

Sustainable Innovations in CSR for the Less Privileged

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Abstract--*Corporate Social Responsibility is a much talked about subject in India especially after enactment of Companies Act, 2013. The underlying motive is that Corporate Companies must give back something to society as their very existence is dependent on the services they get from the society. CSR is not only about providing furniture to schools or installation of some RO plants, laying of few roads etc.. The CSR activities should be able to create long lasting impacts, bring changes in the quality of life of citizens. To achieve this objective there is need to focus on innovative CSR programmes. The innovative approaches in CSR should focus more on preservation of ecology and environment, employment generation, empowerment, of women and the marginalized groups. Special attention needs to be given to differently abled persons. The very purpose of CSR philosophy is to touch the lives people in their environment. In order to achieve this objective, the Corporates shall carry out their CSR activities directly in co-ordination with the local communities. The Corporate Companies may consider funding innovative programmes like providing Bike Ambulances in remote and tribal areas, low cost Sanitary Napkin making units, Artificial Limbs, wheel chairs in government hospitals, bus and railway stations and other public places. Innovatively, the corporates, wherever feasible, shall join hands together and take up projects jointly for creating bigger impact. This literature review focuses on CSR programmes being implements by various corporate companies in India, shortcomings and the need for undertaking innovative and sustainable CSR programmes.*

Key Words--*CSR, Innovations, Sustainability, empowerment, Corporates.*

I. INTRODUCTION

Corporate Social Responsibility in India is gaining more attention in India after enactment of Companies Act, 2013. Till the enactment of Companies Act, 2013, the Corporate Companies were undertaking various developmental activities in their operational areas. Neither, the quantum of works nor the amount of money to be spent by the Corporates was not prescribed. As summarized by Berle (1959) the company is not merely a legal institution. It is rather a legal device for the attainment of any social or economic end and to a large extent this is done publicly and by being socially responsible. It is a known fact that Corporations derive wealth and earn profit from society. It is the society which grants legitimate permission to business organizations to operate their activities.

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Hence, it is a moral and ethical duty for the business world to pay back to society which has allowed them to do business and earn profits.

Economy needs to be democratized like politics to share wealth has and create equal opportunities to all citizens without discrimination. Let us not misunderstand that CSR is not just about funding the developmental works, it should also aim at changing the mind set of people on issues like gender inequalities, encourage scientific temperament, advancement of research and development. Earlier, companies used to decide which activities are to be done under their CSR programmes. In contrast, civil society and government are now involved in defining and securing the responsibilities of business. There is a paradigm shift from Corporate-centered to Corporate-oriented CSR. The main objective of CSR activities is to win the trust, confidence and goodwill of the community. The firm will get co-operation of the locals to carry out the operations smoothly. As pointed by C.K.Prahalad, famous management guru, it is a win-win situation whereby companies make profits and the community will have access to better quality of life.

CSR is a very wide and complex subject. It is difficult to give a single definition of CSR as various theorists and practitioners of CSR defined the concept from their own perspective. However, for the purpose of understanding the nature of CSR, few definitions are given below. According to World Business Council for Sustainable Development (WBCSD, 2000, P. 9), "CSR is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large". Carroll explained CSR as "A combination of economic responsibilities, legal responsibilities, ethical responsibilities, and philanthropic responsibilities metaphorically through a pyramidal shape"

European Community defines CSR as "A concept whereby companies decides voluntarily to contribute to a better society and to a cleaner environment. It is a concept whereby companies integrate social and environmental concerns in their business operations and interaction with their stakeholders on a voluntary basis.

II. NEED FOR THE STUDY

The need for study is more relevant more so after the enactment of the Companies Act, 2013. Every organization like Public, Private, Small, Big, Village, Urban are into some or the other CSR programmes. Awareness of the public and its expectations on CSR spending is rising day by day. The very purpose of CSR is to touch the lives of the needy and marginalizes sections of the society. Hence, there is a need to study whether any specific programmes are being undertaken by the organizations to touch these very less privileged sections of the society.

III. OBJECTIVES OF THE STUDY

- i) The main objective is to analyze the CSR activities carried out by Corporates in India for the less privileged.
- ii) Understand the issues in implementation and suggest ways for achieving better results.

IV. METHODOLOGY

This paper is based on secondary data like few books authored by professionals, published journals and the websites of select companies.

History of CSR in India

The roots of CSR are very deep in all the religious texts i.e. Hinduism, Islam, Christianity, Confucian, Jewish etc.. They preach that obligations of rich and people endowed with resources are to treat others fairly, support the needy. In fact, every religion played a vital role in guiding people towards ethical and moral values and responsiveness towards society. The Vedas, Upanishads and other scriptures have promoted the concept of universal good. (sarve jana sukhino bhavanthu) King Ashoka undertook afforestation drive as long as Two thousand and three hundred years before from now. Now, afforestation is undertaken under CSR initiative by companies, NGOs, governments etc.. Likewise, the Hindu merchants contributed generously for setting up of schools, temples etc.. Compassion towards all the beings is the essence of Jainism. They encouraged charity and constructed many hospitals, libraries, rest houses etc.. The Buddhism preached middle path. One should neither be too rich nor too poor. With this ideology, the religion promoted equal distribution of the resources and riches to all the public. Islam encouraged Zakat. I.e. sharing certain percentage of wealth and riches with the society. The great contribution came from Christianity. The British people had established numerous schools and hospitals and encouraged many charity works. The business guilds flourished during the ancient and medieval times in India. The concept of paternalism and Corporate philanthropy started evolving during the 19th century. Establishment of business houses laid the foundations for the work in the fields of education, welfare, arts & science. For example Tatas, Birlas, Singhanias, Mafatlal, Mahindras, Murugappa chettiar, Kuppaswamy naidu and others were the pioneers. The merchant families worked for the betterment of their community primarily and later took up various works benefiting the general public. The activities include providing relief during natural calamities, digging wells, building roads, rest houses etc.. There was a paradigm shift in CSR from 'Charity' & Philanthropy to Sustainability. The political awakening in India expanded the CSR from traditional line to more secular, democratic, equality and universal brotherhood. The Parsi community in India played a bigger role in providing basic needs like housing and sanitation. The focus slowly changed from 'other worldly' activities to more rational and societal benefits. Now, the companies are preparing CSR road map along with their business plans. It is not just investing more money but also more intellectual power to steer the drive to achieve maximum results. There is realization among the industrialists that Governments alone cannot ensure development. Industry also has to take responsibility in bettering the community life. CSR has become part of managing the enterprise itself.

Mahatma's call for Trusteeship

Gandhiji advocated that the idea that 'Trusteeship' should be a way of life. The art of amassing riches becomes a degrading and despicable art, if it is not accompanied by the nobler art of how to spend wealth usefully. Let not possession of wealth be synonymous with degradation, vice and profligacy.

Sustainability of CSR

The CSR activities include each and every aspect of human life. The underlying point of CSR programme is its sustainability. The focus areas are mainly skill development of the poor and lower middle classes. It will foster their chances of employability. Contributions towards education, health & hygiene, protection of environment should help the society for its betterment. Many organizations are seriously engaged in mitigating suffering of the old age people, orphans and street children. In essence, the CSR programmes should cater to the enhancement of quality of life of the target group. The CSR programmes were earlier named as Socio-Economic Development Projects (SEDP) and Corporate Citizenship Policy (CCP).

Companies Act, 2013. – Path-breaking initiative in CSR

CSR is no more charity. It is not only ethical but also legally binding on the part of the Corporates. The Act came into force from 01.04.2014. Section 135 of the Companies Act, 2013 deals with the CSR Programmes. Salient features of the section 135 are

- a) Every company having net worth of rupees five hundred crore or more or
- b) Turn over of rupees one thousand crore or more or
- c) A net profit of rupees five crore or more during any financial year shall constitute a CSR committee of the Board consisting of three or more directors, out of which one director shall be an independent Director.

As per the provisions of the section, the Board shall ensure that company spends, in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years. While spending the CSR funds preference shall be given to the areas where the company operates. If any company fails to spend the CSR amount, the reasons for not spending the amount have to be specified by the Board of the concerned company.

Schedule VII of the Companies Act, 2013 provides the indicative list of activities the companies can carry out in their CSR activities. The list is inclusive of Eradicating hunger, poverty, malnutrition, sanitation, safe drinking water Promoting education, enhancing vocational skills, livelihood enhancement projects Promoting gender equality, empowering women, setting up orphanages and old age homes Ensuring environmental sustainability & ecological balance Setting up of libraries, protection of heritage, art and culture and handicrafts Programmes for benefit of veterans of armed forces, war widows and their dependants. Training to promote Olympic sports, Paralympics, National sports and Rural sports Socio-economic development programmes for SC/ST/Backward classes, minorities and women. Contributions to Prime Minister's National Relief Fund Funding the Technology Incubators Rural Development Projects

The Companies Act, 2013 is applicable to all the Companies either in Public or in Private Sector. The companies have been doing their CSR activities for a long time. Now, the guidelines have been prescribed on the amount to be allocated and the purposes for which the funds can be allotted in a legal framework. The CSR spending is subject to auditing annually by C&AG and the companies are bound to spend not less than the amount indicated as per their financial capability

V. TOUCHING THE LIVES OF THE LESS PRIVILEGED – CSR PROGRAMMES OF FEW COMPANIES

Engineers India Limited

EIL is supporting organizing camps free of cost for distribution of hi-tech assistive aids and appliances like motorized tricycles, wheel chairs etc.. to poor and needy persons with Disabilities (PwDs). It is also supporting destitute elderly by supporting ``Multi-Facility for cause and care of destitute elderly residing in old age homes in few states. EIL supported skill training of inmates of district jail Gautam Buddha nagar at Kasna, Gretaer Noida in tailoring, gress making and beautification trade. It supported the initiatives for livelihood enhancement of underprivileged deaf women.

India Bulls Foundation

Under its project `Kumud` sanitary napkins were distributed to more than 50,000 women and adolescent girls in Maharastra state from various ashram schools, orphanages, shelter homes and rehabilitation centers. This initiative will not only improve personal hygiene of women but also let them exhibit freedom during menses. The foundation partnered with `ESHA-People for the blind` for their `CLABIL` Project- Central Library of Audio Books in Indian Languages`. The idea behind audio books was to provide blind students, children in semi-urban and rural schools, older people who loose their sight as they age.

Water Wheel

Fetching water is a Herculean task in rural India, especially during dry season. The womenfolk are compelled to travel kilometers together to fetch a pot of water. The issue has been aptly addressed by the Indiabulls Foundation by distributing water wheels to 10,200 beneficiaries in the state of Maharastra. The water wheels provide 45-50 Liters of water per filling.

The water wheel consists of a handle attached to a rolling drum. The multi-terrain design makes it easier for the person to push or pull the water wheel with ease.



Fig.1 Water wheels

This initiative has not only brought relief into women's lives but also has achieved a paradigm shift of the villager's mindset in fetching water. Men are doing the task of fetching water in place of women. It is a progressive step indeed towards reducing gender biases.

Ford India

In 2013, Ford India launched a scheme called Sujal, in Sanand, Gujarat for improving access to safe drinking water for children from neighboring villages. More than 50 filters installed in Anganwadis and primary schools reaching out to 1800 students in 40 villages. To make this initiative sustainable, local community was given ownership of the project. A significant outcome of the initiative is improved attendance among anganwadi children. Ford India recently launched Thoomai Bharatm (Clean India) aimed at creating environment sustainability around their plant in Chennai. Under women's empowerment, Ford launched a tailoring programme in 2012 close to their plants and 600 women have been trained under this programme.

Gail

A scheme called 'Ujwal' has been launched by GAIL to reach out the less privileged children. As part of this initiative, infrastructure facilities like IT facilities, science labs, libraries provision of equipment and stationery are provided to the schools for development of creativity and improve the attendance of children. It has introduced a social intervention called 'Project UDAY' meant for the education and rehabilitation of High Risk Children/Children of sex workers. A flagship programme of GAIL, Utkarsh, provide all expensive coaching to the children from marginalized communities to enable them compete in the engineering examinations of prestigious institutions like IIT/JEE, AIEEE Etc.. The company has been operating 20 Mobile Medical Units (MMUs) across various states covering 391 villages and a population of about 5,00,000. As part of enabling and empowering the marginalized youth to become agents of change, it has set up 04 Skill Development Centers (SDCs) for imparting job linked training skills in computer programmes.

ONGC

ONGC has extended financial assistance for the following innovative and sustainable CSR programmes.

Bike Ambulance

Bike Ambulances are useful, particularly, for the remote and the forest, hilly regions where there is no proper road connectivity. Features of a bike ambulance are a) An attached removable annex is fitted to the bike in parallel position with provision to make the patient lie on it. b) A detachable stretcher is placed on the annex. c) Attendant of the patient will ride the pillion of the bike while the patient lie down on the stretcher of the annex. d) The stretcher is detachable as and when required and patient can be brought to the two wheeler from the house where even bikes can not travel. e) The bike ambulance has got the provision of First Aid Kit and the riders are trained in First Aid administration. f) Siren is fitted to the bikewith lighting bulb like four wheeler ambulance. g) The patient can be brought from home to the Bike Ambulance on the stretcher and the Bike Ambulance in turn can bring the patient either to a PHC nearby or to a four wheeler ambulance. It is used for transportation of dead also.

The local community has been trained on how to manage the Ambulance and its maintenance so that they will own the Ambulances and make judicious use of them. The cost factor is also very minimal as one Ambulance would cost around Rs 1.50 lakhs. Bike Ambulance is a big boon for the tribal people who are less privileged in the country. Bike Ambulance is indeed a lifesaver for the people living in remote and inaccessible areas.



Fig.2 Bike Ambulance

Sanitary Napkin making units

Cost of establishing a good quality Sanitary Napkin Making Unit is around Rs 3.00 to 3.5 Lakhs. The advantages of setting up this unit are a) Sanitary Napkins of good quality can be supplied at a much lower price in comparison to branded napkins. b) Health Problems associated with women by use of unhygienic use of traditional methods can be removed. c) As the rate of Napkin is affordable, girls from poor families can attend schools and colleges without inhibitions. Confidence level of females can increase. d) Each unit will generate employment for 10 women directly and around 15 women will get indirect employment. This gesture would ultimately lead to women empowerment as women would achieve economic independence.

Smoke Free Village

Providing gas connections free of cost to the people below poverty line can be considered by the Corporates under their CSR Programmes. Gas stove, Two cylinders and other accessories shall be given free of cost as one time measure. Periodical gas re-filling shall be borne by the customer. The advantages of this initiative are a) Air pollution can be reduced as people need not burn firewood for cooking. Less air pollution preserves healthy eco system. b) Women can be saved from eye related diseases c) People, especially women, save lot of time as they will not waste their time in search of firewood.

Good quality Artificial Limbs are also provided to the poor people. ONGC has been running Mobile Medical Units (MMUs) in few villages for the aged people in collaboration with Help Age India foundation.

In addition to the Companies various NGOs, Societies, Trusts, Foundations etc.. are also working for the uplift of less privileged sections of the society. Some of them are mentioned below.

NGOs

It is estimated that there are about two million functional NGOs in India. Most of them are also called Non-Profit organizations. The Non-Governmental Organizations (NGOs) are mainly relying on donations from private individuals, Corporate houses and few on grants from governments. They work as a bridge between the donor and beneficiary. They have a dedicated team of volunteers who actually work at grassroots level to bring about desired outcomes. For Ex- SOS India is non-governmental, non-profit organization working for the development of parentless children, women and children belonging to vulnerable families. Help Age India, an NGO, is engaged in welfare of the senior citizens in the country.

Trusts, Societies and Foundations

Some private individuals / institutions set up trusts, societies and foundations through which they carry out CSR activities. They set up old age homes, orphanages, hospitals, educational institutions for the less privileged sections. To name a few are Azim Premji Foundation, The Lady Tata Memorial Trust etc.. Dignity Foundation is extending the services to the old age persons like Help Line for senior citizens, dementia day care centers, counseling services, companionship, loneliness mitigation centers, ration for poor senior citizens etc..

Akshaya Patra Foundation is fighting against hunger and malnutrition in India by providing mid-day meal in government aided schools. Missionaries of Charity runs homes for women, orphaned children, homes for dying, lepers, schools for the street children free of cost. The services doesn't bar any individual on account of religion or social status. Ramakrishna Mission is engaged in carrying out health care, disaster relief, rural development, tribal welfare and primary and secondary education in India.

VI. FUNDING GOVERNMENT PROGRAMMES

Most of the companies are funding the welfare programmes of the Central and State governments in the country. For ex- Swachh Bharat Mission. This year 33% of the CSR budget of the PSUs will be spent on this programme alone. Research indicates that nearly 46% of the companies have established ties with the state and local governments for funding the welfare schemes, infrastructure development, skill development etc..under their CSR programmes. Various agencies have been doing CSR activities and creating positive impacts in the fields of education, health, sanitation, skill development etc..

VII. CRITICAL EVALUATION OF CSR IN INDIA

Research on CSR is not new and dates back to at least 50 years. Margolish and Walsh (2003) in empirical studies conducted on 127 organizations during 1972-2002 concluded that half of the studies proved that there is positive relationship between corporate social performance and corporate financial performance. But still there are some issues in CSR activity which need to be addressed for effective implementation of CSR programmes.

Ethical Business

It is not uncommon for the business houses to get involved in unethical business practices to maximize their profits. However, they are also spending considerable amount of money on CSR activities. How far this is justified? Do Corporates practicing unethical business practices have the moral right to engage in social

responsibility ? Responsibility means not only spending money but also doing business in responsive ways. Any CSR programme will have the following essential feature. For ex- A chemical manufacturing company shall ensure that the habitat, humans, animals and the environment in which they operate are not polluted due to their products. Due care shall be taken to ensure that CSR programmes are sustainable.

In fact, this is their major social responsibility than spending money under the Companies Act, 2013. This is more corporate social responsibility than giving donations for a social cause.

Political interference

It is not uncommon that people in power are taking the maximum benefits for their personal gains. Political lobbying as a corporate strategy has a long history. They are few instances where organizations heed to the pressures and the funds are not utilized properly. Even NGOs for that matter enjoy considerable clout in political circles and some of the NGOs are even run by politicians and or their binamis. Here, the funds are not really reaching the needy people.

Utilization of funds

In most of the cases, obtaining utilization Certificates is a big challenge for the HR professionals. Utilization certificate is not supported by proper bills, vouchures etc. leading to a doubtful situation whether the funds are partially utilized or not at all utilized ?

Lack of professional approach

Many HR managers and practitioners of CSR view it like any other assignment of their area. However, CSR work demands a separate mind set and one needs to walk an extra mile. Unless it is not taken as a passion, it will not succeed. Most of the Indian managers are lacking passion and professional outlook either due to lack of proper training or lack of social commitment.

Remote Areas and Tribal Areas

Non-availability of NGOs and other service oriented organizations in villages and remote locations to carry forward the CSR activities.

CSR and Leadership

A change in management thinking has been from process to people (Kennedy, 2007). Leadership styles and leadership capabilities and competencies most prevalent among leaders whose organizations have successfully experienced changes in organizational strategy and focus, transitioned toward, and achieved more socially responsible behaviors are presented throughout the literature. Charismatic leadership style communicates an innovation vision, energizes others to innovate, and accelerates innovation processes and CSR; interactive leadership characteristically empowers employees to innovate and to become innovation leaders themselves (Bossink, 2007).

The transformational leader is able to communicate so enthusiastically that the result is pulling people to commit to the vision of the leader on sustainability (Hanson & Middleton, 2000). Some effective organizational models for CSR, however, support a simultaneous transformational and visionary leadership style, together with a need for transparency (Jones, 2000). Moreover, CEOs' intellectual stimulation is found to be significantly associated with the propensity of the firm to engage in strategic CSR, or those CSR activities that are most likely to be related to the firm's corporate and business-level strategies.. A leader should be remembered as a person who designed a society that is educated, environmentally friendly, safe, and economically sustainable (Giampalmi, 2004). Other leadership attributes are related to sustainable social success (Waddock, 2007;The success is attributed to leaders' relentless focus on clients, continuous communication of values and beliefs, a large amount of engaging with others, accountability, and reliability (van de Loo, 2006), as well as a long-term perspective. When the question is how the CSR concept can be locked into corporate DNA, the conclusion would be that the issue is less about sustainability with a big S and more about leadership with a big L (Jayne, 2004).

VIII. CONCLUSION AND SUGGESTIONS

It is always better to have a dialogue with the target group or the local public to understand their need and design an action plan. This will result in winning the trust and confidence of the population and also proper utilization of the funds. In order to reach out and touch the lives of less privileged sections of the society the following suggestions may be considered.

Wheel Chairs

It is a common sight in Government Hospitals that beds are overflowing to the capacity. There is urgent need for providing more beds and Wheel Chairs to maintain the dignity of patients. Railway stations and bus stands, are the places where lakhs of people visit every day. Many places are not properly equipped to deal with orthopedically challenged persons. The cost of providing wheel chairs at these places is very minimal.

Mobile Creches

Construction sector is on the rise and huge number of female workers are engaged as daily laborers. Mobile Creches for the benefit of migrant and construction workers may be arranged by the Corporates.

Night Shelter homes for the Urban homeless

It is a common sight in the country that streets and footpaths in urban and semi-urban areas are flooded with homeless beggars and destitute. They need to be provided some shelter for the stay during the night periods.

Providing equipments free of cost

Many Corporates are conducting various tailoring and fashion designing courses for the females of low income groups. In order to make the programmes sustainable equipments like sewing machines etc.. shall also be provided.

Corporates can join hands for making bigger impacts

It is noticed that companies take up projects independently. However, Corporate Companies like ONGC, GAIL can join hands together in doing common CSR programmes as they operate in same environment. Likewise,

Corporates engaged in same business and same environment can come together and plan programmes on a large scale to create big impacts. For designing the CSR programmes, we need to follow the principles enunciated by Albert Einstein and Bertrand Russel.

There lies, before us, if we choose, continual progress in happiness, knowledge and wisdom. Shall we, instead, choose death, because we can not forget our quarrels? We appeal, as human beings, to human beings: Remember humanity, and forget the rest. If you can do so, the way lies open to a new paradise; If you can not, there lies before you the risk of universal death. (The Russell-Einstein manifesto,1955)

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