

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE BUSINESS PRACTICES

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ABSTRACT

One of the numerous stakeholders in a society framework are businesses or corporate structures. These businesses are significantly investing money from their fund in social causes that also have an effect on their internal stakeholders. Corporate social responsibility (CSR) has been practiced by Indian business giants like TATA and Birla for many years, even before CSR gained popularity. There are several instances when corporations have taken the lead in addressing problems related to the nation's health, education, environment, and way of life via their CSR efforts.

Keywords: Corporate Social Responsibility, Stakeholders, CSR in India, Covid-19

INTRODUCTION

The General Assembly's resolution on entrepreneurship for sustainable development, which was adopted on December 20, 2018, reaffirmed for a fourth time the crucial role that entrepreneurs and businesses play in the transition to sustainable and inclusive development. It also reiterated the commitment that "no one will be left behind, reaffirming the recognition that the human person is fundamental, and reaffirming the wish to see the Sustainable Development Goals and targets met for all." The resolution also acknowledged that entrepreneurship promotes social cohesion, reduces inequalities, and expands opportunities for everyone, including women, young people, people with disabilities, and the most vulnerable people, and that it should start by helping those who are most in need. Entrepreneurship also drives economic growth by fostering innovation and the creation of jobs. In the framework of the 2030 Agenda for Sustainable Development, entrepreneurship may assist solve social and environmental concerns and enhance quality of life for common people, particularly members of disadvantaged groups. The strategy and operations of businesses of all sizes must take sustainability and inclusivity into account, especially in light of their contributions to the achievement of the Goals. Many businesses now recognize their obligation to consumers, workers, and society at large in addition to their shareholders as a result of decades of efforts to advance corporate social responsibility. Currently, many multinational corporations understand that helping to achieve the Goals on an economic, social, and environmental level offers advantages beyond important reputational gains, benefits such as increased efficiency and productivity because to investments in human capital, reduced expenses thanks to more efficient use of natural resources, and lower transaction costs incurred when doing business with nearby, smaller vendors. In this sense, inclusive business models which include inclusivity into an organization's basic operations represent yet another crucial development in the idea and use of responsible business.

Micro- and small-scale enterprises (SMEs) play a significant role as well, since they gain from and contribute to inclusive growth. They are the primary forces behind employment in the majority of nations and significant enablers of income production for the vast majority of people, the elimination of poverty, and the decrease of inequality, particularly for disadvantaged groups. Therefore, these businesses may aid in promoting ethical and inclusive business practices. Additionally, when they are included as suppliers or clients in the inclusive business models of the latter, such firms, in particular those that represent or engage disadvantaged populations, may profit from the inclusive practices of major corporations.

However, there are several obstacles that entrepreneurs in developing nations and those whose economies are transitioning must overcome that restrict their ability to participate in profitable endeavors and support equitable development. Governments are crucial in fostering an environment that supports entrepreneurship, the expansion of microenterprises, small and medium-sized businesses, and inclusive growth that is in line with the 2030 Agenda. Sharing knowledge on ethical business practices is crucial for establishing best practices that will increase the private sector's contributions to inclusive and sustainable development.

LITERATURE REVIEW

Gorski, Hortensia et al. (2018).Higher education, companies, and management systems need to continue to enhance their perspectives on sustainable development and business education in light of the present shifts and difficulties in the economic and financial contexts. In the context of business education, the goal of this essay is to look at many perspectives and methods related to sustainability, sustainable development, and corporate social responsibility (CSR). The research draws on a review of the relevant literature, the authors' experience with the aforementioned initiatives and activities, and the results of their own qualitative and quantitative analyses of marketing. These results support our argument that managers at both private and public organizations lack a solid grounding in the core ideas and constituent parts of corporate social responsibility (CSR). We also call attention to the fact that respondents with relevant knowledge and experience have often picked it up in informal settings rather than via formal schooling. The report also adds to the conversation of how and why colleges should make substantial changes to their curricula to include these themes and issues.

Fernanda Gabriela Borger et al (2020)The chapter described how CSR and sustainability ideas and frameworks (norms, certifications, indicators, standards, reports, and indexes) were established in order to be integrated into management. In the next part, we'll examine three companies' CSR-Sustainability strategy, practices, and results to use as examples. The first is Natura, a cosmetics firm that has made waves with its forward-thinking social and environmental efforts and investments, most notably with its Ekos line, which sustainably sources its ingredients from the Amazon rain forest. The other two belong to the agrobusiness industry. The Balbo Organization, a storied family business that has been in the sugar and ethanol industries since 1946, owns the trademark for One is Native. It introduced the Native brand of organic sugar and altered its operating procedures. Being the biggest producer of organic sugar and alcohol in the world and operating in 70 countries, the organic market is a reference today. The other is BSBIOS, an agroenergy vertical enterprise. The biggest national producer of biodiesel for the domestic and foreign markets, having been established in 2005. All of them pay attention to the sustainability concept, but their business strategies include it in various ways.

Aslaksen, H.M., et.al (2021).This article offers a perspective on the relationship between CSR discussion and public discourse on corporate responsibility, which contributes to the evolution of the field throughout time. After 50 years, many are still shocked by Milton Friedman's claim that profit maximization is the company's top priority, a larger discussion has evolved linking CSR to a wider definition of sustainability. We look at the evolution of the idea over the last three decades, focusing on the interplay between economic, social, and ecological considerations.

Nicolaidis, A. (2021),The relentless pursuit of higher profits at all costs, regardless of what is deemed morally appropriate in society, and regardless of the impacts of unethical behavior on stakeholders, has been the focus of numerous recent media reports, making it abundantly clear that there are more and more instances of unethical behavior in business operations. While some businesses are moving away from CSR, others are embracing it as a means to boost their bottom line by doing good work in the neighborhoods where they operate. Ethical conduct, CSR, and increased financial success: a comprehensive review of the literature reveals a strong link. The case is made that large and multinational corporations have a special responsibility to set an example for their industry by embracing a triple-bottom-line strategy that prioritizes social, economic, and environmental well-being. A deliberate re-alignment with measures to promote a sustainable world is required for corporate cultures linked to the economic, social, and environmental sustainability strategies used. This article, which utilizes a literature analysis to illustrate why and how integrating sustainability and CSR into business strategy promotes sustainability, and so increases the possibility that corporate sustainability and CSR actions in their worldwide operations will result in a more sustainable world.

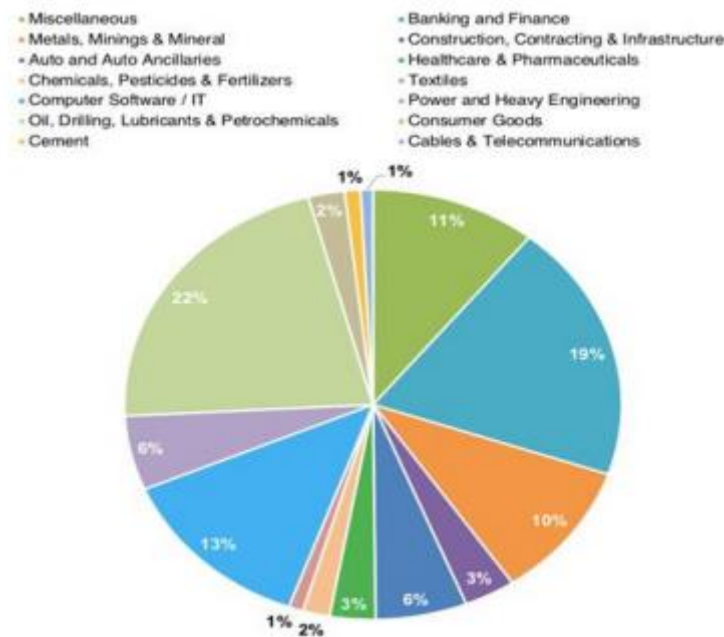
Prof. VISHAL.V.BENCHALLI (2018)Today Businesses have a crucial role in communities. According to BCE Inc. President and CEO Michael Sabia, "Corporations are also social institutions. According to this model, In a win-win scenario, a company has fulfilled its mission if it has benefited both its shareholders and society. Success of an organization depends greatly on maintaining positive relationships with a variety of people, organizations, and groups. Corporate citizenship and social responsibility are only two of the numerous titles given to the concept of corporate responsibility.CSR as it is outlined by Richard Watts and Lord Holme in their book Making Good Business Sense.

Whether or not businesses were to blame for the socioeconomic issues at hand, society started to expect them to be resolved voluntarily. According to a recent report in corporate Magazine, "many business leaders now believe that doing good for others means doing good for shareholders as well." To guarantee fair job opportunities, product safety, worker safety, and environmental preservation, new legislative requirements were enforced. High CSR standards enable businesses to show their obligations to stockholders, staff, clients, and the general public. Adam Smith, a philosopher and economist, proposed that the free interaction of people and businesses in the marketplace was the most effective way to meet the wants and wishes of society. In India, it is, however, still in its infancy. According to a recent poll, 79 percent of Americans prefer to purchase goods from businesses that actively participate in CSR activities. The papers go on corporate social responsibility's function. The paper also highlights the main problems and difficulties Indian businesses face and offers solutions for the successful implementation of CSR programs.

CORPORATE SOCIAL RESPONSIBILITY IN INDIAN CONTEXT

TATA Group, Aditya Birla Group, and IOCL, to name a few, have all been in the forefront of corporate social responsibility (CSR) initiatives from their inception. According to Section 135 of the Companies (CSR) Rules 2014 and Schedule VII of the Companies Act 2013, every Indian company with a net worth of Rs 500 crore, a turnover of Rs 1,000 crore, or a net profit of Rs 5 crore during the most recent year is required to have a CSR committee and allocate at least 2% of its average net profits from its three most recent financial years to CSR initiatives. As a direct consequence of this law, CSR reporting in India increased by 27% in 2015 (KPMG, 2016), more than any other country in the top 45. Increasing numbers of Indian firms are understanding that corporate social responsibility (CSR) efforts are beneficial and should be included into daily operations.

Figure 1: Estimated CSR by Indian companies in the year 2019-20

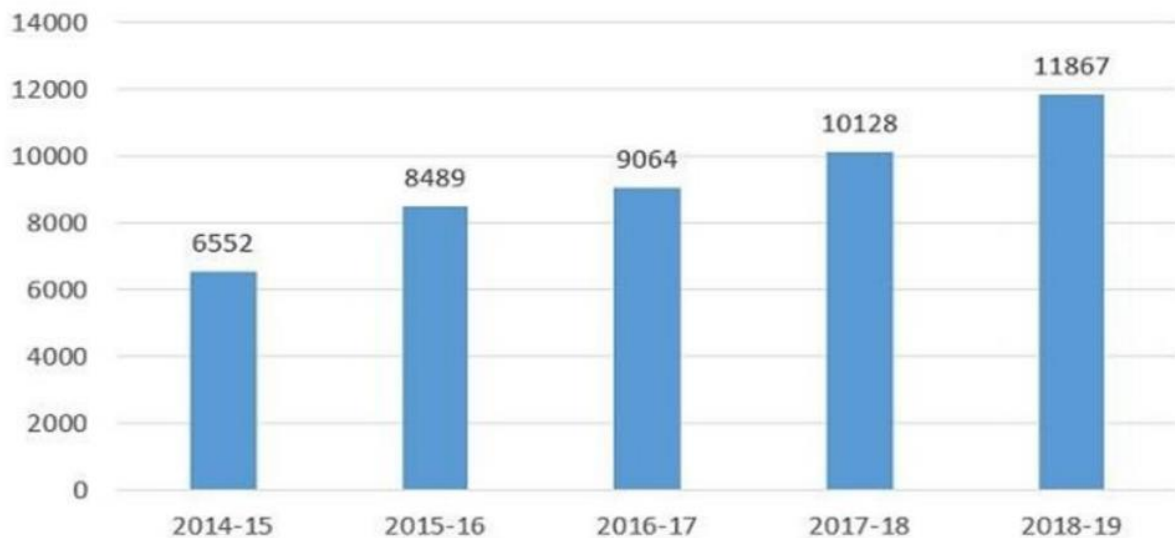


Nowadays, the primary goal of CSR is to increase the business's total effect on the stakeholders. Companies are progressively realizing their responsibility to society. This is accompanied by a rising understanding that they, as a vital component of this society, can promote its empowerment and upliftment. As a result, businesses are increasingly establishing specialized teams to create strategy, guidelines, goals, and separate funding to support their CSR programs. The projects span several fields, from local development to healthcare to environmental protection to educational enhancements.

Table 1: Top 10 Indian Companies practicing CSR

2019		2020	
Rank	Company	Rank	Company
1	Tata Chemicals Ltd	1	Infosys Ltd
2	Infosys Ltd	2	Mahindra & Mahindra Ltd
3	Bharat Petroleum Corporation Ltd	3	Tata Chemicals Ltd
4	Mahindra & Mahindra Ltd	4	ITC Ltd
5	ITC Ltd	5	Vedanta ltd
6	Ambuja Cement Ltd	6	Wipro Ltd
7	Tata Motors Ltd	7	Hindustan Unilever Ltd
8	Vedanta Ltd	8	Godrej Consumer Products Ltd
9	Hindalco Industries Ltd	9	Grasim Industries Ltd
10	Toyota Kirloskar Motor India	10	Bharat Petroleum Corporation Ltd

Figure 2: Growth of CSR spending in India



A look at CSR in the Covid-19 Era The aforementioned companies are only a few of the many in the Indian economy that are making big contributions to the war against COVID19. During COVID-19, the Indian government is also encouraging corporations to contribute to social causes. The Ministry of Corporate Affairs made the decision to include all Covid-19 program expenses as CSR on March 23, 2020. It has been noted that many businesses are engaging in CSR initiatives in the current Covid-19 era, such as raising awareness of social alienation. The companies that have contributed the most prominently include McDonald's, Volkswagen, Audi, Coca-Cola, and several more. By dividing the 'm' in its logo into two pieces, Mc Donald's was able to convey a message to the public. Social distance is represented by the two 'm' components. Similar to this, the Audi emblem has four separate rings and the phrase "keep distance." It helps one comprehend the importance of social estrangement.

Volkswagen's updated emblem now includes a space between the letters V and W to symbolize the necessity for social distance. Many businesses have altered their advertising slogans in addition to their logos to convey the significance of social distance. Nike, as an example. Nike's newest catchphrase is "Play Inside, Play for the World" if you've ever wanted to play in front of millions of people across the globe. To safeguard new coronavirus from the social change, In a creative television ad, Tata Motors emphasizes how important it is "to stay home now to be together forever." Through their product Lifebuoy, Hindustan Unilever Limited promotes "frequent hand washing with any soap or hand-wash or alcohol-based sanitizer to fight against the spread of Coronavirus." In addition to the businesses indicated above, as shown in Table 4, Some major corporations have also publicly stated their intention to aid in the battle against the COVID-19 pandemic.

Table 1: CSR initiatives of top Indian Companies during Covid-19

Name of the Company	Contribution to fight against COVID-1919
Infosys Foundation	Infosys Foundation provides Rs 50 crore to PM CARES Fund. It also contributes additional Rs 500 crore to be utilised for providing testing kits, masks, ventilators, food and nutrition to the poor persons. It also joined hands with Narayana Hospitals to provide 100 beds quarantine facility.
ITC Ltd	ITC Ltd sets up a covid-19 Contingency fund of Rs 150 crore to provide financial assistance to the district and rural health cares for the poor Indian citizens.
State Bank of India	SBI employees provide Rs 100 crore to PM CARES Fund. SBI also announced to provide 0.25% of its net profit of financial year 2019-20 to combat against covid-19.
Hindustan Unilever Ltd	HUL, along with providing Rs 100 crore, reduces prices of Lifebuoy sanitizers. It also donates Lifebuoy sanitizers, Domex bathroom and floor cleaners, soaps, hand washes, health kits to the hospitals and underprivileged persons.
TCS	It prioritizes itself in providing covid-19 patient trackers, health kits, ventilators for the poor persons. TCS ION Digital Class room software empowers students for online learning facilities.
Reliance Industries Ltd	RIL provides the first 100 bed covid-19 hospital, 50 lakh free meals, one lakh masks, free fuel for emergency vehicles, daily wise 1000 PPE for health care workers. It also provides Rs 500 crores to PM CARES fund

The PM-CARES Fund has garnered constant support from Indian businesses that want to help their fellow citizens in times of need. Public and commercial organizations alike have contributed to the PM-CARES fund. A donation of 257.5 crore rupees was made by NTPC, the National Thermal Power Corporation of India. Approximately 30,000,000 Indian Rupees were provided by SAIL (Steel Authority of India Limited). More than Rs 100 crore has been provided by the Bharti Group, while Rs 500 crore has been pledged by the Reliance Group. Meals for the economically disadvantaged, as well as testing materials for hospitals, are provided by PepsiCo India. The company's non-governmental organization (NGO) partners, Akshaya Patra Foundation, Smile Foundation, and Foundation for Innovative New Diagnostics (FIND), have distributed more than 50 million meals and 25,000 Covid-19 testing kits throughout the country. As part of its efforts to halt the spread of the coronavirus, NTPC has set up specialist Covid-19 units in 45 hospitals and health centers with a total of 140 beds. To counteract the spread of the coronavirus, SAIL has activated a number of health services at its five main hospitals, which are situated in its five integrated steel factories. It has provided intensive care unit beds, quarantine facilities, isolation beds, personal protective equipment, several sanitizers, masks, etc., to its hospital patients and employees. Twenty-three machines for making PPE have been imported as a joint effort between the Vedanta Group and the Ministry of Textiles. Daily wage workers, who are among the most impacted, will get 10 million meals as part of the company's relief effort. In addition, it provides food for 50,000 stray animals who would otherwise starve during the lockdown. The company has collaborated with district hospitals to give them with over 300,000 masks in addition to pharmaceuticals, medical equipment, markings, and disinfectant sprays. In spite

of the challenges, businesses are making every effort to keep the economy moving forward. In conclusion, the industry, which is now dealing with one of its largest crises, can undoubtedly prevail and survive. Additionally, the knowledge gained from this catastrophe may be used to unearth previously undiscovered markets, which will eventually result in a flourishing industry in the years to come.

CONCLUSION

Corporate social responsibility (CSR) is an automated plan of action that allows a corporation to be socially responsible to itself, its partners, and society. The core idea behind corporate social responsibility (CSR) is the idea that successful corporations owe a moral obligation to the communities in which they operate. Communities' growth and development in emerging nations like India are sparked by their social inclusion and economic integration. Given this, CSR has emerged as a crucial weapon in the arsenal of corporations. The purpose of this research is to look at what CSR means to different people and organizations, how CSR has evolved in India, what researchers have theorized about CSR, and the way the best Indian companies are using CSR today. It is apparent that businesses have adopted a variety of actions to combat the Covid-19 epidemic. To implement optimal CSR practices and develop new ones to reach out to more people, businesses and non-governmental organizations should, however, more actively pool their resources and create synergies, particularly during disasters like Covid-19. Due to this, their programs will have a greater effect on everyday people's lives during difficult times. The concept of CSR is now firmly entrenched in the corporate agenda for the whole world. But there are numerous obstacles to be overcome before theory can be put into practice. The need for more accurate indicators of CSR success and the spread of CSR initiatives are major issues for business. Transparency, open communication, and honesty will raise the bar for other organizations and help businesses project a more trustworthy image.

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