

Emerging trends of Corporate Social Responsibility in India

Daya Shanker Sharma* and G S Batra**

ABSTRACT

Corporate Social Responsibility (CSR) is a buzzword in the corporate world. Even though it has gained tremendous significance all over the world during the last few years, it is not a new concept in India. The economic philosophy of Vedas has focused on Prosperity for all on the basis of the principles of Dharmada, Daswandh and Zakaat respectively. Even before the Ministry of Corporate Affairs, Government of India issued 'Voluntary Guidelines on Corporate Social Responsibility' in (2009), most of the good corporate had been portraying in their annual reports their social endeavors. In view of this, the paper will discuss the need for regulatory framework of CSR activities.

In our research paper we have discussed different CSR initiatives like community welfare, disaster relief, education, employee welfare, environment protection, healthcare, poverty eradication etc. taken by companies in India. An attempt has also been made to find out the CSR initiatives, which have been the focus of Indian corporate sector. For this purpose the annual reports of about 100 corporate have been analyzed to find out the major trends over a period of three years from 2008 to 2010. Further analysis was conducted to see if there is any change in focus of CSR activities during this three year period.

An attempt has also been made to find out the adoption of new areas of CSR like fighting corruption, senior citizen welfare and empowerment of women etc. A reference has also been made of CSR success stories and new innovative ideas in the field to motivate and encourage the corporate world.

Key Words: CSR, Corporate, Annual reports Initiatives

Introduction

A business enterprise's activities are concerned with the society and its members. The society expects that the business will not harm it in any way. Thus, from time to time the importance of social responsibility of the business enterprise is emphasized.

The concept of helping the poor and disadvantaged was cited in much of the ancient literature. Veda advocates minimum accumulation, mutual cooperation and maintenance of natural harmony. Veda also reiterates non-centrality of money in human life. However, for corporations money is the real nerve of business systems. Vedic economic philosophy is pure and focused on "prosperity for all".

The idea was also supported by several religions where it has been intertwined with religious laws. "Zakaat" followed by Muslims, is donation given to the poor and disadvantaged. Similarly Hindus and Sikhs follow the principle of "Dharmada" and "Daswandh" respectively.

With the business focusing on generating profits, sustainability was not a major concern among companies until recently. Now in an era of globalization, multinational corporations and local businesses are no longer allowed to conduct destructive and unethical practices such as polluting the environment. With ever increasing media attention, pressure from non-governmental organizations (NGOs) and

rapid global information sharing there is a surging demand from civil society, consumers, governments and others for corporations to conduct business ethically. In order to attract and retain employees, customers as well as socially conscious investors, companies are beginning to realize the importance of being ethical while running their profit oriented operations. The corporate response has often meant an adoption of 'a new consciousness' and this has been known as Corporate Social Responsibility (CSR).

CSR has a major part to play through the "People, Planet and Profit" – often referred to as the Triple Bottom Line (a phrase coined by John Elkington in 1994). The triple bottom line captures an expanded spectrum of values and criteria for measuring organizational, economic, environmental and social success.

"People" (Human Capital) pertains to fair and beneficial business practices towards labour, community and the region in which a corporation conducts its business. "Planet" (Natural Capital) refers to sustainable environmental practices. "Profit" aspect needs to be seen as the economic benefit enjoyed by the host society.

Bowfield & Murray (2008) define CSR as "The field called Corporate Social Responsibility began with a focus on the role of business leaders: particularly, on how they managed their companies with a view to society and how they gave back to their local communities."

*Associate Professor, Commerce Department, S.G.N.D. Khalsa College, Delhi University.

**Professor and Head, School of Applied Management, Punjabi University, Patiala, Punjab

Wikipedia states, "Ideally, CSR policy would function as a built-in, self-regulating mechanism whereby business would monitor and ensure their adherence to law, ethical standards, and international norms. Business would embrace responsibility for the impact of their activities on the environment, consumers, employees, communities, stakeholders and all other member of the public sphere."

In the words of Drucker, "Social Responsibility requires managers to consider whether their action is likely to promote the public good, to advance the basic beliefs of our society, to contribute to its stability, strength and harmony."

J.R.D. Tata, who has been instrumental in conducting the first social audit in India and perhaps in the world, remarks, "While profit motive no doubt provides main spark for any economic activity, any enterprise which is not motivated by consideration of urgent services to the community becomes outmoded soon and cannot fulfill its real role in modern society".

According to Mr. Anant Nandkarni, General Manager, Group Corporate Social Responsibility of the Tata Group, CSR was not the bottom line of business but the very purpose of it. Mr. Nandkarni said that while it was important for corporates to make profits, it should not be their sole aim. "When you discharge your social obligations by choice, it becomes an initiative and not just a responsibility," he said.

Stressing the need for management stewardship for giving a thrust to nation's economic development, the then President of India, Dr. A.P.J. Abdul Kalam while distributing the CSR awards said that the industry houses should be concerned about their corporate social responsibility and give more to the society than what they have drawn.

Adi Godrej, MD, Godrej Group said, "Philanthropic organizations should be allowed to operate reasonably freely and not with control to my mind. When governments start controlling things, things don't work as well as when people are motivated to do these things."

Kiran Mazumdar Shaw, CMD, Biocon Ltd. says making CSR mandatory would make it cosmetic. She feels, there needs to be realization from corporate India that they have to necessarily engage in this because without that their business themselves do not exuding good governance. The important thing is, how the markets look at companies in terms of their CSR initiatives. This will be a better way of getting people to engage in CSR activities than making it mandatory.

Nitin Paranjape, MD & CEO, HUL is not in favour of the idea of mandatory CSR. According to him the history of

social responsibility in this country has moved considerably as presently the businesses realize that they must contribute to society, but there was a period when it was all about charity and philanthropy etc.

At national level, almost all the corporate are engaged in corporate social responsibility (CSR) practice in areas like health, education, construction work, creativity, skill development and also for the empowerment of the underprivileged section of the society. The companies which have made remarkable efforts in CSR practice are Tata Group, Infosys, Bharti Enterprises, Coca Cola India, Pepsico and ITC Welcome group, etc. According to social enterprise CSR Asia's Asian Sustainability Ranking (ASR) India was ranked at fourth place in practicing and paying increasing attention to CSR activities. According to the study undertaken by the automotive research company, TNS Automotive, India was ranked as the second in global corporate social responsibility. Among all, India's largest software and service company, Tata Consultancy Services (TCS) has been listed as the best company practicing in CSR. TCS has also won the 'Asian Corporate Social Responsibility Award' for its welfare programme for the community to increase the literacy in the country. To eradicate illiteracy TCS has launched the 'Adult literacy programme'. TCS believes that adult literacy empowers and is the key for growth and development of the country. Singhal (2011)

There are many companies which have excelled in CSR activities but when seen in the light of the country's vast needs, the achievement fall short of requirement. The money spent on social responsibility is generally an insignificant portion of their turnover. Although the corporate India is engaged in CSR practice, still to promote the CSR activities further, the central government is working on an agenda to quantify the CSR schemes. According to the then minister for Corporate Affairs, Mr. Salman Khurshid, one of the ways by which companies can be attracted toward CSR activities is to highlight the success of the other companies through CSR and also through developing a system of CSR credits, similar to the system of carbon credit system given to the companies for green initiatives.

Regulatory Framework:

Barring a few ideal and benevolent business houses, the legal compulsion was the main propelling force to make the corporate responsible towards their creditors, shareholders, employees, customers and Government. The Companies Act, 1956, The Workmen's Compensation Act, 1923, The payment of Wages Act, 1936, The industrial Disputes Act, 1947, The Factories Act, 1948, The ESI Act, 1948, The

Contract Act, 1872, The F.E.R.A, 1972 and the income-tax Act, 1961 were amongst the vital pieces of legislations, that compelled the Corporate to listen to and protect the interest of the concerned groups in India. Patra, (2011)

By Companies amendment Act, 1988, which is made effective from 1/4/89 directors are required to report regarding conservation of energy, technology absorption, foreign exchange earnings and outgo. For conservation of energy 'Form A' is prescribed for some industries. Accordingly they are required to give details regarding electricity purchased and generated. The information on consumption of coal and furnace oil is also required to be given in addition to this. Moreover for each product details are to be presented regarding consumption of electricity, furnace oil, coal etc., per unit of production along with the standards. And in case where consumption is different as compared to standard, the reasons are also to be explained. With reference to technology absorption the companies are supposed to supply the details regarding R&D activities and efforts put up for technology absorption.

A study has been conducted jointly by the Associated Chambers of Commerce and Industry of India (ASSOCHAM) and Klynveld Peat Marwick Goerdeler (KPMG) on "Corporate Social Responsibility: The Why, What and How – an Indian Prospective".

The Five point strategy by the study includes:

1. Focusing on priorities
2. Allocating finance for treating CSR as an investment from which returns are expected
3. Optimizing available resources by ensuring that efforts are not duplicated and existing services are strengthened and supplemented.
4. Monitoring activities and working closely with implementation partners such as NGO's to ensure that initiatives really deliver outputs
5. Reporting performance in an open and transparent way so that all can celebrate progress and identify for further action.

Although in past, some large corporate took care of their social responsibility, no guidelines for corporate were issued by the government. During India Corporate week in 2009, Ministry of Corporate Affairs, Government of India, Issued voluntary guidelines on corporate social responsibility, a brief of which is as under:-

Fundamental Principle:

Each business entity should formulate a CSR policy to guide its strategic planning and provide a roadmap for its CSR initiatives, which should be an integral part of overall business policy and aligned with its business goals. The policy should be framed with the participation of various level executives and should be approved by the Board.

Core Elements:

The CSR Policy should normally cover following core elements:

- **Care for all Stakeholders:**

The companies should respect the interests of, and be responsive towards all stakeholders, including shareholders, employees, customers, suppliers, project affected people, society at large etc. and create value for all of them. They should develop mechanism to actively engage with all stakeholders, inform them of inherent risks and mitigate them where they occur.

- **Ethical functioning:**

Their governance systems should be underpinned by ethics, transparency and accountability. They should not engage in business practices that are abusive, unfair, corrupt or anti-competitive.

- **Respect for Workers Rights and Welfare:**

Companies should provide a workplace environment that is safe, hygienic and humane and which upholds the dignity of employees. They should provide all employees with access to training and development of necessary skills for career advancement, on an equal and non-discriminatory basis. They should uphold the freedom of association and the effective recognition of the right to collective bargaining of labour, have an effective grievance redressal system, should not employ child or forced labour and provide and maintain equality of opportunities without any discrimination on any grounds in recruitment and during employment.

- **Respect for Human Rights:**

Companies should respect human rights for all and avoid complicity with human rights abuses by them or by third party.

- **Respect for Environment:**

Companies should take measures to check and prevent pollution; recycle, manage and reduce waste, should manage natural resources in a sustainable manner and ensure optimal

use of resources like land and water, should proactively respond to the challenges of climate change by adopting cleaner production methods, promoting efficient use of energy and environment friendly technologies.

• **Activities for Social and Inclusive Development:**

Depending upon their core competency and business interest, companies should undertake activities for economic and social development of communities and geographical areas, particularly in the vicinity of their operations. These could include: education, skill building for livelihood of people, health, cultural and social welfare etc., particularly targeting at disadvantaged sections of society.

Implementation Guidance:

- The CSR policy of the business entity should provide for an implementation strategy which should include identification of projects/activities, setting measurable physical targets with timeframe, organizational mechanism and responsibilities, time schedules and monitoring. Companies may partner with local authorities, business associations and civil society/non-Government organizations. They may influence the supply chain for CSR initiative and motivate employees for voluntary effort for social development. They may evolve a system of need assessment and impact assessment while undertaking CSR activities in a particular area. Independent evaluation may also be undertaken for selected projects/activities from time to time.
- Companies should allocate specific amount in their budgets for CSR activities. This amount may be related to profits after tax, cost of planned CSR activities or any other suitable parameter.
- To share experiences and network with other organizations the company should engage with well established and recognized programmes/platforms which encourage responsible business practices and CSR activities. This would help companies to improve on their CSR strategies and effectively project the image of being socially responsible.
- The companies should disseminate information on CSR policy, activities and progress in a structured manner to all their stakeholders and the public at large through their website, annual reports and other communication media.

In an effort to plug the loopholes in social activities by corporate, accounting regulator ICAI has decided to

come up with a proper definition of Corporate Social Responsibility. ICAI has set up a sub-committee to frame a clear definition of what would constitute as Corporate Social Responsibility. The recommendation of the panel will be forwarded to the corporate affairs ministry for approval. If the ICAI recommendations are accepted by the government, companies will have to invest in specific social projects to meet the requirements under the Companies Act. The need for defining Corporate Social Responsibility has been felt as corporate houses often invest in activities that may not be necessary at all, resulting in Corporate Social Responsibility losing its meaning and not giving the desired results. A proper definition will address the lacunae in the existing system. (ICAI, Knowledge Portal, PDICAI dated March 04, 2011)

Accounting regulator ICAI has formed an advisory committee of chartered accountants to help corporate to identify social sector projects on which they would be required to spend 2 % of their net profits. (ICAI, Knowledge Portal, PDICAI dated March 08, 2011)

The then corporate affairs Minister Mr. Salman Khurshid had emphasized that there is a need to internalize CSR to the 3 W's of business (www.business-standard.com):

- i. What are we doing?
- ii. Why are we doing? and
- iii. Which way are we doing it?

The new Corporate Affairs Minister Mr. Veerappa Moily has rightly said that Indian corporate need to develop a culture of voluntary CSR...CSR cannot be considered only as a charity, it is more of a social business. The two percent mandatory provision for CSR spend in the Companies Bill 2009 should indeed stay. CA Journal, August 2011

The New Companies Bill, 2011 has proposed that companies should earmark 2 per cent of the average profit of the preceding three years for CSR activities and make a disclosure to shareholders about the policy adopted in the process.

Review of Literature

Different researchers have presented different view points for need of corporate social disclosure. Some associate the need, with globalization (Birch, 2003; Owen, 2003), some with alleviating the negative perceptions of business insensitivity to the social issues (Jacoby 1973), with desire to position themselves as responsible citizens, leaders, and contributing members of society (Manheim & Pratt, 1986),

to building corporate reputation and creating value and building communication links as it remains the “missing link” in the practice of corporate social responsibility (Dawkins, 2004; Rowe, 2006) to use it as a platform for constructive dialogue with relevant stakeholders to foster mutual trust, collaborative action, and shared value (Chaudhri & Wang, 2007). Though there is almost unanimity among the researchers regarding the need for disclosing corporate social responsibility information, but due to lack of standardized formats and regulatory provisions credibility of information, use of social reporting to compensate for mediocre performance (Coope, 2004) remains a challenge.

Fukukawa and Moon (2004) contended that CSR communication and action are interrelated functions rather than mutually exclusive. They also acknowledged the challenge in measuring the extent of corporate social responsibility communication. In other words, although CSR communication may or may not be an accurate presentation of CSR action, there is “reason to expect increasing congruence between communication and action”.

A study of CSR reporting in seven Asian countries, reiterated the general assumption that greater the extent of the reporting, the more engaged the company is with CSR (Chambers et al., 2003)

“Sharma & Talwar (2005) in their research on CSR opines ‘that with increasing competitiveness today’s business scenario has become highly complex and focus is on a Corporate Social Responsibility (CSR), which has become increasingly important in the modern era.

Robert, Thérèse (2009) determined the extent to which disclosure in published annual reports of organizations within the financial services sector, complied with their sector guidelines. They found the level of disclosure to be lamentably low across the financial services sector with an observable tendency for compliance to be related to size. The larger the organization, the more was likelihood of compliance, which might indicate a resource issue.

Indira, and Siddaraju (2009) paper analysis the CSR of TVS Motor company by following a case study method. The company’s disclosures suggest that it is taking up several initiatives to improve the conditions of the underprivileged in the society and make a positive difference in the lives of inhabitants. In addition to the community initiatives, TVS Company has been working with the NGOs, local authorities and institutions, and local leaders and government agencies. This paper mainly analyzes the CSR objectives of TVS Company, their capacity to identify social issues, implementation of strategies and changes in the strategies

after globalization, social relevance of the issues addressed by the company, and the attitude of the decision makers in the company towards CSR.

According to Singh (2008), since its inception, Tata Steel has been deeply committed to sharing its wealth and prosperity with disadvantaged communities around its operational sites. It voluntarily ploughed large sums of money into redressing a range of social problems much before ‘Corporate Social Responsibility’ formally entered the vocabulary of management texts. This case study describes the company, its underlying value system, and its wide portfolio of social programs. In the process, it also triggers a debate over future course of action. Can Tata Steel afford to maintain its traditional CSR strategy? In view of increasing competition, and the importance of cost competitiveness, has the time come for a comprehensive review of all that the company does and the way in which it is done?

A discourse analysis was performed on the social and environmental disclosure (SED) of a multinational in the automotive sector with an established presence in Spain. Different channels of information were compared to capture both the official discourse as represented in the annual reports of the multinational and the discourse of employees and the State as represented in the media. It was found that the firm used SED strategically to legitimize a new production process through the manipulation of social perceptions. State is presented here as aligning itself with corporate management as opposed to the welfare concerns of employees. (Pablo et al., 2009)

Instrumental stakeholder theory (Clarkson 1995; Cornell and Shapiro 1987; Donaldson and Preston 1995; Freeman 1984; Mitchell et al., 1997), suggests a positive relationship between CSP (corporate social performance) and CFP (corporate financial performance).

Waddock and Graves (1997) and Hillman and Keim (2001) find that increased CSR leads to enhanced financial performance and vice versa.

Verschoor and Murphy (2002), using the top 100 “Best Corporate Citizens” as reported by Business Ethics magazines, find that firms with strong social values and practices exhibit superior financial performance.

(Orlitzky et al., 2003), integrated 30 years of research from 52 previous studies and used meta-analytical techniques to support the proposition that CSP (corporate social performance) and CFP (corporate financial performance) are positively correlated and statistically significant. Interestingly, the meta-analysis found a higher correlation

between financial performance and a company's management of its social impact than between financial performances and a company's management of its internal environment, which no doubt favours social programmes.

Eugenia (2009) emphasizes the strategic importance of CSR both for companies and society as well. The paper brings theoretical and practical evidence providing that CSR improves the business commercial and financial performance. It emphasized the need for establishing certain correlations between social and financial indicators.

According to Gan (2006) and Juholin (2004), the reasons for increased CSR activity range from increased economic profit organizational dedication, public inspection, improved investor relations, thinking good of society as a whole, and the universal view that CSR is the "right thing to do". Three social resources – commitment, connections and consistency have been advocated in a study (Meehan et al., 2006).

The benefits gained from voluntary strategic activities create a righteous cycle that motivates the firm to continue developing its initiatives while encouraging ongoing collaboration with beneficiaries (Gyves and O' Higgins, 2008).

Husted and de Jesus Slazer (2006), observed that microeconomics tools should be applied to assess the appropriate level of CSR activity so as to create a mutual benefits for both the firm and the beneficiaries.

CSR investment should be regarded in the same manner as any other business investment and be decided through the use of cost-benefit analysis (Mc Williams and Siegel, 2001).

Need and Scope of The Study

From the above mentioned review of various studies, it has been observed that no specific study has been conducted till date to analyze the more focused CSR initiatives. In our study paper we have discussed different CSR initiatives like community welfare, education, environment protection, healthcare, taken by the Corporate and tried to assess which CSR initiative has been the focus of Indian corporate sector.

Further analysis was done to find, if there is any change in focus of CSR activities during the period under study.

An attempt has also been made to find out the emergence and adoption of new areas like fighting corruption, senior citizen welfare and empowerment of women etc. A reference has also been made to CSR success stories and new innovative ideas in the field to motivate and encourage the Corporate.

Period of Study

The time period of study is 3 years from 2008 to 2010.

Research Methodology:

1. List of 100 CNX Companies was made.
2. The available data from the Annual Reports of those 100 corporate was tabulated against 41 CSR activities.
3. The 41 CSR activities were further grouped in five groups namely Community Welfare, Education, Healthcare, Environment and Other Activities.
4. The data was analyzed to find out the major trends over a period of three years from 2008 to 2010.

Analysis and Interpretation

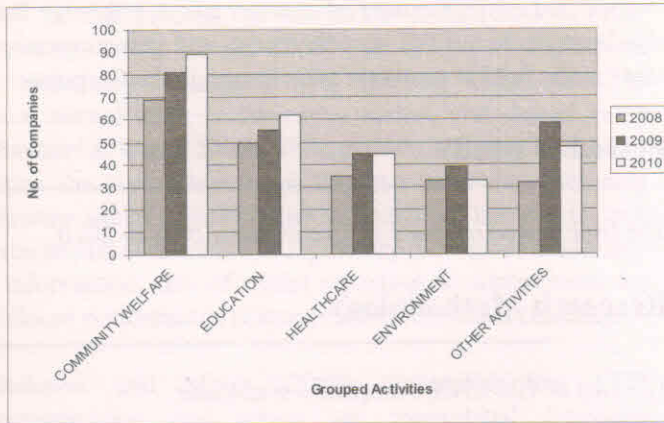
The analysis and interpretation of CSR activities adopted by different corporate has been discussed below:-

1. Our analysis reveals that out of the varied CSR activities, the activities on Community Welfare, Education, Healthcare and Environment are the most popular CSR activities for all of the three years of our study (Table 1 and Graph 1). Out of all these community welfare had gathered the maximum attention of the corporate world; this is being followed by the education, health care and environment in that sequence.

Table 1: CSR (Grouped) Activities adopted by companies during 2008 to 2010

CSR Activities (Grouped)	No. of companies each year		
	2008	2009	2010
Community Welfare	69	81	89
Education	50	55	62
Healthcare	35	45	45
Environment	33	39	33
Other Activities	32	58	48

Graph 1: No. of Companies adopting CSR (Grouped) Activities during 2008 to 2010

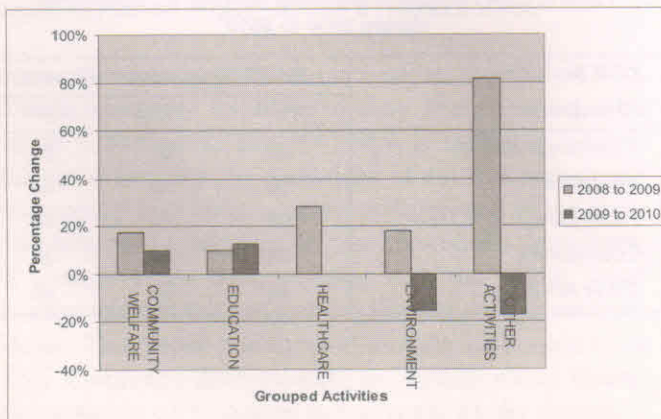


2. All Grouped activities have registered growth in 2009 compared to 2008 but only Community Welfare and Education have registered growth in 2010 as well. Care for Environment by the corporate sector has gathered a substantial attention during the period of our study. However on a yearly basis analysis we found that environment and Other Activities have registered a negative growth in 2010 compared to 2009 whereas there is no change in Healthcare in 2010 as compared to 2009 as visible from the Table 2 and Graph 2 below.

Table 2: CSR (Grouped) Activity and their growth during 2008 to 2010

Grouped Activities	Absolute Values			Growth	
	2008	2009	2010	2008 to 2009	2009 to 2010
Community Welfare	69	81	89	17%	10%
Education	50	55	62	10%	13%
Healthcare	35	45	45	29%	0%
Environment	33	39	33	18%	-15%
Other Activities	32	58	48	81%	-17%

Graph 2: CSR (Grouped) Activity and their growth during 2008 to 2010

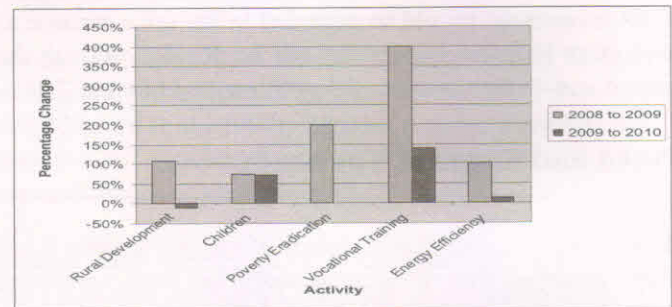


3. Rural Development, Child Welfare, Poverty Eradication, Energy Efficiency and Vocational Training have registered prominent growth (particularly in 2009) as shown in Table 3 and Graph 3 below. Rural development seems to have been the area which has got maximum contribution from the corporate world and the numbers of companies have gone up during the three years of study. For rural development in 2008, 13 companies out of the sample set of 100 companies were contributing. This number has almost doubled in 2010 to the level of 24 companies. Similarly the care for children has almost tripled from 4 companies to 12 companies. Vocational training too has got a lot of attention wherein in 2008 it was only one company which has grown to 12 companies in 2010. It is an indicative of the growing importance of the vocational training.

Table 3: CSR Activities registering prominent growth during 2008 to 2010

CSR Activities	No. of companies each year			Growth	
	2008	2009	2010	2008 to 2009	2009 to 2010
Rural Development	13	27	24	108%	-11%
Children	4	7	12	75%	71%
Poverty Eradication	3	9	9	200%	0%
Vocational Training	1	5	12	400%	140%
Energy Efficiency	0	8	9	100%	13%

Graph 3: CSR Activities registering prominent growth during 2008 to 2010



4. Surprisingly activity like 'Empowerment of Women' has registered a remarkable decline as apparent from the following Table 4. This is despite the fact that the whole of the world and more especially, in India there has been a great awakening for the women upliftment and empowerment.

Table 4: CSR Activities registering remarkable decline during 2008 to 2010

CSR Activities	No. of companies each year		
	2008	2009	2010
Empowerment of Women	16	11	8

5. Despite their strong importance many of the activities like financial literacy and care for HIV/AIDS, the under mentioned 15 activities have not been adopted by more than one company in any of the three years of our study (Table 5).

Table 5: CSR Activity rarely adopted by companies during 2008 to 2010

CSR Activities	No. of companies each year		
	2008	2009	2010
Agriculture and Farming	1	0	0
Affordable Housing	0	1	0
Anti-Malaria	0	1	0
Coal Technology	0	1	0
Employing Person with Disability	0	1	0
Financial Literacy	0	1	0
Green IT	0	1	0
Green Building	0	1	0
Heritage Conservation	0	0	1
HIV/AIDS	0	1	0
Orphan & Destitute care	0	1	0
Priority Sector Lending	0	1	0
Self Help Group	1	0	0
Sustainability	1	0	0
Transparency	0	1	0

Summary and Conclusions:

Until the 1990's CSR was purely conducted for charity by Tata's and Birla's. Post 1991, with economic reforms and Indian economy opening up, corporate sector seems to have picked CSR activities. According to social enterprise CSR Asia's Asian sustainability ranking, India is ranked 4th. The top 10 companies in terms of CSR initiatives are: TCS, ITC, Infosys Technologies, Larsen & Turbo, Reliance Industries, ONGC, IOC, Bharti Airtel, SAIL and NMDC Ltd.

Regarding the CSR activities undertaken by the companies and their communication in annual report, it was observed that (www.fullodreamz.com):

1. Most companies are not undertaking any CSR activity. Those doing something are making only token gesture and use CSR as a marketing tool.
2. Only few companies publish CSR report. The companies that publish the CSR report do not publish the amount spent.

3. However all companies can be considered to be on an upward learning curve with respect to CSR and it is expected that the situation will improve.

Some significant cases of CSR initiatives in India are as under:

- 'LABS' (Livelihood Advancement Business School) by Dr. Reddy's Labs to train the under privileged youngsters.
- 'Sun Drop Oil' contributes Re. 1 to 'Narayan Hrudalay Heart Hospital' for every litre of oil sold.
- India Today set up 'Care Today' foundation to rehabilitate Kargil soldiers, victims of cyclone and victims of Orissa floods.
- Tata Steel Ltd. has been successful in retraining women whose jobs were at risk due to automation, in skills such as crane operating, and vehicle driving, leading to more secure and better paid employment in plant operations through 'Tejaswini' since 2002.
- Indian Overseas Bank Ltd. runs 'Sakthi scheme' for upliftment of downtrodden women.
- 'Nanhi Kali' project launched in 1996 by the K.C. Mahindra Education Trust of Mahindra & Mahindra Ltd. The goal of Nanhi Kali is to provide educational support to 1,00,000 underprivileged girls by 2011

There are many companies in India, which have excelled in CSR activities but when seen in the light of the country's vast needs, the achievement fall short of requirement. The money spent on social responsibility is generally an insignificant portion of their turnover. To promote the CSR activities further, the central government is working on an agenda to quantify the CSR schemes. One of the ways by which companies can be attracted toward CSR activities is to highlight the success of the other companies which are actively engaged in CSR initiatives through all media channels. Another important measure could be to develop a system of CSR credits, similar to the system of carbon credits given to the companies for green initiatives.

References

- Birch, D. (2003); Corporate social responsibility: Some key theoretical issues and concepts for new ways of doing business. *Journal of New Business Ideas & Trends*, 1, 1-19.
- Blowfield, M & Murray, A(2008); *Corporate Responsibility, A Critical introduction*, Oxford University Press, New York, p. 12
- Chambers, E., Chapple, W., Moon, J., & Sullivan, M. (2003); *CSR in Asia: A seven country study of CSR Website reporting (RP-9)*. Nottingham, UK: International Center for Corporate Social Responsibility.
- Chaudhri, Vidhi & Wang, Jian (2007); Communicating corporate social responsibility on the Internet: A case study of the top 100 IT companies in India. *Management Communication Quarterly*, 21(2), 232-247.
- Clarkson, Max B.E. 1995; 'A stakeholder framework for analyzing and evaluating corporate social performance'. *Academy of Management review* 20: 92 – 117.
- Coope, R. (2004); Seeing the "Net potential" of online CSR communications. *Corporate Responsibility Management*, 1, 20-25.
- Cornell, Bradford, and Alan Shapiro (1987); 'Corporate Stakeholders and corporate finance'. *Financial Management* 16: 5 – 14.
- Dawkins, J. (2004); Corporate responsibility: The communication challenge. *Journal of Communication Management*, 9, 108-119.
- Donaldson, Thomas, and Lee E. Preston (1995); 'The stakeholder theory of the corporation: Concepts, evidence and implications'. *Academy of Management Review* 20: 65 – 91.
- Drucker, P. F. (1975); *The Practice of Management*, Allied Publishers, New Delhi, P.382
- Editorial Board (2011); "Corporate Social Responsibility and Chartered Accountants", *The Chartered Accountant Journal*, Volume 60/ No. 2/ pp. 3 / August 2011, The Institute of Chartered Accountants of India
- Freeman, R. Edward (1984); *Strategic management: A stakeholder approach*. Marshfield, MA: Pitman.
- Fukukawa, K., & Moon, J. (2004); A Japanese model of corporate social responsibility? A study of website reporting. *Journal of Corporate Citizenship*, 16, 45-59.
- Gan, A. (2006); "The impact of public scrutiny on corporate philanthropy", *Journal of Business Ethics*, Vol. 69 No. 3, pp. 217 – 36.
- Gyves, S. and O'Higgins, E. (2008); "Corporate Social Responsibility: an avenue for sustainable benefit for society and the firm?" *Society & Business Review*, Vol. 3 No. 3, pp. 207 – 223.
- Hillman, A. & G, Keim, (2001); Shareholder Value, stakeholder management & social issues: what's the bottom line? *Strategic Management Journal*, 22, 125-139.
- Husted, B. W. and de Jesus Slazer, J. (2006); "Taking Friedman seriously: maximizing profits and social performance", *Journal of Management Studies*, Vol. 43 No. 1, pp. 75 – 911.
- ICAI, Knowledge Portal, PDICAI dated March 04, 2011
- ICAI, Knowledge Portal, PDICAI dated March 08, 2011
- Indira, M, Siddaraju, V G (2009); "Do Corporates Have Social Responsibility? A Case Study of TVS Motor Company"
- Irina – Eugenia IAMANDI, Andreea Raluca C R GIN, Alina CHICIUDEAN, Mihaela Cristina DR GOI, (2009); *Corporate Social Responsibility – Analyzing Social and Financial Performance the Case of Romania*, European research studies. Latest Issue: Vol.XII/Iss.3
- Jacoby, N. H. (1973); *Corporate power and social responsibility*. New York: Macmillan
- J Singh. (2008); *Tight Rope Walk at Tata Steel: Balancing Profits and CSR*
- South Asian Journal of Management*. New Delhi: Jan-Mar Vol. 15, Iss. 1, p. 118-136 (19 pp.)
- John Elkington (1994); "Enter the Triple Bottom Line"
- Joholin, E. (2004); "For business or for the good of all? A finish approach to corporate social responsibility", *Corporate Governance*, Vol 4 No. 3, pp. 20 – 32.
- McWilliams, A. and Siegel, D.S. (2001); "Corporate social responsibility: a theory of the firm perspective", *Academy of Management Review*, Vol. 26 No. 1, pp. 117 – 26.
- Meehan, J., Meehan, K. and Richards A. (2006); "Corporate social responsibility: the 3C-SR model", *International Journal of Social Economics*, Vol. 33 No.5/6, pp. 386 – 398.

Mitchell, Ronald K. Bradley R. Agle, and Donna J. Wood (1997); 'Toward a theory of stakeholder identification and salience: Defining the principle of who and what really counts'. *Academy of Management review* 22: 853 – 886.

Orlitzky, M, Schmidt, F & Rynes, S (2003); 'Corporate social and financial performance: A meta analysis', *Organization Studies*, vol 24, no. 3, pp 403 – 11.

Owen, D. L. (2003); Recent developments in European social and environmental reporting and auditing practice—A critical evaluation and tentative prognosis (RP-3). Nottingham, UK: International Center for Corporate Social Responsibility

Pablos ; spence, Laminga and Husillos (2009); "Social disclosure, legitimacy theory and role of the state," *Accounting, Auditing & Accountability Vol22*, 8 pp.1284

Patra, R. K. (2011); "Social Responsibility of Business vis-à-vis Corporate Governance", *The Chartered Accountant Journal*, Volume 59 / No. 10, pp. 104-107 / April 2011, The Institute of Chartered Accountants of India

Robert Day, Thérèse Woodward (2009); "CSR reporting and the financial services sector," *Journal of Applied Accounting Research*, Leicester: Vol. 10, Issue 3, pp. 159

Sharma, A.K., Talwar, Balvir, (2005); "Corporate social responsibility: modern vis-à-vis Vedic approach", *Measuring Business Excellence*, Vol. 9 Iss: 1, pp.35 - 45

Singhal, Manali (2011); "Corporate Social Responsibility", *The Chartered Accountant Journal*, Volume 59 / No. 9, pp. 110-115 / March 2011, The Institute of Chartered Accountants of India

Summit Proceedings, First International Summit on Corporate Social Responsibility organized by Ministry of Corporate Affairs, 29-30 January, 2008, New Delhi, The Times of India, January 30, 2008.

Verschoor, C. and E. Murphy (2002); the financial performance of large US firms and those with global prominence: how do the best corporate citizen rate? *Business and Society Review*, 107, 371 – 380.

Waddock, Sandra A., and Samuel B. Graves (1997); 'The corporate social performance – financial performance link'. *Strategic Management Journal* 18: 303 – 319.