

Corporate Social Responsibility: An Indian Perspective



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Abstract: *The term Corporate Social Responsibility (CSR) means a concern's responsibility to be accountable to all of its stakeholders in all its processes and actions. It is the growing commitment of the organisation to operate responsibly. Corporates may no longer limit themselves in using incomes of society and they had to be socially answerable corporate residents and should also donate to the social respectable. CSR is a convergence of various societal initiatives which leads to socio- economic development of the economy. There has been a significant variation in CSR in Indian Context after the enactment of Concerns Act 2013, in which contribution towards CSR was made mandatory. This paper tries to analyse CSR activities in India and challenges faced while implementing it.*

Keywords: *corporate social responsibility, CSR initiatives, Companies Act 2013*

I. INTRODUCTION

India is one of fast increasing economies of the world. As an evolving market all are viewing at India from an global viewpoint. At this level when India is set to obtain a worldwide situation, it is needed to measure whether the economic development is due to real commercial processes. Administrations should recognize that government alone should not capable to get victory in its endeavour to enrich the exploited of the society. The current social advertising idea of concerns is continuously growing and had given increase to a new concept-CSR.

The term (CSR) transmits to tasks corporations have towards society within which they are established and operate, not denying the fact that the purview of CSR goes much away from this. European Commission defines that, "CSR is a concept were by companies integrate social and environmental concerns in their business operations and in their interaction with stakeholders on a voluntary basis".

Currently, business appears to be concerned about trust, values and social obligation. Top CEOs of the world's best concerns debated how concerns must not just keep on content with next instructions of commercial. They must to follow principles. Rules are significant for the concerns of tomorrow, then added significant is principled behaviour.

Likewise, accountability were measured highly significant. But most business leaders today feel that concerns should move from responsibility to transparency. It is discussed that a firm's financial presentation must not be the sole measure of its victory.

Different phases of CSR in India

The **first phases** for CSR were mainly resolute through beliefs, religious conviction, family convention and industrialisation. Commercial processes and CSR commitment was centered mostly on corporate own assessment. Presence the oldest form of CSR, contributions. In their manufacturing time (up to the 1850s), dealers dedicated tradition for themselves causes through constructing temples. Furthermore, "the business community occupied a significant place in ancient India and the merchants provided relief in times of crisis such as famine or epidemics by opening go-downs of food and treasure chests"

The **second phase** of Indian CSR (1914-1960) were controlled through freedom and inclined basically through Gandhi's concept for the position of trustee, which intended to combine and intensify communal growth. Through this time, Indian trades vigorously involved in the improvement procedure. India Organization Forum 2002)¹

The model for "mixed economy", is the appearance of PSUs and sufficient regulation proceeding worker and surroundings values, exaggerated the **third phase** of Indian CSR (1960-1980). These stages were considered through shift from business self-assessment to exacting authorized and public rule of commercial actions. In this situation, the public sector realized main motive for growth. (Arora, 2004)².

In the **fourth phase** (1980 up to the current) Indian concerns and investors initiated deserting outdated appointment and to certain level combined CSR into a comprehensible and maintainable commercial plan, partly assuming the multi-stakeholder method. In the 1990s, the Indian administration started changes to relax and decontrol the Indian economy through undertaking the inadequacies of the "mixed economy" to assimilate India into the worldwide market. (Arora &Puranik, 2004).

Current status of CSR in India

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The current status of CSR especially after the performing of Companies Act 2013 as got a significant impact on our economy.

Companies Act 2013³

CSR activities done through the corporate giants needed particular guidelines about their assessing yardstick, investment limits, areas to be protected for CSR actions etc. With the distance of period India became opened economy from a closed economy, entirely due to the LPG undertaking propelled in India in the year 1991. Then time immemorial CSR as a period needed a exact meaning, structure, criteria's and transparency. Though the Companies Act, 2013 carried an end to the long wait by introducing sec 135. The necessities below the Companies Act 2013 are as under.

- 1) The Board's report below sub-section (3) of segment 134 will reveal the work for CSR Group.
- 2) The CSR Group will, (a) frame and endorse to the Board, a CSR Plan which will designate the actions to be assumed through business as stated in Schedule VII; (b) endorse the sum of spending experienced on the actions mentioned.
- 3) The Board of each concern mentioned to in subsection (1) shall,— (a) after compelling into excuse the references made through the CSR Group, accept the CSR Policy for the Stakeholder Businesses answer to the requests of stakeholders, consumers, workers, communities, etc.
- 4) The Board of each business mentioned to in subdivision (1), will certify that the business applies, in each monetary year, at least two per cent. In enactment of its Corporate Social Accountability Policy:

CSR Expenditure in India

TABLE NO. 1 CSR IN INDIA

Year	No. of Companies	Amount Spent (Crores)
2014-15	16785	10066
2015-16	22064	14528
2016-17	21470	14242
2017-18	3117	8365

Source: Author compilation from National CSR

Portal

The table displays the number of companies engaged in CSR and the amount that has been contributed towards CSR activities. According to the National CSR Portal, in 2014-15 there were 16785 companies engaged in CSR and 10066 crores were used for undertaking CSR activities. By 2017-18 it was 3117 businesses engaged in CSR and the amount spent for CSR was 8365 crores.

TABLE NO. 2 STATES VICE EXPENDITURE ON CSR

States	2014-15 (Crores)	2015-16	2016-17	2017-18
Andhra Pradesh	414.27	124.19	729.9	118.52
Arunachal Pradesh	11.04	1.48	23.61	1.2
Assam	134.78	167.47	268.87	38.17
Bihar	36.68	108.67	94.4	23.85
Chhattisgarh	161.3	237.94	80.36	6.51
Delhi	237	488	517	222
Goa	27.11	30.53	34.95	29.19

Gujarat	313.44	559.14	859	376
Haryana	187.4	367.33	346.56	108.48
Himachal Pradesh	10.94	52.35	16.4	8.03
Jammu and Kashmir	43.7	103.03	41.05	5.45
Jharkhand	79.56	118.17	94.63	26.99
Karnataka	403.46	778.88	883	596
Kerala	68.23	143.88	117.54	45.19
Madhya Pradesh	141.68	183.26	282.03	62.66
Maharashtra	1445.9	2043	2465	1430
Manipur	2.44	6.27	11.71	-
Meghalaya	3.53	5.62	7.54	0.76
Mizoram	1.03	1.07	0.08	0.16
Nagaland	1.11	0.96	0.92	0.36
Odisha	252.18	618.9	317	308
Punjab	55.6	69.04	67.19	26.62
Rajasthan	299.75	493.95	324	136
Sikkim	1.19	1.89	4.86	4.5
Tamil Nadu	539.63	615.7	544	352
Telangana	101.96	254.01	221.26	119.98
Tripura	1.33	1.47	1.25	1.16
Uttarakhand	74.79	72.42	94.64	37.7
Uttar Pradesh	148.9	417.12	321	122
West Bengal	194.85	411.7	274.7	157
Andaman & Nicobar Islands	0.29	0.55	0.83	-
Daman & Diu	20.05	2.13	2.63	5.18
Dadra & N. Haveli	-	-	-	-
Lakshadweep	-	-	-	-
Puduchery	2.02	6.34	7.48	1.65

Source: Author compilation from National CSR Portal

From the table it can be understood Maharashtra contributes more towards CSR activities. IN 2014 -15 it was 1445 crores and in 2017-18 it was 1430 crores. Maharashtra is followed by Tamil Nadu, Gujarat, Karnataka, Andhra Pradesh etc.

Challenges

- There is a absence of public participation in CSR actions because of their absence of awareness among people.
- Non-Governmental organisations and government agencies has a narrow perception on CSR which makes them difficult to take decision on whether to undertake CSR activity or not.
- This obvious effect of attainment perceptibility and branding exercise often leads numerous non-governmental organizations to include themselves in event-based sequencers.



II. SUGGESTIONS

The main problem is the lack of awareness regarding CSR. This will enable the general public about CSR and will also motivate other corporates to undertake CSR initiatives. Initiatives in health, education helps in the overall development of our economy.

III. CONCLUSION

It is not possible for the government to do each and everything for the people. The corporates also has a responsibility towards the society, because without the support of the society and government no corporate can exist. So they should consider these initiatives as their own responsibility, so that within a few years our Indian economy could become a super power.

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