Integrated Approach of Government to make India Healthy through Corporate Social Responsibility

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Abstract: Corporate social responsibility (CSR) is becoming more and more important day by day for various perspectives of business activities like enterprise itself, towards consumers, employees, shareholders, community, and government. Its government initiative to incorporate the leading organization on 2nd Oct, 2014 Prime Minister Shri. Narendra Modi has announced “Swachh Bharat Abhiyan” under this mission “Swachh Bharat Kosh” has been set up to attract funds from various entities.

Keywords: Corporate Social Responsibility (CSR), Companies Act, Swachh Bharat Abhiyan

1. Introduction

Philip Kotler and Nancy Lee (2005) define CSR as “a commitment to improve community wellbeing through discretionary business practices and contributions of corporate resources”

Genesis of CSR

The evolution of corporate social responsibility in India refers to changes that have an overall positive impact on the communities, cultures, societies and environments in which they operate. The fundamentals of CSR rest on the fact that not only public policy but even corporate houses should be responsible enough to address social issues like sanitation, provision of safe drinking water, construction of ecological belts etc.

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<th>Different Phases of Corporate Social Responsibility (CSR)</th>
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<tr>
<td>Phase I: Charity, philanthropy</td>
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<td>Phase II: Trusteehip, temples of modern India</td>
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<td>Phase III: The responsibility of the development of social sector rested with the government</td>
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<td>Phase IV: The Private sector is made responsible</td>
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1) Charity and philanthropy were the main drivers of CSR. Culture, religion, family values, tradition and industrialization had an influential effect on CSR. Moreover, these merchants helped the society in getting over phases of famine and epidemics by providing food from their go-downs and money to the people. With the arrival of colonial rule in India from the 1850s onwards, the approach towards CSR changed. The industrial families of the 19th century such as Tata, Godrej, Bajaj, Modi, Birla, Singhania were strongly inclined towards economic as well as social considerations.

2) During the independence movement, there was increased stress on Indian Industrialists to demonstrate their dedication towards the progress of the society. This was when Mahatma Gandhi introduced the notion of "trusteeship", according to which the industry leaders had to manage their wealth so as to benefit the common man.

According to Mahatma Gandhi, Indian companies were supposed to be the "temples of modern India". Under his influence businesses established trusts for schools and colleges and also helped in setting up training centre’s and scientific institutions.

3) Immediately after independence India followed a mixed economic system with public sector entrusted with the responsibility of the development of the country’s economy. As a consequence role of corporate sector towards CSR took a backseat and the responsibility of the development of social sector rested with the government. In this context government opened up many schools and colleges, health institutions even in the remotest areas of the country. This practice of social development continued unabatedly until 1991. However with the continuous increase in the current account deficit of the government of India, it was difficult to further shoulder the responsibility of the development on its own and as a result economic policies towards liberalization of the economy were adopted so that private sector could come forward to shoulder the responsibility of the country’s development. This marks the beginning of the fourth phase.

4) The changes in the country’s economic policies and the beginning of the IT revolution enabled private sector to accelerate not only the economic growth of the country but also helped to raise their net profits over time. As their coffers swelled with profits, government has no option but to amend the Companies Act 1956 so as to make them responsible for spending in developing the social sectors of the economy. Thus in the fourth phase private sector is made responsible to supplement the efforts of government in effectively developing the social sector of the country’s economy.
2. Literature Review

Jan Schmitz (2015) Depending on whether an individual can be considered as selfish, or whether she has also social preferences, motives for CSR, can be explained in different ways. Furthermore, we explicitly highlight the influence of different Corporate Governance System on CSR as well as the relationship between firms' size and social commitment. Because it is difficult to distinguish between different theories in empirical studies, we argue that an experimental approach might be suitable to test theories of CSR.

Anupam Sharma (2013) “Corporate Social Responsibility: Driving Forces and Challenges” The evolution of policy framework parameters and found that, rather than evidence of a single form of CSR practices, the organizations have to diversify, for example previously the shift was from philanthropic practices to Carroll’s social responsibility practices. Similarly with the changing world these social responsibility practices have to change according to the needs of the economy. The present study exhibits that both implicit and explicit CSR factors should be considered for a holistic approach, Combination of four of Carroll’s responsibilities, including education, health, and environment will help in the formulation and implementation of social responsibility practices.

Objectives of Study
- To discuss the concept of Corporate Social Responsibility(CSR)
- To brief the CSR in Indian Perspective
- “Swachh Bharat Abhiyan” its outlook

3. Research Methodology

The proposed research work based on descriptive research. The research is based on Secondary data which collected through the entire relevant source like publication of various corporate bodies, government organization, other published book and journal related to CSR and Commercial magazine, Newspaper and various research papers.

CSR in Indian Perspective
CSR in India has traditionally been a philanthropic activity and keeping with the Indian tradition, it was an activity that was performed but not deliberated. CSR remains largely restricted to community development; it is getting more strategic in nature. In India much has been done in recent years to make Indian entrepreneurs aware of social responsibility as an important segment of their business but CSR in India has yet to receive wide recognition. Corporate Social Responsibility is the integration of social and environmental concerns in the business operation of the organization.

Through CSR business can make balance with people, planet and profit, through charity, sponsorships or philanthropy. CSR is the only approach which leads the business toward the sustainable economic development. CSR is the integration of social and environmental concerns in the business operations of companies. Through CSR, companies achieve a balance of economic, environmental and social imperatives or what is called the “Triple Bottom Line” approach of people, planet and profits, through the business model itself, or through charity, sponsorships or philanthropy.

In India, Corporate Social Responsibility is integrated with many law more over it is abide with fundamental duties also, where we can see that it duty of citizen of the country to keep the environment and natural resource keep and safeguard, not only the constitution of the India provide about it also define with the Factory Act of the country under this act we can find that factory environment should be hygiene i.e. Clean working place, Cross Ventilation aspect, sanitation, fresh drinking water etc.

4. Swachh Bharat Abhiyan and Clean Ganga

Its government initiative to incorporate the leading organization to this mission, on 2nd Oct,2014 Prime Minister Shri. Narendra Modi has announced “Swachh Bharat Abhiyan” under this mission “Swachh Bharat Kosh” has been set up to attract funds from various entities. The “Clean Ganga Fund” is aimed at pooling money for taking up works to clean the Ganga River. Swachh Bharat and Clean Ganga are major initiatives of the government. The Swachh Bharat Abhiyan is not only ambitious in its scope but expensive as well. Achieving its goal will require focussed and constant effort. Building toilets and sweeping streets is just the beginning of this campaign. It needs to go beyond and take up activities such as recycling garbage, cleaning the rivers, and also educating people about cleanliness.
5. Swachh Bharat Abhiyan through Corporate Social Responsibility

Swachh Bharat Abhiyan and Clean Ganga Mission have been included as Corporate Social Responsibility (CSR) activities under Schedule VII of the Companies Act, 2013 from 24th Oct, 2014. Ministry of Corporate Affairs has recently notified Section 135 and Schedule VII of the Companies Act as well as the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014 (CRS Rules) which has come into effect from 1 April 2014. Section 135 of the Companies Act provides the threshold limit for applicability of the CSR to a Company i.e.

- net worth of the company to be Rs 500 crore or more;
- turnover of the company to be Rs 1000 crore or more;
- net profit of the company to be Rs 5 crore or more.

Further as per the CSR Rules, the provisions of CSR are not only applicable to Indian companies, but also applicable to branch and project offices of a foreign company in India. Every qualifying company requires spending of at least 2% of its average net profit for the immediately preceding 3 financial years on CSR activities.

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<td>Airtel and TCS</td>
<td>Pledged Rs 100 Crore Each For Building Toilets For Girls In Schools.</td>
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<td>CII</td>
<td>Sanitation of Schools (SoS) programme, which aims to construct nearly 10,000 toilets in schools, in 2015–16.</td>
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<td>National Aluminium Company Limited (NALCO)</td>
<td>Provide sanitation facilities to 150 schools in Odisha</td>
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<td>Eureka Forbes</td>
<td>Participated in Cleaning The Mangalore Railway Station/And Made A Commitment To Take Its Cleanliness Drive To Railway Stations And Police Stations All Across India.</td>
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<td>Vedanta</td>
<td>Announced The Vedanta Maryada Campaign That Conducted Special Cleanliness Drives At All Its Townships.</td>
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<td>Apollo Tyres</td>
<td>„Clean My Transport Nagar” campaign has been a little ahead of the curve,</td>
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<td>Oil and Natural Gas Commission Limited (ONGC),</td>
<td>It has come forward to adopt twelve destinations including the Taj Mahal, Lal Quila, Jantar Mantar and Purana Quila, which they will keep clean at their own expense.</td>
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References