

Corporate Social Responsibility In India – A Review Of Theme Areas And Their Implementation

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Abstract: Corporate Social Responsibility provides opportunity to serve society and environment in which the Company operates. Companies were engaged in CSR activities under community development. The major themes are health, education and environment. The present study was made to know the various thematic areas in which companies are working under CSR. The study was carried out on twenty five companies selected at random under different sectors. An attempt is made to know the various themes, type of activity and implementing agency. Results suggested that education (92.0%) is the major area of CSR contribution and NGOs (60.0%) played major role in implementing the works. The study helps in identifying areas in which CSR funding can be made to help society in a larger sense.

Keywords: CSR; Theme areas; implementing agency;

I. INTRODUCTION

Business no longer includes only investors, shareholders it also, draws both social and natural resources and hence, integral part of society. The CSR provides an opportunity to the company to enhance stakeholder value which includes the larger society and environment in which the Company operates. CSR projects are identified and approved by the CSR Committee. Corporate Social Responsibility is a sustainable process which helps balance the three pillars, called as Triple bottom line (TBL) of sustainable development- Economic growth, Social development and Environmental protection. CSR initiatives which are linked to the immediate social and environmental context in which the Company operates are operated directly or through Foundation, NGO, local/state government bodies. The activities here may relate to education, health and empowerment etc., In line with extant provisions of section 135 of the Companies Act 2013 and requirements laid down in the Companies (CSR Policy) Rules, 2014, 2% of the average profit of the company computed in the manner prescribed in the Act during the three immediately preceding financial years will be allocated for CSR activities. The present communication is to analyse various CSR activities taken p by

select Indian companies under different thematic areas. The purpose behind the study was to understand the diversity, modalities of implementing and monitoring programmes. This helps in strategic planning and identifying new areas of activity for delivering a particular thematic area.

II. MATERIALS AND METHODS

The present investigation is made to know various theme areas being taken up by different Indian companies under Corporate Social Responsibility programme. A review is made to understand various issues related to their planning, implementation and monitoring process. The secondary data of last five years available on the website of various companies was used to study the above objectives. Various companies were selected at random from diverse sectors to relate the activities based on their type and mode of operation. A total of 25 Indian companies of diverse operations were selected for the study. Companies reviewed were – 1. ACCLimited: www.acclimited.com; 2. Asian Paints Ltd: www.asianpaints.com; 3. Apollo Tyres Ltd: www.apollotyres.com; 4. BHEL: www.bhel.com; 5. Birla Carbon www.birlacarbon.com; 6. Coca Cola Company:

www.coca-colacompany.com; 7. Colgate Palmolive: www.colgatepalmolive.com; 8. Chambal Fertilizers and Chemicals Limited: www.chambalfertilizer.com; 9. Godrej & Boyce Mfg. company: www.godrej.com; 10. GAIL: www.gailonline.com; 11. Idea Cellular Ltd: www.ideacellular.com; 12. Jindal Steel & Power: www.jindalsteelpower.com; 13. Marico: www.marico.com; 14. Mahindra & Mahindra: www.mahindra.com; 15. MRPL: www.mrpl.co.in; 16. NHPC: www.nhpcindia.com; 17. ONGC: www.ongcindia.com; 18. RECL: www.reclindia.com; 19. Reliance Industries: www.ril.com; 20. Tata Steel: www.tatasteel.com; 21. Tech-Mahindra sustainability report 2015-16: www.techmahindra.com; 22. Titan Company Ltd: www.m.titan.com.in; 23. Tata Motors Limited 2015-16: http://www.tatamotors.com; 24. Ultra Tech Cement: www.ultratechcement.com; 25. Wipro Sustainability Report 2015-16: http://www.wipro.com.

III. RESULTS AND DISCUSSION

The present opportunity of huge funding in the form of social investment by corporate houses under the new law a change can be made if proper investment policy envisaged under UNO charter of "Millennium development goals" is adhered to. Social investments can be- supporting agricultural system, related livelihood and Community development (Ranganadhan, 2014).

A. ANALYSIS OF THEME AREAS

Study revealed that the CSR activities of various companies encompassed around thematic areas, Health, education, Women empowerment, environment, tribal development, infrastructure support, agriculture and allied activities and sustainable livelihood programmes. Details of various activities under different thematic areas are as below:

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| 1 | Health | <ol style="list-style-type: none"> 1. Addressing issues related to Infant Mortality Rate (IMR), Maternal Mortality Rate (MMR) and Malnutrition reduction, Health camps etc. 2. Health care facilities to people living in the villages and elsewhere through Hospitals. 3. Mother and Child care projects, Immunization programmes with a thrust on polio eradication, Adolescent health, Health care for visually impaired, and differently abled, Preventive health care through awareness programmes and non- communicable diseases. 4. Community sensitization & mobilization through Puppet show, door to door campaign, community meeting, enrolment drives, Nukkad Natak etc. 5. Mobile Medical unit with basic medical |
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| 2 | Women empowerment | Capacity Building of women for livelihood projects, formation of Self Help Groups (SHGs) their trainings, supporting in setting up of small scale industries. |
| 3 | Education | <ol style="list-style-type: none"> 1. Educational Scholarship, Bridge Education, Tuition Support, Book Provisioning, Setting up library and providing educational aid to Govt. Schools. 2. Vocational training to unemployed youth, school drop outs, placement linked skills development training to unemployed youth. 3. Formal schools, Balwadis, Girl child education and non formal education. 4. Adaptation of Government schools. |
| 4 | Environment | <ol style="list-style-type: none"> 1. All weather rural roads construction as per community needs 2. Supporting construction of houses for victims of natural calamities. |
| 5 | Tribal Development | Development support to people belonging to tribal backward class through capacity building on livelihood projects for their upliftment. |
| 6 | Agriculture and allied sector | <ol style="list-style-type: none"> 1. Development support to underprivileged community, including agriculture support. The activities include 2. Quality vegetables and fruit saplings 3. Vermi-compost / NADEP units field demonstrations 4. Free soil testing 5. Agriculture consultancy 6. Chambal Ki Chitti <ol style="list-style-type: none"> 1. Animal / Livestock Vaccination 2. Breed Improvement 3. Crop seminars in collaboration with <i>Krishi Vigyan Kendras</i>. 4. Crop demonstration 5. Farmer training programmes for new and improved techniques 6. Provides improved farm implements. 7. Micro Irrigation |
| 7 | Livelihood | <p>Sustainable Livelihood programmes in a locally appropriate and environmentally sustainable manner through.</p> <ol style="list-style-type: none"> 1. Formation of Self Help Groups for women empowerment 2. Skill Enhancement and Vocational training 3. Partnership with Industrial Training Institutes |

4. Agriculture development and better farmer focus
 5. Animal Husbandry
 6. Soil and Water conservation
 7. Watershed development
 8. Agro Forestry
 9. Skill development program to facilitate rural youth for entrepreneurial activities.
- 8 Infrastructure Setting up essential services that form the foundation of sustainable development through
1. Basic infrastructure facilities
 2. Housing facilities
 3. Safe drinking water
 4. Sanitation & hygiene
 5. Renewable sources of energy.
- 9 Social awareness Advocating and supporting, dowry less marriage, widow remarriage, awareness programmes on anti social issues, de-addiction campaigns and programmes espousing basic moral values and Gender equality
- 10 Sanitation Construction of toilets, Mid day meal shed and hand pumps units with sensitization and awareness creation. Setting up of sanitation facilities in Government Schools under Swachh Vidyalaya Construction of toilets

B. IMPLEMENTATION AND MONITORING

Study revealed that the companies are carrying out CSR activities through NGO's (60%), own foundations (40%), directly (36%), registered societies (24.0%), Governmental bodies (28%). It is seen that 60% of companies were engaged in CSR activities through combined commitment with NGOs and other governmental agencies (Fig. 2). In India NGO's are playing a vital role in accomplishing Millennium Development Goals (MDGs) In general projects identification is being done in consultation with the local community in a participatory manner and understanding their basic needs. An attempt is made to involve local community for identifying needs of the immediate society. Subsequently, based on a consensus and in discussion with the local governmental agencies/ NGO's/ Panchayats, and other stakeholders, projects are prioritized. This helps widen the Company's CSR reach with the collective expertise and experience of these partnerships. NGO are playing a good role in community development hence, a greater dependence will help in achieving the targets set in a reasonable time frame. Care should be taken in funding to accommodate NGOs mandate and grass root level requirements in the planning with proper time schedules for qualitative results (Ranganadhan, 2015). The implementation of these programmes will be monitored time to time. The project is commissioned and a monthly/quarterly monitoring will be made and review system is established. The projects are evaluated and monitored on regular basis on outcome and impact metrics. The CSR Committee will ensure the implementation of the projects/programs/activities proposed to be undertaken by the company and monitor the amount being spent on CSR activities. A regular compliance report shall be placed before the CSR committee by the CSR team. As per requirement the CSR committee shall meet to discuss on the activities conducted and future funds will be made available. The company reports its CSR performance along with its annual performance as a combined report. It publishes a sustainability report along with specific documents on community performance. The information is available on public domain and on company website. CSR Committee will recommend the annual budgeted expenditure for each project to its consideration and approval and shall be utilized on approved projects in accordance with CSR policy. The expenditure on baseline/ need assessment survey shall be met from the administrative expenditure limit of 5-10% of overall annual CSR budget. Impact assessment study got done through external agencies for the CSR projects undertaken after completion.

In conclusion it can be stated that while, education is the priority area under CSR followed by health. NGOs played important role in implementing the works. The role of NGOs is ideal because of their proximity to the local community and knowledge of local problems and aspirations of the immediate society.

Globalization impacted Social, environmental and sustainability problems in developing Countries (Visser, 2007). Amaeshi et al. (2006) point out in the context of Nigeria, CSR in low income countries are predominantly focused on socio-economic issues of poverty alleviation, health-care provision, promoting education and infrastructure development, in contrast to the CSR priorities in Western countries. Analysis revealed that contribution to education and related activities was major with 92.0% of participation followed by health, rural development and livelihood development with >70% contribution. While, 60% was in activities related to environment protection and 52% in agriculture and allied fields (Fig.1). A sample study on five companies of different portfolios revealed that 97.5% for Health (Colgate Palmolive), 54.2% for education (Asian Paints Ltd), 66.4% for infrastructure (NHPC) and 58.0% for developmental activities (Coca Cola) was major contribution from their respective CSR fund.

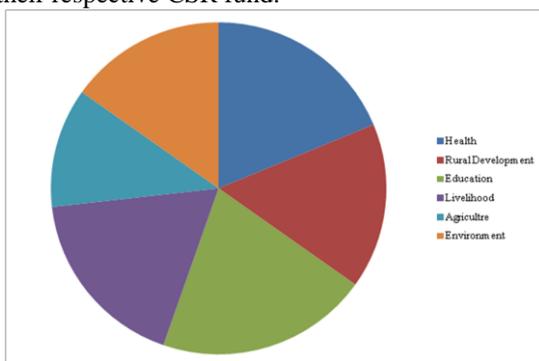


Fig.1: Per cent of different thematic areas under CSR

Figure 1

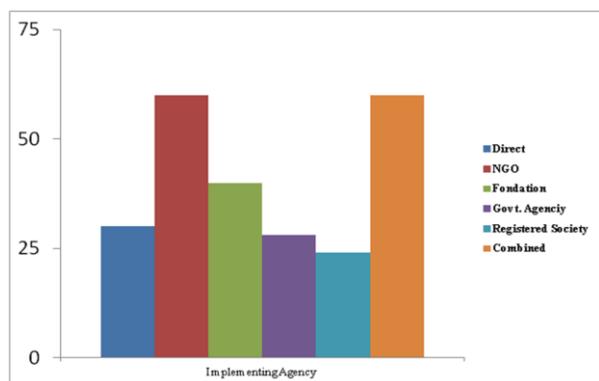


Fig. 2. Per cent of implementing agency in delivery of different thematic areas under CSR

Figure 2

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