

EMPIRICAL INVESTIGATION OF CURRENT STATUS OF CORPORATE SOCIAL RESPONSIBILITY IN INDIAN ORGANIZATIONS

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Abstract

Purpose: This paper aims to investigate current status of corporate social responsibility in Indian organisations. Its purpose is to understand, document, analyze and review the corporate social responsibility perceptions of relatively selected companies in India after its legislation. **Design/methodology/approach:** This empirical study is based on a survey of 97 respondents of Indian organisations among top 500 fortune companies from various sectors. Out of the top 1000 companies in India, 125 companies were selected randomly from various sectors both from the public and private sectors also covered from manufacturing and service industries. The data was collected by using a structured questionnaire blended with suitable open-ended questions. The analysis has been carried out with the help of percentages and mean values using SPSS software. **Findings:** CSR has become progressively projected in the Indian corporate setting because organizations have recognized that besides growing their businesses, it is also important to shape responsible and supportable relationships with the community at large including almost all groups of people like rural community, nearby community, tribal community, customers, employees etc. CSR initiatives in India increasingly include lobbying for legally enforceable corporate standards that apply to all firms. Further the significant engagement of top management in setting up of CSR policies, deciding CSR activities, integrating CSR as a business strategy into their policies and practices and discharging CSR activities effectively in India will really take CSR to new heights. There is positive impact of CSR on the financial performance of company. But India is lacking in providing CSR training; which need to be given more thrust for a big success of CSR. **Research/limitations/implications:** This paper is of value to the researcher and practitioners of corporate social responsibility. The study, I hope, would help other small and medium sized companies, to actualize their CSR interventions by identifying appropriate target group of people to discharge CSR activities. This study can further be utilized to identify CSR training needs for their companies.

Keywords: -Corporate Social Responsibility; CSR Initiative; Corporate; Stakeholder; CSR performance; CSR Training; CSR Practices; CSR.

1. Introduction

Creating a strong business and creating a better world are not conflicting goals; they are both essential ingredients for long-term success (William Ford). Corporate social responsibility (CSR) has become a mainstream topic, rising to a corporate priority in management and marketing. CSR is a broad concept that addresses how business enterprises attempt to improve social, environmental, ethical, governance and labour practices in the environment in which they operate (Visser, 2008). European Commission (2001) defines CSR as “a concept whereby companies decide voluntarily to contribute to a better society and cleaner environment and as a process by which companies manage their relationship with stakeholders”. Moreover, being socially responsible means not only fulfilling legal expectations, but also going beyond compliance and investing more into human capital, the environment and the relations with stakeholders.

The Corporate Social Responsibility concept in India is governed by Section 135 of the Companies Act, 2013 and rules made thereunder wherein the criteria has been provided for assessing the CSR eligibility of a company, Implementation and Reporting of their CSR Policies. Enactment of Companies Act, 2013 by the Ministry of Corporate Affairs, Government of India was one of the world's largest experiments of introducing the CSR as a mandatory provision by imposing statutory obligation on Companies to take up CSR projects towards social welfare activities. This has made India the only country which has regulated and mandated CSR for some select categories of companies registered under the Act. This CSR Initiative will push the nation towards achievement of sustainable development goals and public-private partnership in transforming India. In 2013, it enacted Section 135 of the Indian Companies Act prescribing a mandatory “CSR spend of 2% of average net profits during the three immediately preceding financial years” for all companies meeting specified financial thresholds. In other words, companies “having net worth of rupees five billion or more, or turnover of rupees ten billion or more or a net profit of rupees fifty million or more during any financial year” have to ensure that they spend 2% of average net profits made during the three preceding years on CSR activities.

CSR, is for - people, planet, profit - How do you treat and engage the people who work for you and others who are impacted by your existence? What are you doing to lighten your environmental impact, protect the environments impacted by your business? The ideal is that these factors become part of your business model, not a separate function of your business. Today, like never before, companies are under the vigilant eyes of their stakeholders and public. Government,

activists, and the media have turned out to be progressively adept at holding companies answerable for the social and natural results of their exercises. Varieties of associations have come up to rank companies on the performance of their corporate social responsibility (CSR). In this study, author attempted to investigate the perceptions of managers about current status of CSR among Indian organisations after its legislation.

2. Motivation behind this Research

Author has contributed lot of research articles in research area of corporate social responsibility on various valuable aspects of CSR like CSR initiatives and practices among selected Indian companies (Madhu Bala, 2013), empirical study of the components of CSR practices in India: a comparison of private, multinational and public sector companies (Madhu Bala, 2014), a comparative study of methods of CSR implementation in Indian context (Madhu Bala, 2015), CSR initiatives in education in India: A critical review of initiatives, issues and challenges (Madhu Bala, 2018) and evaluating CSR among selected Indian companies by (Madhu Bala, 2015). During above research studies, author met many CSR officials, attended many conferences on CSR and discussed much about CSR with them. India is celebrating 7th year of mandatory CSR after undergoing many transformational phases. Author has observed remarkable changes in perceptions about CSR among Indian organisations. *Therefore author has attempted this study to investigate the current status of CSR in Indian organisations after its mandatory spending in India.*

3. Literature Review

Corporate Social Responsibility principles have long been part of good business practice, but the concept has witnessed an astounding resurgence in recent years. To skeptics, CSR is antithetical to sound business practice and serves to dilute its focus on wealth creation (Clement-Jones, 2005; Murray, 2005). Proponents however characterize CSR as essential for successful business operations and as an opportunity for business to look beyond narrow economic returns and take the wider social concern into consideration (Jackson and Nelson, 2004; Rudolph, 2005).

Pedersen (2011) examined the perceptions of managers in multinational corporations (MNCs) towards Corporate Social Responsibility. This study involved the data collected through interview with 49 managers and web based survey from 613 managers, together with 647 managers from four MNCs in Europe. This study revealed that managers still tend to hold a rather narrow managerial view of the firm and primarily give priority to a few core stakeholder groups. Customers and employees are perceived to be key stakeholders, whereas, NGOs and local communities are perceived as being of lesser importance. The author remarked that the result seem to differ from the stake holder approach to CSR, which suggested that firm should move beyond the shareholder dominated view and traditional forms of organizational control to a broader stake holder perspective characterized by a high degree of collaboration, dialogue and engagement.

Athanasopoulou (2012) explored the managers' perception on Corporate Social Responsibility (CSR) within three different types of organizational contexts – Non-profit, for-profit and hybrid case that haven ever embedded CSR policies and practices. The study has revealed mainly that the influences relating to individual managers' work, as well as the extent to which CSR is an implicit or an explicit part of decision-making determine managerial perceptions of CSR.

Madhu Bala (2013) conducted a study of Corporate Social Responsibility Initiatives and Practices Among Selected Indian Companies and found that most of the companies have started to understand that they can use CSR as a strategy in order to gain benefits and to make a better place for all people. She further reveled that in the long term, the firms that are socially responsible are successful.

Madhu Bala (2014) studied the CSR practices, analyzed their underlie components for similarities/differences across Private Indian Companies (PC), Multinational Companies (MNC) and Public Sector Companies (PSCS). She found that there is no major difference in components of CSR practices of PICs, MNCs and PSCs. The identified CSR priorities emerged from PICs are Employee Welfare, Environmental and Natural Resources Protection, Community Development and Community Affairs. The identified CSR priorities emerged from MNCs are Community Welfare, Employee Development & Safety, Environmental and Natural Resources Protection, Working under law and compliance, Employment Generation and Community Support and that of PSCs are Employee Welfare and Social Support, Sustainable Development, Community Development and Heath & Scholarship Program.

Fernando,S.et al. (2015) studied to provide an understanding of the nature of corporate social responsibility (CSR) practices in a developing country, Sri Lanka. Specifically, it explored the environmental activities and social engagements of as ample from the largest 200 companies listed on the Colombo Stock Exchange. Social issues such as unemployment and poverty, the typical issues in developing countries, often override environmental issues. This is more prominent in Sri Lankan-owned companies than those with overseas ownership. The explanation for this may involve historical, cultural and religious elements. Overall, corporate managers in Sri Lanka are concerned with social issues.

Batol S. (2016) examined different types of Corporate Social Responsibility (CSR) practices across the industries in Pakistan along with their effectiveness. The findings suggested that CSR is very effective across the industry. Furthermore,

the practices of CSR will result in better social welfare of society. CSR practices have worked a great deal in increasing a company's goodwill and raising its brand name.

Olanipekun A. et al. (2019) investigated the state of CSR practice in the construction sector. The study also drew from the development of CSR in the manufacturing, mining and banking sectors to inform the state of CSR practice in the construction sector. The study revealed that the implementation of CSR was the major emphasis in the state of CSR practice in the construction sector. The implementation of CSR was wrapped in the perception of operators about CSR potentials, dimensions of CSR implemented, strategies for implementation and the effects of the implemented CSR practices on performance.

Nguyen H. (2019) examined corporate social responsibility (CSR) with the opportunity and innovation based view of multinational subsidiaries (MNSs) in Vietnam demonstrating that how MNSs can take advantage of their CSR practices and creates business opportunities and innovation activities for themselves and local society in Vietnam. The study found that CSR activities in the studied firms potentially drive new business opportunities and innovation in the form of product, process, idea and management practices. In addition, both opportunities and innovation also benefited MNSs and the local community in Vietnam.

Lee Y. (2020) examined the impacts of organizations' corporate social responsibility (CSR) types from internal perspectives. This study investigated how organizations' CSR practices influence the communal relationship between an organization and employees as well as their perceived external prestige (PEP) of an organization. An online survey was conducted with 507 current full-time employees working in large-sized companies in the United States. Results showed that four dimensions of CSR activities—discretionary, ethical, legal, and economic CSR—are significantly related to employees' perceived external prestige. Furthermore, the study found that employees' PEP is positively related to their perceptions of communal relationships, as well as their communal willingness to the companies.

In literature, author did not find any such study which provides a current state of CSR and therefore author tried an attempt in this paper to study the current state of CSR in Indian organisations.

4. Purpose of study and objectives

The purpose of the study is to investigate the perceptions of managers about current status of CSR among Indian organisations after *its legislation*. In this context, this study aims to answer following *specific* questions:-

- a) What are the levels of involvement of organisations in various CSR initiatives?
- b) Who are the target group for CSR Practices?
- c) What is the level of involvement of senior management in CSR?
- d) What is the perceived effect of CSR on financial performance of organisation?
- e) What is the status of organising training program on CSR by organisations?

5. Research Methodology

This empirical study is based on a survey of N=97 respondents of Indian organisations among top 500 fortune companies from various sectors. The sample represents a cross-section of different age groups, gender and experience levels of respondents and therefore it could be treated as a representative sample for such an exploratory study. Out of the top 1000 companies in India, 125 companies were selected randomly (using systematic random sampling technique) from various sectors both from the public and private sectors also covered from manufacturing and service industries because it is not anticipated that such classification would have any effect on the perception of the responding firms. Further, the reason behind this sample choice was that, the likelihood of practicing and implementing various programs and initiatives of CSR in these organizations is higher. For selection of top 1000 companies, website www.fundodata.com was used. Out of 125 companies, we were able to get response from 97 companies (response rate 77.6%). The data was collected by using a structured questionnaire blended with suitable open-ended questions. The analysis has been carried out with the help of percentages and mean values using SPSS software. After receipt of response and contact number of respondent, author called him/her to discuss his response and more on CSR.

6. Analysis, Results, Findings and Discussion

6.1 Respondents Demographics

The demographics details of the all N=97 respondents are given in Table-1. Maximum respondents are from age group 20-30 year (20%). It is observed that significant responses are received almost from all age groups under the study.

In case of gender, male respondents are 80% and female respondents are 20%. If we look at experience, the respondents belonging to the highly experienced group are 30% and followed by 25% experienced respondents.

Table-1 :- Respondent Demographics

Demographic Variable	Number	Percentage
<i>Age Group</i>		
Between 20 - 30 Year	19	20%
Between 31 - 35 Year	18	19%
Between 36 - 40 Year	18	19%
Between 41 - 45 Year	16	16%
Between 46 - 50 Year	13	13%
Above 50 Year	13	13%
N =	97	100%
<i>Gender</i>		
Male	81	84%
Female	16	16%
Transgender	0	0%
N =	97	100%
<i>Experience</i>		
Less than 5 years	15	15%
Between 5 to 10 years	12	12%
Between 10 to 15 years	17	18%
Between 15 to 20 years	24	25%
Above 20 years	29	30%
N =	97	100%

Source : Author's Work

6.2 CSR Initiatives

The emphasis placed by more and more companies on corporate social responsibilities symbolises the recognition that prosperity is best achieved in an inclusive society (Tony Blair). CSR is a multidimensional concept and, therefore, complex to analyze. It consists of different variables (compiled from study of CSR understandings by sample companies) including company profitability, environmental emissions, healthcare, education, training, welfare of underprivileged sections, rural developments, social welfare, community welfare, education, women empowerment etc. As sample companies are working in different areas of CSR, therefore, on the basis of the availability of information and keeping in view the consistency of the variables, researcher classified CSR activities into seven variables (refer Table-2) as: (1) Education (2) Environment (3) Healthcare (4) Welfare of Underprivileged Sections, (5) Rural Development, (6) Others social areas. A matrix of CSR initiatives developed by author categorizing CSR activities broadly into main 7 CSR initiatives is shown in Table-2. This matrix is shared with the respondents to give response for their extent/level of involvement in these CSR initiatives as “involved to very great extent”, “involved to great extent”, “involved to moderate extent”, “involved to small extent” and “not involved”. The results (mean value) are shown in Figure-1.

As can be seen in Figure-1, Education is the most taken care of area (highest mean value) under CSR initiatives among the sample companies. In case of education, Indian government too is making constant efforts to lift the people from the bottom of the pyramid. Second most preferred area is environment and is hot global issue. Lot of incentives is offered by UN in the form of Clean Development Mechanism (CDM) or Carbon Credits; and subsidies and fiscal benefits by the Indian Government, thus making it attractive for the companies to pursue it in their CSR efforts.

Welfare of underprivileged sections is the third preferred area followed by healthcare, rural development and others social areas. Preventive healthcare is an important dimension of health that needs significant attention and investment from all sections of the society. It is a national health priority and a notified area under Schedule VII of the CSR Section 135 of the Companies Act. Preventive healthcare directly improves health, well-being and productivity of community/population, families and individuals, and promotes equity by benefiting most the disadvantaged and marginalized groups. It covers range of public health activities focused on prevention of diseases, promotion of good health and strengthening of health systems.

Corporate Social Responsibility (CSR) initiatives for India's rural development are of immense significance and contemporary relevance. With a large chunk of India's total population, nearly 67% residing in rural villages of the country, which lack most basic amenities and infrastructure, the CSR agenda and task for nation building and development, is mammoth. Among the activities covered under the Schedule VII of Companies Act 2013, which may be included under the companies CSR policies, rural development projects are enlisted as one major area of CSR programs. Efforts for improving the lives of rural populace in terms of access to facilities like education, healthcare, sanitation, livelihoods, water availability, agricultural improvement etc. are some key focus areas that require attention of multi- stakeholders. The onus of scaling up the rural development interventions and initiatives at macro level lies with the state undoubtedly.

After mandatory CSR provision in 2014, CSR spending by Indian corporate houses has increased significantly. In 2018, companies spent 47 percent higher as compared to the amount in 2014-15, contributing INR 7,536 crores (US \$1 billion) to CSR initiatives, according to a survey. Listed companies in India spent INR 10,000 crore (US\$1.4 billion) in various

programs ranging from educational programs, skill development, social welfare, healthcare, and environment conservation, while the Prime Minister's Relief Fund saw an increase of 139 percent in CSR contribution over last one year according to a survey.

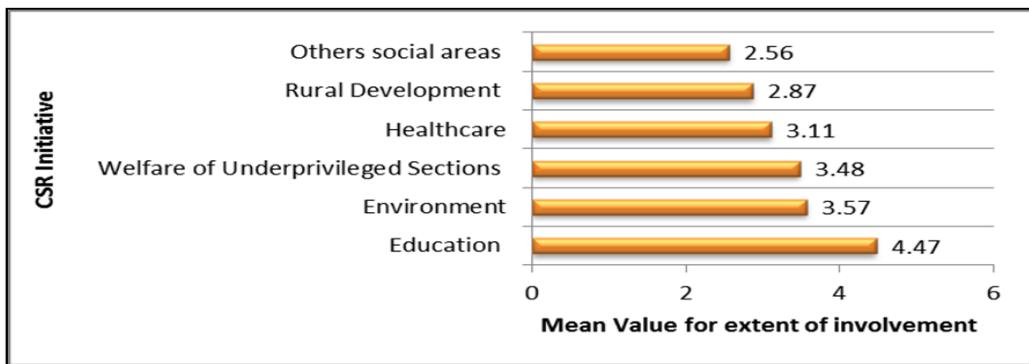


Figure-1 : Extent of Involvement in CSR Initiatives

Source : Author's Work, Output of SPSS 20.0

Organisations believed that CSR is not just a charitable deed but a way of doing business sustainably, more ethically and to become a part of the community. Moreover, organisations also agree that CSR sometimes seems a mandatory requirement in order to gain environmental clearance; however, they do believe that CSR is an on-going commitment which should be integrated into the core of business objectives and strategy. Firms should not envision CSR as a commercial approach or marketing approach for improving competitiveness of the organisation, but good CSR activities help in corporate appreciation and ensure the sustainability of any organisation.

Managers believe that they create value to society by providing jobs, paying taxes and minimising the negative environmental impacts from the production. However, there are also examples of managers who think that firms should be more directly engaged in societal activities. For instance, support to education and donations (e.g., to music, festivals, sport events, etc.) still remain part of the managerial vocabulary when they talk about societal responsibilities.

6.3 Target Group for discharging CSR

Being a good neighbor is a big part of our philosophy. One of the ways we connect with the communities where we do business is through local giving. The companies are involved in various CSR initiatives but every company is having a target group selected by them to discharge CSR activities so that effective implementation can be ensured to deliver maximum benefits to target group. The respondents were asked to rate level of importance for various groups of people as "very important", "important", "moderate important", "less important" and "very less important". The results are shown in Figure-2.

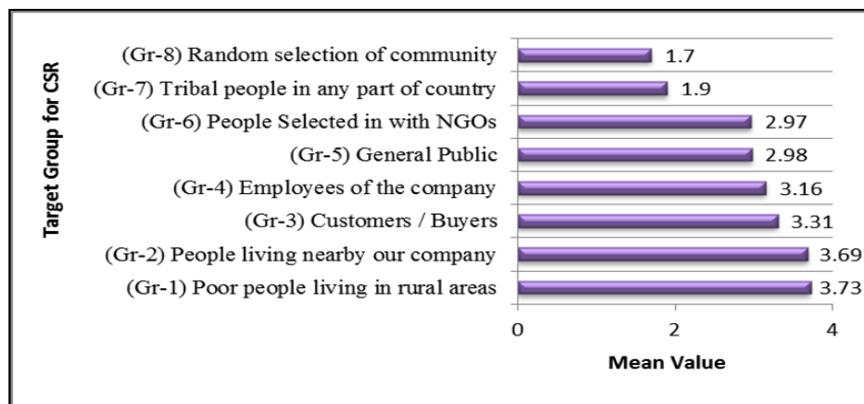


Figure-2: Importance to target group of people to discharge CSR Activities.

Source : Author's Work, Output of SPSS 20.0

It is revealed that companies prefer to discharge CSR activities for four group of people (Gr1, Gr-2, Gr-3 & Gr-4) poor people living in rural areas, for people living in vicinity of company, customers and employees of company respectively (high mean value > 3). Moderately they give preference (2<mean value < 3) to Gr-5 and Gr-6 i.e. general public and

people selected in consultation with NGO's. Least preference is given to Gr-7 and Gr-8 (low mean value < 2). The strategic selection of group of people for discharging CSR activities will definitely provide opportunities to companies for better monitoring and to deliver maximum benefits to them.

The strategic selection of this group enhances the effectiveness of the CSR activities.

Table-2 : Matrix of CSR Initiatives (CI)

Education	Environment	Healthcare	Welfare of Underprivileged Sections	Rural Development	Others Social Issues
CI-1	CI-2	CI-3	CI-4	CI-5	CI-6
<ul style="list-style-type: none"> ▪ Construction of School Building ▪ Merit scholarships to employees /others. ▪ Adult literacy classes. ▪ Vocation training to women and youth. ▪ Scholarships for post graduate studies abroad. ▪ Enhancing teacher's performance. ▪ Funding support to specialized institutions of higher learning's like IITs, IIM etc. 	<ul style="list-style-type: none"> ▪ Recycling of Pollutants / Waste ▪ Tree plantation ▪ Natural resource management ▪ Integrated watershed development ▪ Rain water harvesting programme ▪ Reclaiming of wasteland ▪ Awareness programs in schools/colleges ▪ Energy Conservation. ▪ Power Conservation. ▪ Water Conservation. 	<ul style="list-style-type: none"> ▪ Medical Camps ▪ Mobiles Medical Services. ▪ Pulse Polio Programme ▪ Construction / revamping of municipal hospitals. ▪ Cancer / AIDS awareness, prevention & treatment. ▪ Training of bear foot doctors ▪ Oral health awareness in schools. ▪ Blood donation camps. ▪ National Leprosy eradication ▪ Infant health 	<ul style="list-style-type: none"> ▪ Co-Operative store in Tribal areas ▪ Training for women / Girls. ▪ Computer literacy classes for rural. ▪ Construction of hostel for deaf poor students. ▪ Support to school for mentally challenged children ▪ Free coaching classes in urban slums and shanties ▪ Construction of public Toilets. ▪ Funding of Libraries in slums. 	<ul style="list-style-type: none"> ▪ Agricultural Guidance ▪ Provision of drinking water. ▪ Agricultural Extension ▪ Veterinary Service. ▪ Drip irrigation / Re-Charging of wells. ▪ Rural roads & other infrastructure ▪ Promotion of rural income generation schemes. ▪ Community Welfare. ▪ Community Development ▪ Women Empowerment. 	<ul style="list-style-type: none"> ▪ Protection of wild life. ▪ Construction / maintenance of gardens & fountains. ▪ Support to sporting events. ▪ Welfare works with prisoners. ▪ Welfare work with ex-defense personnel ▪ Income generation activities for women ▪ Micros finance development & document action. ▪ Promoting Indian classical music theatre & art. ▪ Establishment of sangeet Research Academy. ▪ Supporting programs for national integration ▪ Funding conservation of national monuments & heritage ▪ Promotion of Arts & Culture ▪ Promotion of sports ▪ Orphanage ▪ National integration ▪ Save Girl Child ▪ Labor Standards ▪ Employment Protection Rules

Source: Author's compilation

6.4 Involvement of Senior Management in CSR

The pivotal role of management in stimulating organisational transformations has generated a wave of research, which assumes a link between managerial perceptions and organizational behaviour. The underlying logic is that the organisational responses to a subject matter are influenced by the actions of the managers, which in turn are affected by their perceptions, values and belief systems (Hambrick and Mason,1984; Weaver et al., 1999b). It generally happen that even after mandating CSR by Law in India, the involvement of senior management is not to that extent which is assumed to be making it a big success. To know this involvement, respondents were asked to rate the level of involvement of their senior management in CSR activities. The results are shown in Figure-3. It is found that in 41% companies, the senior management is involved "to very great extend" and in 29% companies it is "to great extend". The extent of this

involvement shows a good social alignment and good CSR concentration of senior management. Good social alignment and good CSR concentration means these companies are discharging CSR activities effectively, monitoring and evaluating the outputs of CSR activities and take further corrective and preventive actions to improve more in case of less results. Here, generally, the managers seem to consider CSR as reasonably well-integrated in the company's everyday practices. However percentage involvement of 17%, 9% and 4% indicate less social alignment and poor CSR concentration; which further means that these companies are not taking CSR activities seriously indicating lack of social commitment and less employee's CSR interest.

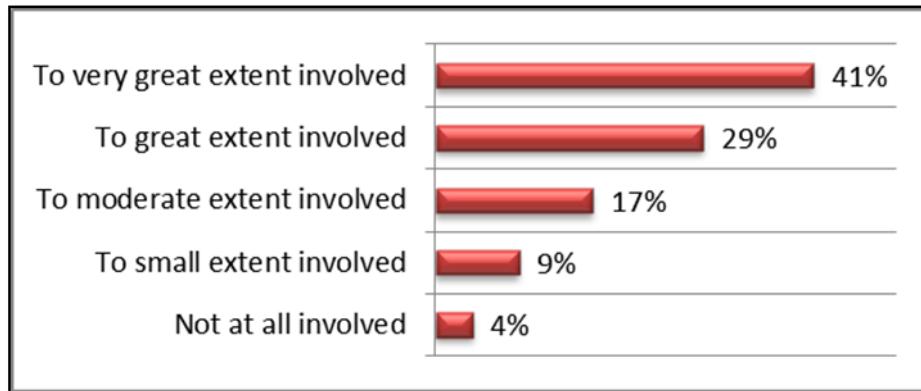


Figure-3: Involvement of senior management in CSR Activities.

Source : Author's Work

6.5 CSR effect on financial performance

CSR should also be sustainable – involving activities that an organization can uphold without negatively affecting their business goals. Most corporate social responsibility projects won't deliver an immediate boost to your company's financial performance. But implemented sincerely and leveraged cleverly, they can bring positive publicity, enhance your corporate reputation, and deepen customer engagement – in addition to giving you the satisfaction of knowing you've truly assisted someone in need. The respondents of surveyed companies were asked to rate the effect of CSR on financial performance of the company. The results are shown in Figure-4. 82.4% of the respondents were in favour of the said notion. But 16.5% of the respondents were silent due to having no idea of CSR effect on financial performance. Only 1% of the respondents believe that there is negative impact of CSR on financial performance of the company. Literature often highlights a positive and statistically relevant connection between CSR and financial measures of firm's performance (Christmann, 2000; Dowell et al., 2000; Dumitrescu & Simionescu, 2013; Golicic & Smith, 2013; Hart & Ahuja, 1996; King & Lenox, 2001; Klassen& McLaughlin, 1996; Russo &Fouts, 1997). The majority of researchers agree that superior CSR performance is linked to better financial performance (Margolis & Walsh, 2003) and report a causal relationship in both directions (Berchicci & King, 2007).

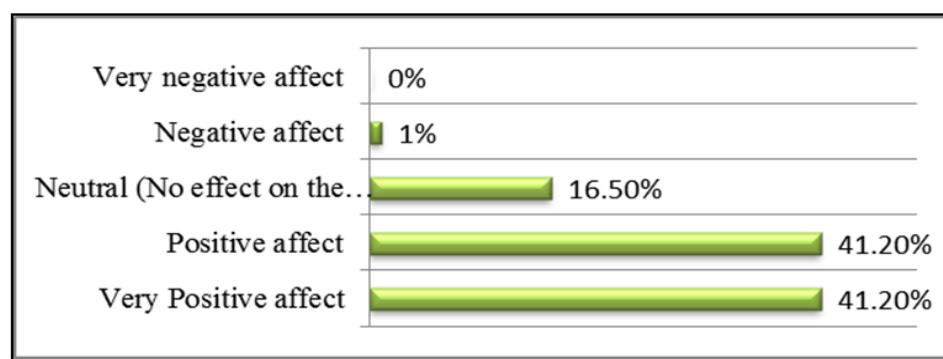


Figure-4: CSR effect on financial performance of company

Source : Author's Work

6.6 CSR Training Programs to enhance understanding of CSR

Managers are important change agents and their awareness of and commitment to CSR are widely recognised as key success factors for the implementation of social and environmental initiatives (Jenkins, 2006; Mamic, 2005; Pedersen, 2006a; Weaver et al., 1999a). Therefore for effective implementation and to get maximum benefit out of CSR, it is

necessary to conduct regular quality training programs in the organisations as well as outside the organisations specially designed to help stakeholders create a meaningful CSR environment. To know the current status of such events in case companies, the respondents were asked to inform about status of conducting training program on CSR. The results are shown in Figure-5. It was revealed that only in 61% companies, CSR training programs were conducted, which is really a point of serious concern.

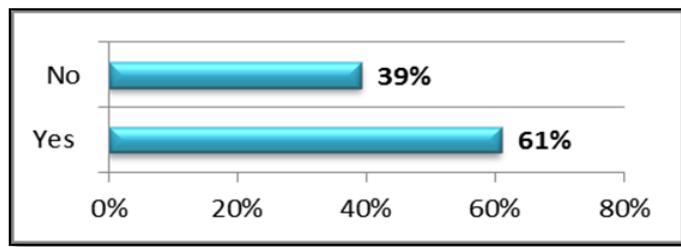


Figure-5: CSR Training program by companies

Source : Author's Work

In India, Confederation of Indian Industry (CII) India's largest industry body has taken a noteworthy lead in promoting CSR amongst its membership. It has adopted a set of positive example to other industry bodies in India such as FICCI (Federation of Indian Chambers of Commerce & Industry) which have also held CSR related events. Indian companies must join hands with CII and FICCI for conducting CSR programs & events.

6.7 CSR Cell or Department

For effective implementation of CSR activities, it is good to have separate CSR cell or department with CSR manager and his team. In response to the question- if there is a CSR cell or department in your company looking exclusively for CSR activities? The responses are shown in Figure-6.

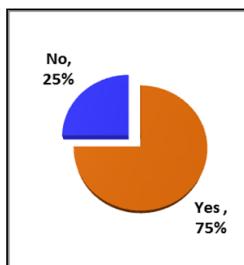


Figure-6: CSR cell or department availability

Source : Author's Work

During the discussion with respondents with answer “no” to this question, they informed that CSR activities are looked after additionally by Human Resource and Administration & Personnel Department.

6.8 CSR Reporting on Website

In response to our question that whether your companies publish CSR reports on website of the company, the responses received are shown in Figure-7. The 80% of surveyed companies are publishing CSR reporting and 20% of them are not publishing. During the discussion with respondents having “No” response, they informed that they are the beginner in CSR and such CSR reporting will be part of our CSR activities in near future.

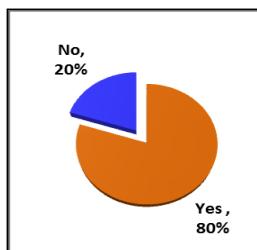


Figure-7: CSR Reporting on company website

Source : Author's Work

7. Conclusion

The results of the empirical investigation demonstrate that CSR in India is now business imperative and significantly understood and appreciated by surveyed organisations. Corporate Social Responsibility under the Companies Act, 2013 enables the companies to engage in social welfare activities and to take part in the development of the society. A manager in one part of a company may perceive CSR a source of competitive advantage whereas another considers these initiatives as a public relations exercise. Likewise, the company may be proactive in one CSR area whereas they are reactive in another. Though most of the surveyed organizations realize the important of CSR activities and initiatives but most of their activities and initiatives are concentrated on education and environment.

The effective CSR initiatives are those derived from careful analysis of each organization's unique culture, competencies, and strategic opportunities. Strategic CSR programs provide opportunities for organizations to learn from the projects they invest in and use that knowledge to build the organization's core competencies, while simultaneously improving social or environmental conditions. Some the organizations referred to activities and initiatives like welfare of underprivileged sections, healthcare, rural development and other social activities. *So this study revealed that CSR has become progressively projected in the Indian corporate setting because organizations have recognized that besides growing their businesses, it is also important to shape responsible and supportable relationships with the community at large including almost all group of people preferably to poor people in rural areas, nearby community and customers& employees of company. CSR initiatives in India increasingly include lobbying for legally enforceable corporate standards that apply to all firms.* Thus surveyed companies in India embrace CSR practices to follow the regulatory guidelines as well as develop CSR practices opportunistically and politically.

The *significant engagement of top management in setting up of CSR policies, deciding CSR activities, integrating CSR as a business strategy into their policies and practices and discharging CSR activities effectively in India will really take CSR to new heights.* This study also revealed that *there is positive impact of CSR on the financial performance of company.* The successful implementation of CSR activities requires effective training as far as CSR executive team is concerned. The CSR champion has to ensure this training is undertaken through the right channels on a regular basis. *But India is lacking in providing CST training; which need to be given more thrust for a big success of CSR.* Let, CSR be part of company strategy and budget and be treated like an actionable business agenda. CSR agenda should carry the stake holder approach by a corporate and not a charity oriented approach.

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