

Recent Developments on Sustainable Environment Management Through Corporate Social Responsibility in India A Descriptive Study

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Abstract: A robust and thriving development sector is central to India's quest for equitable, inclusive and sustainable growth. India's development sector has evolved substantially over the last few decades and is now witnessing unprecedented interest and investments across the value chain. With the passage of the Companies act, 2013 the mandate for corporate social responsibility (CSR) has been formally introduced to the dashboard of the Boards of Indian companies. The industry has responded positively to the reform measure undertaken by the government with a wide interest across the public and private sector, Indian and multinational companies. The practice of CSR is not new to companies in India. However, what this Act does is bring more companies into the fold. Also, it is likely that the total CSR spends will increase. What is clear to many companies is that if this increased spending is to achieve results on the ground-which is the intent of the Act-then it needs to be done strategically, systematically and thoughtfully. This paper is an attempt to highlight the importance of Corporate Social Responsibility as a tool to ensure greater participation of business entrepreneurs toward protecting the natural eco-system and enhancing the quality of life while undertaking a developmental activity. This paper is aimed to show the fundamental changes and the new innovative practices for sustainable environment that are applied by the companies that are veteran CSR practitioners as well as those that are just entering the fray.

Keywords: corporate social responsibility, robust, sustainable growth

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I. Introduction

India is a welfare state. But with the passage of time Indian government has adopted liberalization, privatization and globalization. Public sector has slowly shifted to private one. Therefore, the new concept of Corporate Social Responsibility means a corporate sector shall perform such welfare functions towards society which is necessary for maintaining the social interest of the society. According to Brown H.R., social responsibility is defined as, "the obligation of a businessman to pursue those policies, to make those decisions or to follow those lines of action which are desirable in terms of objectives and values of the society. Some scholars have defined CSR as a social commitment of a businessman or a social obligation or moral or ethical responsibility or a corporate social philanthropy. In the words of Mahatma Gandhi, business entrepreneurs are trustees and not the owners of social wealth and they have to spend a part of it for social causes. To describe the principle of trusteeship he quoted, "enjoy the wealth, and take the minimum which you need, leave the rest to the welfare of the community."

"Since corporate social responsibility and sustainability are so closely entwined, it can be said that corporate social responsibility and sustainability is a company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical."

II. Main Body

• Literature review

Some people claim that Corporate Social Responsibility underlies some ulterior motives while others consider it as a myth. The reality is that CSR is not a tactic for brand building; however it creates an internal brand among its employees. Corporate Social Responsibility is the duty of everyone i.e business corporations, governments, individuals because of the reasons: the income is earned from the society and it should be given back; thus wealth is meant for use by self and the public; the basic motive behind all types of business is to quench the hunger of the mankind as a whole; the fundamental objective of all business is only to help people. (Usha, L, 2012) CSR has come a long way in India. From responsive activities to sustainable initiatives, corporates have clearly exhibited their ability to make a significant difference in the society and improve the overall quality of life. In the current social situation in India, it is difficult for one single entity to bring about change, as the scale is enormous. Corporates have the expertise, strategic thinking, manpower and money to

facilitate extensive social change. Effective partnership between corporates, NGOs and the government will place India's social development towards tremendous growth.

- **Objective**

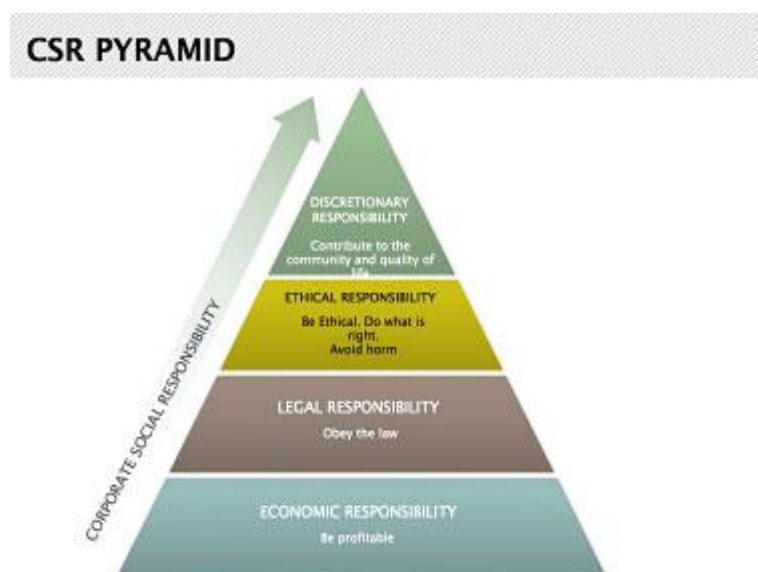
The objective of this paper is to study the recent changes in corporate social responsibility in managing sustainable environment in India.

- **Meaning of Corporate Social Responsibility and Sustainability**

While there may be no single universally accepted definition of CSR, each definition that currently exists underpins the impact that businesses have on society at large and the societal expectations of them. Although the roots of CSR lie in philanthropic activities (such as donations, charity, relief work, etc.) of corporations, globally, the concept of CSR has evolved and now encompasses all related concepts such as triple bottom line, corporate citizenship, philanthropy, shared value, corporate sustainability and business responsibility.

Sustainability (corporate sustainability) is derived from the concept of sustainable development which is defined by Brundtland Commission as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs." Corporate sustainability essentially refers to the role that companies can play in meeting the agenda of sustainable development and entails a balanced approach to economic progress, social progress and environmental stewardship.

An extensive part of the CSR literature also deals with environment problems and issues, although a small but essential distinction should still be considered between the two themes: CSR relates to phenomena such as stakeholder dialogue and non financial reporting, whereas corporate sustainability focuses on value creation and environmental management.



- **CSR in India**

CSR in India tends to focus on what is done with profits after they are made. On the other hand, sustainability is about factoring the social and environmental impacts of conducting business, that is, how profits are made. CSR in India has traditionally been seen as a philanthropic activity. And in keeping with the Indian tradition, it was an activity that was performed but not deliberated. As a result, there is limited documentation on specific activities related to this concept.

As some observers have pointed out, the practice of CSR in India still remains within the philanthropic space, but has moved from institutional building (educational, research and cultural) to community development through various projects. Also, with global influences and with community becoming more active and demanding, there appears to be discernible trend, that while CSR remains largely restricted to community development, it is getting more strategic in nature and a large number of companies are reporting the activities they are undertaking in this space in their official websites, annual reports, sustainability reports and even publishing CSR reports.

- **CSR activities of some Indian Companies in the past:**

- ✓ Tata consultancy services is India's largest software service company and has won the Asian CSR award. Major focus of the company is on education sector.

- ✓ Maruti Suzuki an automobile industry works upon global warming and global issues like climate change. Company is working upon conserving environment and preserving natural environment. Concept of reuse and recycle has been promoted by company in all manufacturing units.
- ✓ SAIL has taken successful actions in environment conservation, health and medical care, education, women upliftment, providing drinking water.
- ✓ GlaxoSmithKline 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 program.
- ✓ ITC Limited is working with the concept of “Triple bottom line” that will contribute to the growth of economy, environment and social development.

- **Sustainability and CSR trends in India (2015-16)**

1. The push for a cleaner environment
The Swachh Bharat Abhiyaan which was launched 3 years back has brought the discourse on cleanliness to the mainstream. 39% of companies have allocated funds to this campaign and built toilets or helped up in cleaning up of public spaces.
2. ZERO IMPACT moves to NET POSITIVE
Most companies are moving towards creating sustainable growth models in different ways. As manufacturing companies explore the linkages of supply chains it is evident that waste, water, energy and materials are closely related to business continuity. There is a growing realization that growth without adversely impacting the environment is now an expected goal. Forward looking companies like Ambuja Cement, ITC, Dalmia Bharat, etc., are talking of being water positives several times over.
3. Water begins to take centre stage
Droughts and water shortages in one area and extreme floods in other parts were part of the ongoing discourse around Indian cities and villages in 2016. Companies have had to increasingly gear up to challenges this has posed. From stopping operations and facing large scale damage in flooded areas to sourcing water trucks for employees and regular manufacturing operations, water is now becoming a significant risk factor. Corporate sustainability reports, are now speaking of water at two levels-as part of CSR initiatives for communities and as part of company operations.
4. CSR as strategy and not charity
Corporate India is finally realizing that the short term approach of writing a cheque for the CEO’s favourite charity is not prudent any more. Since CSR investments need appropriate disclosure and need to be done every year, 2016 saw many companies holding back CSR funds if they didn’t find appropriate projects.

III. Conclusion

An insight into the past of CSR reveals that it was exclusively dominated by the idea of philanthropy. Businesses were constraining themselves to one time financial grant and did not commit their resources for sustainability projects. Although the recent trends visible in CSR projects about the environment highlights a dichotomy in the way companies approach environmental protection interventions in India. While some are thought leaders in the space and see sustainable development and environment protection as an opportunity, for many others, the pressing need for acting on conserving natural resources hasn’t arrived yet. As we move towards a low carbon economy, it is hoped that more companies take their cue from the emerging thought leaders and use the opportunity of the 2% CSR obligation towards sustainability of the environment.

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