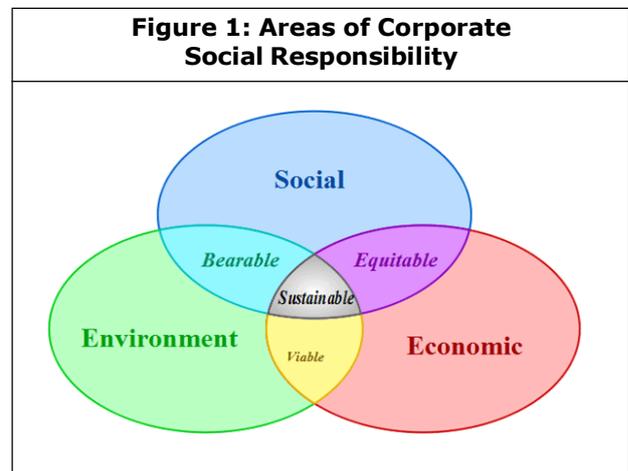
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(Figure 1). The Term Corporate Social Responsibility is imprecise and its application differs. CSR can not only refer to the compliance of human right standards, labor and social security arrangements, but also to the fight against climate change, sustainable management of natural resources and consumer protection.

Corporate Social Responsibility (CSR) is viewed as a comprehensive set of policies, practices and programs that are integrated into business operations, supply chains, and decision-making processes throughout the organization—wherever the organization does business—and includes responsibility for current and past actions as well as future impacts 1. CSR involves addressing the legal, ethical, commercial and other expectations society has for business, and making decisions that fairly balance the claims of all key stakeholders. Effective CSR aims at “achieving commercial success in ways that honor ethical values and respect people, communities, and the natural environment.” Simply put it means “what you do, how you do it, and when and what you say.” Several terms have been used interchangeably with CSR. They include—business ethics, corporate citizenship, corporate accountability, sustainability and corporate responsibility. The issues that represent an organization’s CSR focus vary by size (small, medium and large), sector (for example, financial institutions, infrastructure providers, textile manufacturers, agri-producers, supermarket retailers, etc.) and even by geographic region. In its broadest categories, CSR typically includes issues related to business ethics, community

investment, environment, governance, human rights, the marketplace and the workplace.

Companies have become more transparent in accounting and display ‘public reporting’ due to pressures from various stakeholders. It is possible for companies to behave in the ‘desired’ ethical and responsible manner towards consumers, employees, communities, stakeholders and environment. They have started incorporating their CSR initiative in their annual reports.



DEFINING CORPORATE SOCIAL RESPONSIBILITY

The European Commission’s definition of CSR is: “A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis.”

According to CSR Asia, “CSR is a company’s commitment to operating in an economically, socially and environmentally sustainable manner whilst balancing the interests of diverse stakeholders.” The rationale for CSR has been articulated in a

number of ways. In essence it is about building sustainable businesses, which need healthy economies, markets and communities.

However, various definitions of CSR cover various dimensions including economic development, ethical practices, environmental protection, stakeholders involvement, transparency, accountability, responsible behavior, moral obligation, corporate responsiveness and corporate social responsibility.

SOCIETAL INITIATIVES TAKEN BY INDIAN COMPANIES

Most of the business houses and corporate have been taking up social welfare activities from time to time. Recently, priority of business is getting widened from 1 P to 3 Ps by inclusion of People and Planet with Profit. The short-term, charity-based welfare interventions are being replaced by long-term, empowerment-based Corporate Social Responsibility (CSR). Based on the realization, "Business cannot succeed in a society that fails", CSR is being considered as an imperative for carrying on business in the society rather than as a charity. While CSR is relevant for business in all societies, it is particularly significant for developing countries like India, where limited resources for meeting the ever growing aspirations and diversity of a pluralistic society, make the process of sustainable development more challenging. The companies have initiated for CSR, taking into consideration the concept of firms sacrificing profits in the social interest within the environmental realm.

Infosys

Narayan murthy chairman and chief mentor of

Infosys has always been on the forefront of philanthropic activities as a part of CSR. Mr. Narayan murthy firmly underlines the significance of CSR: "for benefit of globalization and technology to reach the poor, the private sector, philanthropic institutes and individuals should cooperate and establish partnership with government institutions. This would lift millions of our people out of the poverty, provide them with opportunities and make them participate in the process and progress of globalization".

Indian Oil

Indian Oil is also been forefront in case of national emergencies. Few of the initiative is providing petrol/diesel station dealerships and LPG distributorships to beneficiaries from among Scheduled Castes, Scheduled Tribes, physically handicapped, ex-servicemen, war widows, etc. and also kisan seva Kendra. In case of environment it has favored for green fuel. It is the firm resolve of Indian Oil people to move beyond business, touch every heart and fuel a billion dreams. CSR in public sector: Indian Oil Corporation

Following are the schemes followed by Indian Oil

1. Environmental sustenance: IOC provides many options in alternative fuels such as ethanol-blended petrol, bio diesel, and hydrogen and hydrogen-CNG mixture.
2. Health-care: Indian Oil has a concerted social responsibility program to partner communities in health, family welfare, education, environment protection, providing potable water, sanitation, and empowerment of women and other marginalized groups.

3. **Natural Emergency Assistance:** Indian Oil has been in the forefront in times of national emergencies. Employees of IOC have rallied to help victims of natural calamities, maintaining uninterrupted supply of petroleum products and contributing to relief and rehabilitation measures in cash and kind.
4. **Community Development:** Allotment of petrol/diesel station dealerships and LPG distributorships to beneficiaries from among scheduled castes, scheduled tribes, physically handicapped, ex-servicemen, war widows, etc
5. **Pro-farmer Initiatives:** Kisan seva Kendras are small-format retail outlets to reach quality products and services to people in the rural areas.
6. **National Heritage:** Indian Oil has also set up the Indian Oil Foundation (IOF) as a non-profit trust to protect, preserve and promote national heritage monuments.
7. **Cultural Initiatives:** The corporation also supports a variety of endeavors in arts, culture, music and dance, apart from organizing programmes on its own under the banners of Indian Oil Art Exhibition, Indian Oil Sangeet Sabha and Indian Oil Kavi Sammelan.
8. **Global Stand:** Indian Oil is also committed to the Global Compact Program of the United Nations and endeavors to abide by the 10 principles of the program.

Aptech Limited

Aptech Limited, a leading education player with a global presence, has played an extensive role in encouraging and fostering education throughout the country since

inception. As a global player with complete solutions-providing capability, Aptech has a long history of participating in community activities. It has, in association with leading NGOs, provided computers at schools, education to the underprivileged and conducted training and awareness-camps. Aptech students donated part of the proceeds from the sale of their art work to NGOs. To propagate education among all sections of the society throughout the country, especially the underprivileged, Aptech fosters tie-ups with leading NGOs throughout the country, including the Barrackpur-based NGO, Udayan, a residential school for children of leprosy patients in Barrackpur, established in 1970. The company strongly believes that education is an integral part of the country's social fabric and works towards supporting basic education and basic computer literacy amongst the underprivileged children in India.

Tata Steel

The most recent testimony to Tata Steel's contribution is The Energy & Resources Institute (TERI) Award conferred on it in recognition of corporate leadership for good corporate citizenship and sustainable initiatives. Tata Steel is the only Indian company to have pledged to translate the Global Compact principles on human rights, labor and environment into practice and was conferred the Global Business Coalition Award for Business Excellence in the Community for HIV /AIDS. Over the years, the nature of the company's involvement with the community has undergone a change. It has moved away from charity and dependence to empowerment and partnership. The many facets of Tata

Steel's efforts are medical and health services in the rural and semi-urban areas, sports, women's health and education, water harvesting and tribal development, relief and rehabilitation and income generation, among others.

CISCO System Inc

Philanthropy at Cisco is about building strong and productive global communities - communities in which every individual has the means to live, the opportunity to learn, and the chance to give back. The company pursues a strong "triple bottom line" which is described as profits, people and presence. The company promotes a culture of charitable giving and connects employees to nonprofit organizations serving the communities where they live. Cisco invests its best-in-class networking equipment to those nonprofit organizations that best put it to work for their communities, eventuating in positive global impact. It takes its responsibility seriously as a global citizen. Education is a top corporate priority for Cisco, as it is the key to prosperity and opportunity.

Mahindra & Mahindra

The K C Mahindra Education Trust was established in 1953 by late Mr. K C Mahindra with an objective to promote education. Its vision is to transform the lives of people in India through education, financial assistance and recognition to them, across age groups and across income strata. The K. C. Mahindra Education Trust undertakes number of education initiatives, which make a difference to the lives of deserving students. The Trust has provided more than Rs. 7.5 Crore in the form of grants, scholarships and loans. It promotes education mainly by the way of

scholarships. The Nanhi Kali project has over 3,300 children under it. We aim to increase the number of Nanhi Kalis (children) to 10,000 in the next 2 years, by reaching out to the underprivileged children especially in rural areas.

DALMIA CEMENT (BHARAT LIMITED)

The water source for the villages in and around the Dalmia Cement factory is dependent on rains. During summer months, the villagers, particularly women folk, travel long distances to fetch water for drinking and other purposes. Considering the difficulties and hardship faced by the people, the company, after discussing with the village elders and concerned Government authorities, took the initiative of making water available by: Providing deep bore wells. So far, 45 bore wells have been provided in various villages, namely Kallakudi, Palanganathan, Malvoi, Elakkurichi, Muthuvathur, Pullabmadi, Edayathankudi, etc. Approximately, 300 to 400 people get adequate drinking water from each bore well. Water tanks to store the water. Rain and seepage water is harvested in the quarries of the company is pumped into a tank and supplied to inhabitants. 44,000 trees were planted and nurtured over a period of eight years. The presence of large trees and vast greenery has considerably improved the ecology in the area.

Dabur

SUNDESH Sustainable Development Society (SUNDESH) is sworn to the mission of ensuring overall socio-economic development of the rural and urban poor on a sustainable basis, through different participatory and need-

based initiatives. It aims to reach out to the weaker and more vulnerable sections — such as women and children, illiterate and unemployed – of the society.

Today, SUNDESH operates in Ghaziabad and Gautam Budha Nagar district of Uttar Pradesh, and has — more recently – established presence in Rudrapur district of Uttarakhand. Over the years, it has contributed to many worthy causes, addressing children's literacy, improving healthcare services, skill development, and environment, to name a few.

The Times of India

“Lead India Campaign” by Time of India is perfect example for brand building through CSR. This was the brought by times of India to bring about change in society. It was more of business/brand building strategy than CSR. Such activities knowingly or unknowingly prepare an image in mind of viewers and hence building image.

Glaxo Smith Kline Pharmaceuticals

CSR programs primarily focus on health and healthy living. They work in tribal villages where they provide medical check-up and treatment, health camps and health awareness programs. They also provide money, medicines and equipment to non-profit organizations that work towards improving health and education in under-served communities.

Reliance Industries Ltd

They have launched a countrywide initiative known as “Project Drishti”, to restore the eye-sights of visually challenged Indians from the economically weaker sections of the society. This project, started by one of India's corporate giants has brightened up the lives of over 5000 people so far.

ITC's One Paisa Campaign

Being a large tobacco corporation is no easy task from corporate responsibility viewpoint. How can a company that produces cigarettes for a living actually fulfill its social and profit responsibilities and look good at the same time? Well, ITC (Indian Tobacco Corporation), the largest tobacco company in India has managed to create an altered image for itself by promoting its social activities through its many faucets of income. For example, through its proprietary notebook and college equipment brand name, Classmate, it collects one paisa from every sale to donate to NGOs and feed hungry, below poverty, children in India. Every item sold under its clothing brand name and any other outlet shall have a certain percentage given back through plantation of trees or feeding hungry stomachs.

IBM. India

These initiatives are shaped by the IBM global initiatives. There is no one group within the company that looks after CSR. There are several groups within IBM that address different segments of the community IBM works with. For example in IBM, India the Community Relations team focuses on primary education and in deploying technology to improve the quality of life of the disadvantaged section of the community. Similarly, there are groups that address the issues of diversity, environmental citizenship and university relations.

For the Indian company whatever the CSR activities are happening are centered on education, rural upliftment and helping the physically challenged. Some of the CSR initiatives the major IT companies have undertaken are

1. Education for all
2. Community development
3. Children of a lesser GOD No more
4. Volunteering anyone?

As per Indian oil CSR is “A Cornerstone of our Enduring Success”. Their mission is “to help enrich the quality of life of the community and preserve ecological balance and heritage through a strong environment conscience”. Indian Oil has been taking concrete action to realize its social responsibility objectives, thereby building value for its shareholders and customers. Besides this it is also aim at developing techno- viable and environment – friendly product and service for the benefit of customer at the same time maintaining high standard of safety and environment protection. Every year a fixed amount from the profit its profit goes for social and environment welfare across the country. Indian Oil has concentrated their programs for women, education, health, family, welfare etc. Along with this Indian Oil is also been forefront in case of national emergencies. Few of the initiative is providing petrol/diesel station dealerships and LPG distributorships to beneficiaries from among Scheduled Castes, Scheduled Tribes, physically handicapped, ex-servicemen, war widows, etc. and also kisan seva Kendra. In case of environment it has favored for green fuel. It is the firm resolve of Indian Oil people to move beyond business, touch every heart and fuel a billion dreams.

Initiatives Taken by TATA

In **India** there are an existent but small number of companies which practice CSR. This

engagement of the Indian economy concentrates mainly on a few old family owned companies, and corporate giants such as the Tata and Birla group companies which have led the way in making corporate social responsibility an intrinsic part of their business plans. These companies have been deeply involved with social development initiatives in the communities surrounding their facilities. Jamshedpur, one of the prominent cities in the northeastern state of Bihar in India, is also known as Tata Nagar and stands out at a beacon for other companies to follow. Jamshedpur was carved out from the jungle a century ago. TATA’s CSR activities in Jamshedpur include the provision of full health and education expenses for all employees and the management of schools and hospitals. In spite of having such life size successful examples, CSR in India is in a very nascent stage. In the informal sector of the Indian economy, which contributes to almost the half of the GNP and where approximately 93% of the Indian workforce is employed, the application of CSR is rare. On the contrary, the fight against poverty, the development of education, as well as the conservation of the environment are not existent in most of the Indian enterprises.

GAIL(India) Limited

Recently GAIL(India) limited has taken initiative for the students who belongs to backward strata where the initiative was taken by 23 students of the GAIL under Utkarsh-flagship programme at Kanpur. Under this programme, 100 students belonging to the economically backward strata of the society were provided with a free residential coaching programme for the AIEEE/JEE entrance exams. The

training and expert coaching was provided under the mentorship of Shri Abhyanand for 11 months. In the new pattern started by JEE Test, 81 students cleared the main exam of IIT JEE

Delhi Metro Rail Corporation

The Delhi Metro Rail Corporation (DMRC) has planned a children's home for 50 girls as part of its corporate social responsibility. DMRC had informed that a children's home in Delhi named 'Arman' has been constructed by them as part of their corporate social responsibility.

The home is run by a Non Governmental Organisation (NGO) Salam Balak Trust, Roy said." While the initial cost of furniture, utensils etc. was borne by the DMRC, the day to day expenditure is made by the NGO,"

State Bank of India

State Bank of India (SBI), Hyderabad Circle has donated a Tata Winger worth Rs 5.68 lakh to Sri Vidhya's Centre for the Special Children, East Marredpally here on Wednesday as part of its corporate social responsibility efforts.

CONCLUSION

Today, CSR in India has gone beyond merely charity and donations, and is approached in a more organized fashion. It has become an integral part of the corporate strategy. Companies have CSR teams that devise specific policies, strategies and goals for their CSR programs and set aside budgets to support them.

It can be concluded that in today's informative world where information are readily available to general public CSR has been an

important part of any organization to be successful. Organization in present world cannot be successful without taking into account the social responsibility. CSR has been a vital component for any organization to have perpetual success and to create brand.

Corporate Social Responsibility (CSR) defined as "the ethical behavior of a company towards the society," manifests itself in the form of such noble programs initiated by for-profit organizations. CSR has become increasingly prominent in the Indian corporate scenario because organizations have realized that besides growing their businesses it is also vital to build trustworthy and sustainable relationships with the community at large. This is one of the key drivers of CSR programs.

Another reason fuelling this rapid adoption of CSR is the state of the Indian society. Though India is one of the fastest growing economies, socio-economic problems like poverty, illiteracy, lack of healthcare etc. are still ubiquitous and the government has limited resources to tackle these challenges. This scenario has opened up several areas for businesses to contribute towards social development.

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