

# CORPORATE AND NGO PARTNERSHIP FOR SUCCESSFUL SOCIAL RESPONSIBILITY PROGRAMME IN INDIA

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#### Abstract:

The concept of CSR has been associated with the principles of sustainable economic development, which require that decisions based not only on the financial aspects of an organization are taken, but also on the immediate and long-term social and environmental impacts of their activities. Accordingly. emphasizing that **CSR** incorporated within the Corporate Governance of CPCL, its vision is to create value for the stakeholders and which in turn is to actively fulfill its mission i.e., social commitments including environment and safety. It is only under CSR that crores of rupees came into the government vault, with which the government is fighting against Corona. In such a situation it is necessary to know what is CSR i.e., Corporate Social Responsibility? What has been the contribution of Corporate Social Responsibility (CSR) in the development of *India? How is the corporate and NGO partnership* for a successful social responsibility program in India? The topic of research has been chosen to find the answers to the above questions.

### Keywords:

Corporate Social Responsibility, Corporate Governance, Corporate and NGO partnership, Business Enterprise

### **Data Collection Method Used for Research:**

Data for the research paper has collected from books, newspapers, magazines, reports, and websites.

## The Objective of Research:

- 1) To find out how is the corporate and NGO partnership for a successful social responsibility program in India.
- 2) To know what is CSR i.e., Corporate Social Responsibility.
- To know what has been the contribution of Corporate Social Responsibility (CSR) in the development of India.

### **Introduction:**

Every business enterprise must take responsibility and be accountable for the social and environmental impacts surrounding it. From this emerged the concept of Corporate Social Responsibility (CSR), creating a way for

businesses to return profits to society. Such initiatives taken by a company to improve the livelihood of the people and to protect the environment are also very successful in winning the adoption of the local communities. The term "CSR" or "Corporate Social Responsibility" came into common use in the late 1960s and early 1970s after the formation of stakeholders of several multinational corporations. A 1984 book by Strategic Management expert R Edward Freeman explicitly mentions CSR which states that companies should voluntarily conduct business in an economically, socially and environmentally Corporate responsible manner and Responsibility (CSR). Refers to business practices that involve initiatives that benefit society. Schehe examined a range of different disciplinary methods for defining CSR. Reviewed definitions include an economic definition of "sacrifice of profits", a management definition of "beyond compliance", institutional views of CSR as a "socio-political movement", and the law's own focus on the duties of directors. Furthermore, Sheehy treats Archie Carroll's description of CSR as a pyramid of responsibilities, that is, economic, legal, moral, and philanthropic responsibilities. Corporate social responsibility is defined Shiehy by "international private business self-regulation".

CSR has been an integral part of Indian culture since ancient times. The concept of CSR is also seen in Mauryan history. Along with this philosopher like Kautilya laid emphasis on ethical practices and principles while doing business. Even in ancient times, CSR was practiced informally in the form of charity for the poor and downtrodden. Indian scriptures also mention that with the deprived section of the society, the earning class used to share their earnings. In India, religion has also played a major role in promoting the concept of responsibility of businesses and society, citizens towards animals, disadvantaged sections. The concept of trusteeship provided by Mahatma Gandhi inculcated CSR in the DNA of the Indian business leaders of the time. India is the first country in the world to make CSR mandatory. The law of CSR in India has been fully implemented from 1st April 2014. This law



does not apply only to Indian companies, but it applies to all foreign companies that operate in India. Corporate Social Responsibility has been made mandatory through provisions under Section 135 of the Companies Act. 2013. According to the law, a company whose annual net worth is Rs 500 crores or its annual income is Rs 1000 crores or their annual profit is 5 crores, then they are required to spend on CSR. These expenses should be at least 2% of their average profit for 3 years. The rules list the CSR activities that come under the purview of CSR. This list is included in the 7<sup>th</sup> Schedule of the Rules. The companies have to choose the activities for their CSR from these. These activities include the protection of national heritage, arts, and culture, including buildings and sites of historical importance, and the arts. These include promotion and development of traditional arts and handicrafts, the establishment of public libraries, the establishment of orphanages and hostels, construction of buildings for them, their maintenance and operation, the establishment of old age homes, construction of buildings for them, their maintenance. Establishment and operation of daycare centers, construction, maintenance, and operation of buildings for them, the establishment of houses and hostels for women, training for promotion of rural sports, nationally recognized sports, Olympic Games and Paralympic Games Providing Funds for Technology Incubators located in Educational Institutions recognized by the Central Government, Working for providing pure drinking water, Working for maintaining the quality of soil, air, and water, Conservation of natural resources, Ecological balance To ensure, flora, fauna conservation, animal welfare, agroforestry, rural development projects, livelihood enhancement projects, promotion of health and sanitation, socially and economically backward groups facing inequalities This includes work for the benefit of war widows, Armed Forces heroes and their dependents.

# Corporate And NGO Partnership for Successful Social Responsibility Programme in India:

According to the Constitution of India, education, health, clean environment, safe place of work, all have been recognized as fundamental rights of the citizens. However, there is always a difference between government aid and service, which is why often not all poor people get benefits at the right time and at the grassroots level. The CSR Act works towards filling these gaps. Corporate Social Responsibility also plays a big role in maintaining the communal spirit of the country. It encourages

participation from all sections of society. It encompasses different types of organizations in a collaborative framework with a common goal of development. It encourages to development of the spirit of nationalism among the capitalists as well as the community. The National CSR Award is given by the Government of India to appreciate the work of CSR and Sustainable Development of corporate companies of the country. The National CSR Award is a very prestigious award of the Government of India in the CSR world, the Government of India awards every year the work of CSR and Sustainable Development of corporate companies. The National CSR Awards comes under the Ministry of Corporate Affairs and this award ceremony is organized with the help of the Indian Institute of Corporate Affairs. Also, the Ministry of Corporate Affairs wants that there should be positive competition among the corporate companies of the country so that CSR works can be promoted.

CSR standards are set for companies in India. According to him, companies have to conduct their Corporate Social Responsibility-related activities. Clear guidelines have also been given to the companies in this matter. As per the rules, every company has a CSR committee. In this committee and the board of the company, it is decided what activities, when, and where the company is to be run. In this way, only the activities decided to come under the purview of CSR. In this regard, he has to follow the CSR policy. The new rule also defines the constitution of the CSR committee and monitoring of CSR policies, the role of the board of directors, etc. A company can give money to a registered body or trust under CSR activity. That amount can be spent by that organization as per the company's CSR policy and its program. The same shall be included in the company's CSR report, but the amount is given to a political party in any manner and for any activity is to keep CSR separate, so that no ruling or influential political party may seek CSR from a company. Do not use it for your political interest by taking huge amount in the name of Companies also have such jobs and activities that are related to the community and society, but they are really meant to meet the company's own needs. Society and community also get benefits from those activities, but they cannot be said to be part of CSR. A company can partner with an institution or trust to meet its share of CSR, but such an organization has to be registered under the Societies Registration Act 1860 and the Trust under the Trust Act. Public sector companies come directly under the purview



of the Right to Information Act. There are designated Public Information Officers and First Appellate Authority at every level. You can ask for information by giving an application to their Public Information Officer with an information fee of Rs

A large amount of money is used in CSR, so the measurement of CSR is very important. There is no standard framework provided by law for measuring, accounting for the CSR of a company. All the companies generate their own CSR report in their own way and display it on their website. To maintain transparency in CSR spending, companies report their CSR. NTPC This company aspires to be the world's largest and best power producer while empowering India's growth. It seeks to develop and provide reliable power, related products, and services at competitive prices by linking diverse energy sources with innovative and eco-friendly technologies and supporting society. NTPC Company's CSR objectives include promoting the sector in environmental protection with effective ash utilization, providing leadership

in external development and energy conservation practices, promoting the sector's leadership in the area of re-settlement and redevelopment, by discharging its corporate social responsibility. Includes cooperation in sustainable electricity development. Corporate Social Responsibility is synonymous with NTPC's core business of power generation. NTPC is striving through CSR to work towards a sustainable and viable economy. NTPC has a pan-India presence with most of its projects and stations located in backward areas, mainly in remote rural areas. NTPC takes up CSR initiatives mainly in the neighboring villages of its stations. NTPC's endeavor is to ensure sustainable socioeconomic development and reduce inequalities to drive significant growth. NTPC also undertakes projects of national importance that benefit society and augment government efforts and schemes for integrated development. NTPC is engaging community members in **CSR** initiatives, inculcating a sense of self-confidence among the people, and playing a comprehensive role in the smooth and successful implementation of schemes.

**Expenditure on CSR by NTPC** 

SN	Year	Allocation (Rs. Cr)	Expenditure (Rs. Cr)
1	2017-18	220.75	241.54
2	2010-11	72.34	72.21
3	2009-10	16.75	20.47
4	2008-09	17.94	13.43
5	2007.08	14.01	15.53

Establishment of Polytechnic in Kaladungi, District Nainital, Uttarakhand for the development of education by NTPC, financially aided education to the children of about 20 schools benefiting about 20,000 students of nearby areas for community children run mainly by NTPC Dena, recognized value education initiative for teachers and parents, for students of schools affiliated to the Central Board of Secondary Education, helping in various programs under the banner of "Jagruk Bharat", merit scholarships to more than 2600 students every year, Sadhna Vidyalaya, Village -Kannasamangala, Ramanagara District, Karnataka to help in the construction of reading rooms and installation of solar street lights, Providing assistance for the construction of the

first floor for Vistamaran Bhawan of Shirdi Sai Baba School, Faridabad, B.Tech. (Mankind), Supporting the Cluster Innovation Center (CIC) of Delhi University for 16 educational projects for social sensitization by Delhi University students, Solar Lanterns which were distributed to 2200 students during the last two years, and recently the construction of 44 toilet blogs for girl students in various places, etc. have been done under the social responsibility of the business.

NTPC through reputed institutions like National School of Drama and Spike Mackay projects through merit competition, theater workshops, etc., organizing quiz competitions for children at regional and national levels, Counts and guide training for children in townships. It has also taken



initiative for the holistic personality development of students by organizing training camps for sports activities and various sports activities. Children are encouraged to actively participate in cultural conventions to explore their creative potential. Students are also encouraged to become "news readers" for Project Township's video magazines. In addition, educational films received from the Children's Film Society are also shown regularly on the cable TV network in the township.

Received joint press release of seven multinational food corporations present in India under CSR. It announced a uniform promise of responsibility for to children. These multinational marketing companies included Coca-Cola India, General Mills India, Kellogg India, Nestle India, Mars International, PepsiCo, and Hindustan Unilever. His resolution, known as the 'India Pledge', was about not advertising food and beverage products for children below the age of 12 on television or in print or on the Internet, or in primary schools. (With the exception of products that meet scientifically based nutritional standards, meet accepted national and international guidelines, or are specifically requested by the relevant school or institution). The seven companies will also conduct monitoring studies on the implementation independently from January 11. IIFCL is also committed to being a responsible company and contributing positively towards the society and environment through its Corporate Responsibility (CSR). IIFCL has formulated a Corporate Social Responsibility (CSR) Policy in accordance with the provisions of the Companies Act, 2013, duly approved by the Board of Directors and aligned to the principle of sustainable economic development. IIFCL's CSR program aims to address sustainability issues that are most relevant and can have the biggest impact. IIFCL has partnered with various organizations including Government Departments, Governmental Organizations (NGOs), and private companies to make its CSR program pan-India. About 77,500 people (of which 41,184 are schoolgoing children) living in backward areas of the country have benefitted from the projects implemented under the Corporate Responsibility (CSR) of IIFCL. Presently IIFCL has reached out to 24 States of India through its CSR and is committed to reaching out to the remaining States and Union Territories. As part of its CSR initiatives, IIFCL focuses on cleanliness in schools and homes, solar-powered home lighting and street lighting systems, skill development and improving the employability of unemployed youth,

conservation of national heritage, cancer patients living below the poverty line, etc. Focuses on providing financial assistance and promotion of sports. IIFCL has also contributed to the Swachh Bharat Kosh, Clean Ganga Fund, Swachh Vidyalaya Abhiyan, which has received appreciation from the Ministry of Human Resource Development, Government of India, and Ministry of Finance, Government of India.

IIMU as an institution is creating leaders of the future, as well as providing practical examples to the students in how to apply the principles of practical sustainability. Within eight years, IIMU's new campus will be energy self-sufficient, i.e., Net-Zero campus. Waste will be converted into reusable resources. In addition, the complex will use both technologically advanced as well as traditional models of water harvesting. IIM Udaipur has also been a proud participant in the CSR Ranking project in the past. Professor Neeti Sanon, a faculty member at IIMU, along with Namrata Rana and Utkarsh Majmudar prepared this report that ranks India's top companies based on their association with CSR. It is intended to update this research from time to time to track the impact of the Companies Act 2013 in the coming years. Hindustan Copper Limited (HCL) is the Company's commitment to Corporate Social Responsibility (CSR) to conduct business in an socially economically. and environmentally sustainable manner for its stakeholders. Much before CSR became mandatory; HCL recognizes that its business activities have both direct and indirect impacts on society and integrates its business processes with social processes to create and distribute wealth for the betterment of its stakeholders in an ethical and transparent manner. Tried to enable it. It is committed to sustainable development and to serve the interests of its stakeholders. It is committed to continuously upgrade its CSR initiatives to make a positive impact on the people living in and around the areas of its mining units on an ongoing basis. The scope of HCL's CSR programs will be governed by the provisions of Schedule 7 of the Companies Act, 2013 and will include a contribution to the Swachh Bharat Kosh, promotion of sanitation, health care and sanitation, ending hunger, poverty, and malnutrition, centers for promotion of sanitation Government established and providing drinking water, Promotion of education including special education and employment enhancement skills, especially for children, women, elderly and differently-abled and livelihood enhancement projects, Promoting gender equality, Empowering



women, Women and to establish homes and hostels for orphans; Establishment of elderly homes, daycare centers and other facilities for senior citizens; and measures to reduce inequalities faced by socially and economically backward classes, environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and soil, air and water quality. Contribution to the establishment of the Clean Ganga Fund by the Central Government for river rejuvenation, conservation of national heritage, art and culture, including restoration of buildings and of historical importance and establishment of public libraries; promotion and development of traditional arts and handicrafts, measures for the benefit of armed forces veterans, war widows and their dependents, rural sports, nationally recognized sports, training for the promotion of Paralympic sports and Olympic sports, Prime Minister's Office Contribution to the National Relief Fund or any other fund established by the Central Government for the socio-economic development and relief and welfare of Scheduled Castes. Scheduled Tribes, Other Backward Classes, Minorities, and Women, provided to Technology Incubators located within Educational Institutions Contribution or fund, which is approved by the Central Government and includes rural development projects.

### **Conclusion:**

Year after year, companies have spent more than 2% of their net profits on CSR. Since the implementation of the CSR Act, more than Rs 50,000 crore has been spent on CSR till March 2019. However, it has been observed that in India. the amount spent is concentrated in a few states except in the states requiring more development. This has led to discrepancies in national development. Additionally, government intervention sometimes causes a slowdown in CSR projects. This is a great contradiction of the intention behind the law. A company has to face challenges while implementing CSR activities in India. Inadequate communication between the company and the community limits the scope of conducting CSR activities. Moreover, due to insufficient knowledge of CSR among communities, along with poor communication, the problems are compounded. There is a general barrier to participation by the community. These loopholes need to be addressed to make the CSR law successful and make better use of CSR funds

for the social and economic development of the country.

### **Suggestions:**

- The business should contribute to the development of the area and society around its area of operation.
- The business must address the concerns of its various stakeholders in a balanced manner so as to maintain a strong market position.
- The corporate sector has to integrate the concepts of CSR and sustainability with its business strategy.

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