

# Sectoral Transformations in CSR Arena (An Indian Perspective)

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## Abstract

Corporate social responsibility is the buzz word and has remained in the circles of profit and non-profit organizations. People of the nations from the time and again expect much from these organizations that they should give back of what they had taken from the society at large. Under CSR the corporate houses spend some amount of their profits on various public welfare schemes viz. Education, Healthcare, Environment protection, Development of slum areas so on and so forth. Since last few years the amount to be spent on CSR activities has changed its character from mere philanthropy to an obligatory percentage to be spent on these activities under a proper legal framework. The present study is an effort to know the sectoral transformation in CSR arena which seeks to find the changes that has taken place in various aspects related to CSR activities. It is observed in the study that many new sectors which were not paid any attention in the recent past are now getting due attention at the time of spending amount on CSR activities. These all comprehensive sector and area are provided in the schedule – VII of companies Act, 2013. At the same time the study has noticed that though companies prescribed a huge amount as per law to be spent on CSR activities, but the actual amount spent is far lesser than what was prescribed.

**Key Words:** Corporate Social Responsibility, Philanthropy, Transformation, Global Evidences,

## 1. Introduction to Corporate Social Responsibility

Corporate social responsibility and corporate sustainability movements are building an impressive momentum with support from governments and the investment community through socially responsible investing (SRI) and associated corporate sustainability indexes. There is no doubt that businesses are doing far more than ever before to tackle the sustainability challenge by recognizing their social responsibilities, reducing their environmental impacts, guarding against ethical compromises, creating governance transparency and becoming more accountable to their stakeholders.

Corporate social responsibility is the buzz word and has remained in the circles of profit and non-profit organizations. People of the nations from the time and again expect much from these organizations that they should give back of what they had taken from the society at large. In fact, corporate social responsibility is something that must found its genesis and origin from the souls of the entrepreneurs and it must originate from within the corporate house inner will. No doubt CSR found its roots in Philanthropy, which was there since ancient times, but, in the recent past the efforts are on to give this philanthropy a legal framework. This legal framework was necessitated because most of the corporate houses were using the delay delaying tactics about amount to be spent on CSR activities.


Presently a strong and sound legal structure is envisaged in the Companies Act with regard to amount to be allocated for CSR initiatives. Few decades ago corporate houses use to spend the allocated amount for CSR activities in few prominent areas viz. Education, Development of slum areas, Healthcare, etc. but in the recent past the areas which are covered under CSR activities are of wide range and much scattered.

The idea of Corporate Social Responsibility (CSR) has been a topic of discussion since 1950s. However, it wasn't until much later that people started understanding its meaning, significance and impact. CSR, in the form that we see today, became popular after it was defined by Archie Carroll's "Pyramid of Corporate Social Responsibility" in 1991. Its simplicity, yet ability to describe the idea of CSR with four areas, has made the pyramid one of the most accepted corporate theories of CSR since. Carroll's pyramid suggests that corporate must fulfil responsibility at four levels – Economic, Legal, Ethical and Philanthropic<sup>1</sup>. At lower level of the pyramid there comes economic responsibilities which signifies that business should behave responsibly and earn enough profit in order to survive and to pay various expenses viz. salary and welfare expenses to manpower, operating expenses to run the business, to invest in current and fixed assets, to pay to various stakeholders, and to achieve economic objective of business, etc.

After economic responsibilities there comes legal responsibilities i.e. the business must obey the law of the nation. It must fulfil the obligations envisaged by the law such as labour laws, environment protection laws, child labour laws, safety laws, direct and indirect taxation laws, industrial laws, and other laws for which the business may have direct or indirect association. Until unless a business at a large obey the law, its stakeholders will not treat it as law abiding organization. On the second last slot from the

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<sup>1</sup> 'Carroll's Pyramid of CSR: taking another look' by Archie B. Carroll, published in *International Journal of Corporate Social Responsibility*, Article number: 3 (2016), 05 July 2016.

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top the pyramid there appears ethical responsibilities to be fulfilled by the business. The ethical responsibilities mean a business should behave ethically i.e. it must not opt the way of operation which is unethical. There are many occasions on which a business can take benefit of the situation and may resort to many short cuts and take advantage by resorting to unethical ways, on these occasions the business must work ethically. So ethical responsibilities occupy a holistic view and ensure the sustainability of the organization. On the top of the pyramid there comes Philanthropic responsibilities. In this category a corporate house must behave in a responsible manner and be a good corporate citizen as desired by society. A good corporate citizen means the corporate is also a citizen and like a good citizen it must fulfil all its responsibilities towards various stakeholders. Presently the concept of CSR is taken in a broader and comprehensive manner and this can be better understood with the help of the figure given below:

**Figure 1**



Source: [https://www.researchgate.net/figure/Corporate-Social-Responsibility-CSR\\_fig1\\_303975125](https://www.researchgate.net/figure/Corporate-Social-Responsibility-CSR_fig1_303975125)

## **2. CSR Vs Corporate Philanthropy- Myth or Reality?**

Commonly the terms CSR & Philanthropy are used as synonyms but there is difference between both concepts. Philanthropy means to make financial contributions towards welfare of society. However, majority of instances, the philanthropists are satisfied to help a motive from distance. However, they might now not want to get worried beyond that. CSR at the contrary is going beyond that. CSR is set making the middle enterprise features of a company more sustainable.

A CSR application does no longer only benefit the society, but additionally the enterprise in shape of progressed morale, increased staff retention, satisfying expectations of, attracting new enterprise, and differentiation from competition. That is because a CSR software requires involvement from all the stakeholders which include personnel as well as the network. CSR efforts can make a commercial enterprise appearance socially accountable. It can build a goodwill among its stakeholders which could construct dependable customers and nice brand recognition. Corporate Philanthropy and Corporate Social Responsibility both are for upliftment of the society. At the company level, philanthropy is practiced in lots of exclusive methods.

Many corporations genuinely donate cash to reasons that are supposed to bring about social alternate. They will or may not region their emblem on the reason and take credit score for the resources provided. This kind of giving often takes place without any direct involvement out of doors of the budget presented. The concept at the back of philanthropy entails making an effort to drive social change. On the other hand, Corporate social responsibility directly entails the corporation's enterprise model and its commercial enterprise practices. Failing to cope with community health and environmental outcomes directly means that the enterprise is harming the community, instead of serving the community. For example, The Pharmaceutical company manufacturing medicines but polluting the environment is no longer conscious about the society. Any inner procedure that outcomes in poor influences on the environment or network health should be addressed and stepped forward if the business enterprise wants to make any claim at CSR. Through the usage of era, Reliance has made widespread progress in achieving out to people with numerous offerings which includes statistics advisories, digital classrooms, digital sports activities clinics, and document-keeping of patients, among others. The scope of Philanthropy is narrow than Corporate Social Responsibility. Philanthropy is a part of CSR. CSR includes not only investing wealth for upliftment of society and other stakeholders but also implementing appropriate strategies for the sustainable development, human rights, environmental protection, poverty eradication etc.

### **3. Global Evidences of CSR and Indian Scenario**

With industrialization, the impacts of business on society and the environment assumed an entirely new dimension. The “corporate paternalists” of the late nineteenth and early twentieth centuries used some of their wealth to support philanthropic ventures. By the 920s discussions about the social responsibilities of business had evolved into what we can recognize as the beginnings of the “modern” CSR movement<sup>2</sup>.

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<sup>2</sup>Corporate Social Responsibility and the challenges ahead’ by [Singh & Associates](#), available at <https://www.lexology.com/library/detail.aspx?g=b22d13e7-1640-413b-9832-8a4d5454e8ab>

It was in 1929, that the Dean of Harvard Business School, Mr. Wallace B. Donham commented in his speech delivered at North Western University:

*“Business started long centuries before the dawn of history, but business as we now know it is new - new in its broadening scope, new in its social significance. Business has not learned how to handle these changes, nor does it recognize the magnitude of its responsibilities for the future of civilization.”*

*Most of the corporates of the world are always interested in CSR activities intentionally or unintentionally. The question is why they are so much interested in CSR initiatives, it is because it can create a positive impression among the stake holders viz. Customers, Suppliers, Communities/Societies, Employees, shareholders, Environmentalists, etc. It has remained to be an open secret worldwide that no business can ever work in vacuum and it has to consider the stakeholders while taking various inputs from them. Throughout the world the benefits of CSR initiatives are more or less the same and it is for this reason that globally the CSR activities are accelerating.*

*The prominent factors at global level which are providing stimulus to CSR efforts are growing requirements of disclosures at various levels; enhanced customer interest in the functioning of business and expectations from the enterprises; pressure created by investors in the form of making more investments and withdrawing their investments from the corporate; employees growing concern about the wellbeing of themselves and increased participation in the functioning of the business; environmentalists becoming more conscious about the components of environments viz. ozone layer concerns; pollutions of various kinds; global eco system;etc.*

*Above discussed factors are not only becoming the cause of undertaking CSR initiatives, but at the same time the companies are getting real time benefits of these activities as well. Some of the benefits which are being derived from these activities may be:*

- ❖ *Enhanced Brand Image and the reputation of corporate by imbibing the feeling of giving back to the society*
- ❖ *Increased level of loyalty among the staff*
- ❖ *Easy availability of funds in the form of oversubscription of capital issue due to feel good factor about the corporate*
- ❖ *Faith of the government in the corporate due to higher level of law enforcement and implementation by the corporate*

- ❖ *Getting and retaining smart workers and thereby reducing labour turnover and absenteeism*
- ❖ *Increased market share in the form of sales volume and retaining of old customers*
- ❖ *Due to the corporate investment in Health, education and other areas under CSR activities the developmental parameters of the society go up*
- ❖ *Integration of environmental management tools into business plans, including life-cycle assessment and costing, environmental management standards, and eco-labeling.*
- ❖ *Corporates become more answerable about material recyclability, the extent of use of renewable resources increases.*

*Globally many big corporate houses are working hard to make their impression in the field of CSR. They are taking up comprehensive steps and are including environment friendly sustainable initiatives to properly respond to the societal needs. To quote one multinational corporation i.e. Apple which is covering a wide range of areas like carbon footprint, reduction of carbon emissions, use of power of sun, wind, and water to fulfil electricity needs, use of cleanest energy and renewable energy, etc. The table given below shows how year by year the emission level is decreased by Apple.*

**Figure 2**  
*Apple Scope 1 & 2 Building Emissions*



**Source:** Apple Environment Responsibility Report (2016 Progress Report) p 10.

Another important issue while dealing with CSR at global level is that what are the determinants of CSR strategies. Most of the Multinational Enterprises (MNEs) face this issue as they have to operate at global level and at local levels as well. Therefore, it captures the challenge facing MNEs of adopting globally integrated, versus locally responsive, CSR

strategies<sup>3</sup>. While analyzing the particular case of India it is noticed that a remarkable journey is covered in the field of CSR and its literature. Below is the table which presents the gradual milestones achieved in India in the last decade in the arena of CSR.

**Table 1**

<b>YEAR</b>	<b>SIGNIFICANT MILESTONES IN EVOLUTION OF RESPONSIBLE BUSINESS CONDUCT IN INDIA</b>
<b>2009</b>	Corporate Voluntary Guidelines released to encourage corporates to voluntarily achieve high standards of Corporate Governance
<b>2011</b>	Endorsement of United Nations Guiding Principles on Business & Human Rights by India
<b>2011</b>	National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released to mainstream the concept of business responsibility
<b>2012</b>	Securities and Exchange Board of India (SEBI) mandates top 100 listed companies by market capitalization to file <i>Business Responsibility Reports (BRR)</i> based on NVGs.
<b>2013</b>	Enactment of Companies Act, 2013
<b>2014</b>	Section 135 of Companies Act, 2013 on Corporate Social Responsibility (CSR) comes in to force.
<b>2015</b>	High Level Committee on CSR (HLC-2015) under the chairmanship of Shri. Anil Bajjal makes recommendations on the CSR framework and stakeholder concerns.
<b>2015</b>	SEBI extends BRR reporting to top 500 companies by market capitalization.
<b>2016</b>	Companies Law Committee reviews the recommendations of HLC-2015 for adoption.
<b>2018</b>	The second High Level Committee on CSR constituted under the Chairmanship of Shri. Injeti Srinivas, Secretary, Corporate Affairs to review the CSR framework

<sup>3</sup> 'Drivers of Global CSR Integration and Local CSR Responsiveness: Evidence from Chinese MNEs' by Christof Miska, Michael A. Witt, and Gunter K. Stahl, *Business Ethics Quarterly*. DIO:10.1017/beg 2016.13 (July 2016)

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**2018** Committee on Business Responsibility reporting constituted under the chairmanship of Shri. Gyaneshwar Kumar Singh, Joint Secretary, Corporate Affairs

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**2018** Zero Draft of National Action Plan on Business and Human Rights released by Ministry of Corporate Affairs

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**2019** National Guidelines on Responsible Business Conduct released.

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**Source:** Report of the High-Level Committee on Corporate Social Responsibility 2018, published by Ministry of Corporate Affairs, Government of India. P 19

## **4. Objectives of the Study:**

Corporate social responsibility has become a normal for the profit as well as non-profit organizations. And since the time immemorial organizations are undertaking it in one way or the other. In the initial stages it was better known as making charity and donations for the benefits of the society, a little later it was done in the name of corporate philanthropy, and presently it is known as corporate social responsibility. In the initial stages of charity and donations only few areas such as giving donations to religious places and to educational institutions was suffice. But, with the passage of time, more and more stakeholders' interventions are noticed. People have become more interested and concerned about the working of the corporate houses.

Now they have greater say in the affairs of the organizations and in fact law of the land is also supporting to these groups. Presently spending money on CSR activities has no more remained to be dependent on the sweet will of the companies, rather it has become an obligatory affair and a particular portion of the profits must be kept separate for CSR activities. Corporate houses have also started feeling that when they have to spend the money then why not in consonance with areas as are prescribed by the Companies Act. It is because of this feeling that today many such areas are covered under CSR which were not even thought of initially. This journey from few areas to wide range of areas is said to transformation in CSR arena. The present piece of research is undertaken by keeping following objective in the mind.

- ❖ To study the rationale of CSR activities in a country like India.
- ❖ To analyze the CSR activities which are presently being undertaken by Indian corporate houses
- ❖ To analyze the trends in the transformation of CSR activities



## **5. Transformation in CSR Arena-An Indian Perspective:**

The inclusive of CSR activities which are noticed at present were not there in the beginning and with the passage of time some activities are more stressed upon, whereas some are ignored. As is mentioned in earlier sections also that initially the term used for spending amount on the society was known as philanthropy and that was something which was voluntary. At present with each passing day new corporate are getting their selves lined up for CSR participation. CSR awareness and CSR consciousness has grown dramatically among large and medium-sized companies, which now look at CSR to build a strategic fit with the community and environment in which they operate. Broadly, the CSR mandate has been aligned with national priorities such as public health, education, livelihood, water conservation, natural resource management, etc. More importantly, it has generated national interest and debate on its potential role, and, the responsibility of the corporate sector in achieving Sustainable Development Goals (SDGs)<sup>4</sup>.

Basically, as per Companies Act, 2013 section 135 is introduced and this section provides in detail about various elements of CSR viz. Constitution of CSR committees, Role of CSR committees, amount to be spent on CSR activities, treatment of unspent amount, and what are the prescribed activities which are to be included in the category of CSR.

As per section 135(1) of Companies Act, 2013 following Companies having:

- ❖ Net worth of Rs. 500 crore or more
- ❖ Turnover of Rs. 1000 crore or more
- ❖ Net profit of Rs. 5 crore or more

Shall constitute Corporate Social Responsibility committee of the board consisting of 3 or more directors, out of which 1 director shall be independent director.

Board of every Company as referred in Section 135(1) shall ensure company spends at least 2% of average net profits of the company made during the 3 immediately preceding Financial Years. Schedule VII of Companies Act 2013, also specifies the areas or segment where the amount earmarked for CSR may be spent.

Companies are now working hard to work according to the guidelines provided by section 135 of the companies act regarding the segments where the amount is to be spent. These guidelines make it clear that any areas of the choice of company will not work now and only those areas as are specified by law may be entertained for the purpose of CSR initiatives. The areas specified by Companies Act also reflects the intent of transformation from the old mindset of the corporate to spend the amount in few prominent areas to a comprehensive holistic approach and include those areas which needs

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<sup>4</sup> Report of the High-Level Committee on Corporate Social Responsibility 2018, published by Ministry of Corporate Affairs, Government of India.

urgent attention but were ignored. Presently section 135 has become the torch bearer and corporate have formed CSR committees to oversee and ensure that the amount must be spent and channelized only in those areas as are envisaged in the Companies Act, 2013.

Taking the case of ITC group which is known for its CSR activities, in its report of sustainability 2015-16 has given the data regarding extent to which they have initiated on the guidelines provided by Companies Act, 2013 about CSR areas to be covered.

**Table 2**

ITC's interventions of CSR as proposed by Schedule – VII of Companies Act, 2013

Areas listed under Schedule – VII to the Companies Act, 2013	ITC's interventions (including through Trusts established by the Company)
(i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh setup by the Central Government for the promotion of sanitation and making available safe drinking water.	Health & sanitation, drinking water, contribution to Swachh Bharat Kosh
(ii) Promoting education, including special education and employment enhancing vocation skills specially among children, women, elderly, and the differently abled and livelihood enhancement projects.	Education, vocational training, livestock development and livelihoods generation
(iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	Women empowerment
(iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga.	Environmental sustainability soil & moisture conservation and wasteland development
(v) Protection of national heritage, art and culture, including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts.	Protection of national heritage, art and culture
(vi) Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports.	Sports
(vii) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the schedule castes, the scheduled tribes, other backward classes, minorities and women.	Contribution to the Prime Minister's National Relief Fund
(viii) Rural Development projects.	Agri development

**Source:**Sustainability Report ITC Group, 2015. p73

Further, ITC group is taking the intent of Schedule – VII in a true spirit and tried to cover almost what is provided in it. For instance, the amount spent by ITC group on education sector in general and vocational training in particular, shows a very promising upward trend. The students enrolled under CSR vocational training programme were 2443 in the year 2013-14 which were increased to 13180 in the year 2014-15, and the Cum figure in 2014-15 rose to 19495. The data of students placed also shows a very optimistic trend which rose to 3280 in 2014-15 from 279 in the year 2013-14. The table given below makes the pattern as regard to Education related CSR activities clearer.

**Table 3**  
Education Oriented CSR Initiatives by ITC Group

Activity	2013-14	2014-15	Cum to 2014-15
<b>Education</b>			
Govt Schools Infra support (Nos.)	47	147	1,158
Children covered (Read India & SLC)	0.30	0.70	4.06
Children covered through Read India Plus (Nos.)	0.23	0.36	0.60
<b>Vocational Training</b>			
Students enrolled (Nos.)	2,443	13,180	19,495
Students placed (Nos.)	279	3,280	4,477

**Source:** Sustainability Report ITC Group, 2015. p158

In order to compel corporate to spend the money on the heads provided in the schedule – VII, it was very pertinent that there should be provision of penalizing those companies which are not spending the money on CSR activities. Section 135 specifically provides with amendment regarding treatment of unspent amount on CSR activities and provides for penalties if the unspent amount is not spent or the unspent amount is not parked in the way the law expects from us. In this case in case of failure to comply with the provisions of section 135 regarding treatment of unspent amount the penalties shall be imposed

Indian corporate houses are spending money on CSR activities very liberally now in order to harvest the benefits of these initiatives. But as reported by Indian Express in its March 2018 issue titled CSR Spend in 2016-17: Hunger, Poverty eradication & Healthcare take Back seat, Corporate social responsibility (CSR) expenditure by India Inc towards eradication of hunger and poverty, and

promotion of healthcare and sanitation took a back seat in 2016-17 as the total spend on the activity fell Rs 549 crore or 18.6 per cent from Rs 2,944 crore in 2015-16 to Rs 2,394 crore in 2016-17. While the India Inc's overall CSR expenditure for 2016-17 rose 7 per cent to Rs 9,034 crore, activities such as promotion of education, vocational skill development, environmental sustainability and slum development got precedence from Indian companies during the year.<sup>5</sup>

**Table 4**

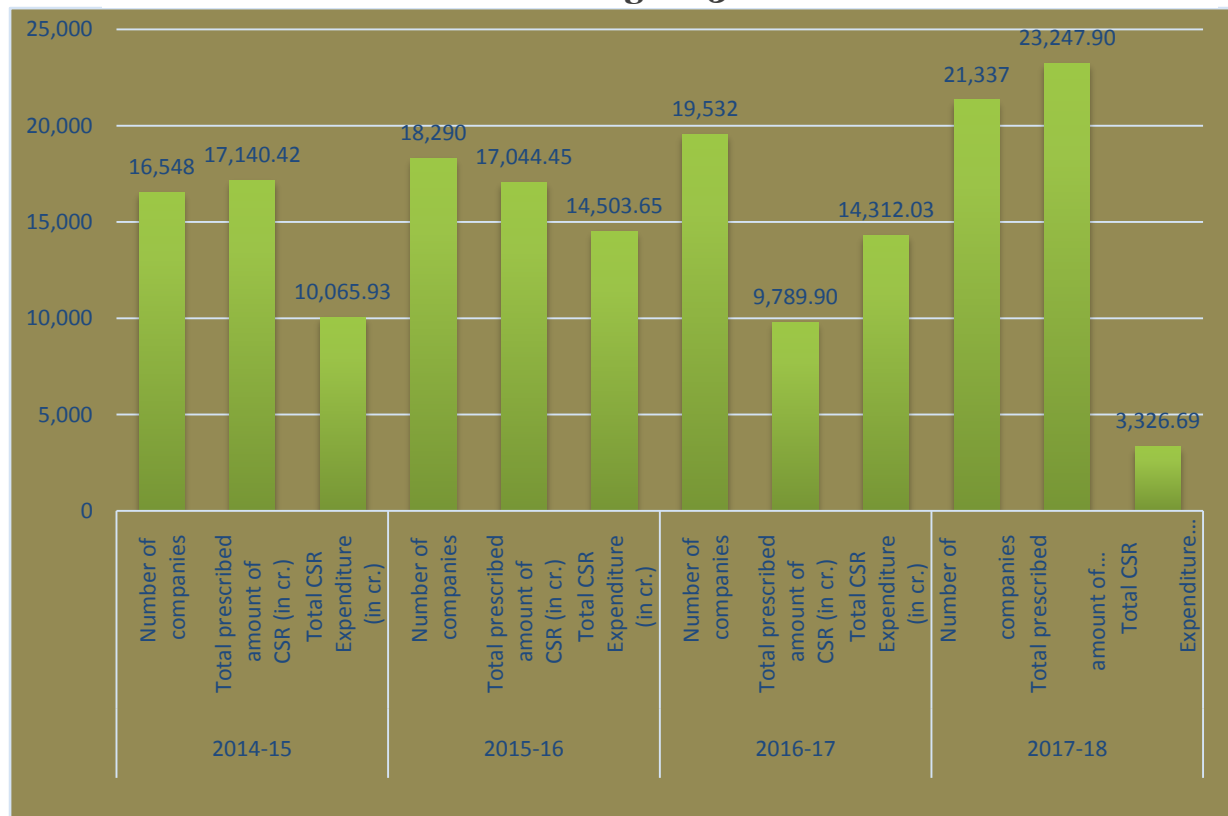
**Total prescribed amount of CSR and Total CSR expenditure-Slab-Wise**

Slabs based on Prescribed CSR Amount for companies	2014-15			2015-16			2016-17			2017-18		
	Number of companies	Total prescribed amount of CSR (in cr.)	Total CSR Expenditure (in cr.)	Number of companies	Total prescribed amount of CSR (in cr.)	Total CSR Expenditure (in cr.)	Number of companies	Total prescribed amount of CSR (in cr.)	Total CSR Expenditure (in cr.)	Number of companies	Total prescribed amount of CSR (in cr.)	Total CSR Expenditure (in cr.)
less than 10 lacs	7,434	179.04	485.45	7,366	251.60	957.16	7,395	274.61	828.04	7,970	299.12	1,203.12
10 lacs and above to 50 lacs	6,345	1,331.91	636.46	7,800	1,624.95	1,319.04	8,562	1,797.87	1,159.07	9,317	1,996.28	1,124.72
50 lacs and above to 1 cr	1,200	842.04	375.81	1,385	971.04	639.94	1,582	1,102.36	735.40	1,747	1,219.77	708.09
1 cr and above to 5 cr.	1,157	2,457.72	1,360.18	1,304	2,772.90	1,849.40	1,493	3,143.96	2,096.08	1,729	3,633.19	2,052.61
5 cr. and above to 10 cr.	202	1,437.35	721.00	211	1,489.61	1,085.20	243	1,706.26	1,279.00	285	2,048.44	1,170.82
10 cr. and above	210	10,892.36	6,487.03	224	9,934.36	8,652.90	257	11,764.84	8,214.43	289	14,051.11	7,067.33
<b>Grand Total</b>	<b>16,548</b>	<b>17,140.42</b>	<b>10,065.93</b>	<b>18,290</b>	<b>17,044.45</b>	<b>14,503.65</b>	<b>19,532</b>	<b>19,789.90</b>	<b>14,312.03</b>	<b>21,337</b>	<b>23,247.90</b>	<b>13,326.69</b>

Report of the High-Level Committee on Corporate Social Responsibility 2018, published by Ministry of Corporate Affairs, Government of India. P 33

<sup>5</sup>CSR Spend in 2016-17: Hunger, Poverty eradication & Healthcare take Back seat, published by Indian Express, March 5, 2018.

**Figure 3**



**Prescribed Amount of CSR and Total CSR expenditure**

**Source:** Report of the High-Level Committee on Corporate Social Responsibility 2018, published by Ministry of Corporate Affairs, Government of India. P 33

Above table shows the data pertaining to the number of companies involved in the CSR activities, total amount prescribed for the CSR activities, and the actual expenditure on CSR activities. With regard to number of companies involved in CSR activities, an upward trend is noticed from the year 2014-15 when the number of companies was 16548 and in the next year this figure rose to 18290, which further rose to 19532 in the year 2016-17, and finally in the year 2017-18 this figure reached at 21337. Amount prescribed to be spent on CSR activities is also exhibiting an upward trend, it was 17140.42 crore in the year 2014-15 which finally rose to 23247.90 Crore in the year 2017-18. The situation is not so promising in case of actual amount which is spent on CSR activities by the companies. It is noticed that each year the companies prescribed a big amount for CSR activities, but the actual amount spent is very less in comparison to what was to be spent out of the prescribed amount. This trend is noticed not only in one year but in all the year under consideration.

## **6. Finding and conclusion**

Spending amount on Corporate social responsibility activities is now a must presently and no company can think to exist without being ready to enter in CSR initiatives. It is prerequisite for CSR to

be a successful programme that apart from the legal obligation, these activities must have some sort of philanthropic feeling as well. Until unless a corporate house with a clear-cut vision and mission for these activities along with a will to do some societal wellbeing, these activities shall remain to be more of formalities. Of course, the company law has provided that the corporate houses need to park a percentage of their profit for these activities. The law also provides the areas which are considered as CSR activities, but a very important question is, are the corporate really willing to do what is being prescribed by the law in this regard like formation of CSR committees, areas where the CSR activities must be carried out, duties of companies with regard to maintenance of record of CSR activities? For all these obligations on the part of corporate houses, it is very important that these organizations must not consider these activities as burden. They must understand that basically it is a give and take process, if the business house spends some amount on these initiatives, it does not go ignored and the society duly recognizes all these efforts. In the present study it was noticed that though law has provided a widespread area in which the CSR activities may be carried out, but the corporate houses are venturing into few areas only of their choice.

These type of selections on the part of corporate houses shall result in lopsided fulfilment of CSR intent of the law. Therefore, law must also monitor the percentage amount to be spent on each constituent of activities prescribed by the schedule – VII of the company Act, 2013. Another issue that needs to be answered is the amount which remains unspent out of the prescribed amount, law must be stringent on this issue because when money is prescribed then why it is not being spent on toto. The data from 2014-15 to 2017-18 suggests that a huge amount is parked for these activities but out of this amount a large portion is being unspent. This trend may be an indicator of lack of willingness and absence of planning for these activities. Therefore, corporate houses must take the legal provisions in lateral sense and constitute CSR committees so that a due attention may be given to adherence of CSR provisions and the intent of the law must be achieved along with societal wellbeing.

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