AN OVERVIEW OF ISSUES AND CHALLENGES OF CORPORATE SOCIAL RESPONSIBILITY IN INDIA

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ABSTRACT: *Business houses are social body or entity. They require support from the society for their success and to live longer. So, this is the responsibility of organizations to give back to the society and contribute to the society through the CSR initiatives.*
The point of convergence of this paper is to study and reviewing the issues and challenges of CSR in India and to suggest the solutions to overcome them. This study is descriptive in nature and data is collected from the secondary sources like as journals, research papers, magazines, and various reports from institutions, dissertations, theses, books, articles, newspapers and websites.

INTRODUCTION

Corporate social responsibility is a management concern through which organizations fuse the environmental and social issues in their organizational processes. Through the CSR companies attain equilibrium between the economic, legal, social and environmental issues during fulfilling the expectations of interested parties of the concern. These are the activities which are advantageous to the society and improve the image of corporate. These CSR initiatives are displays in the official websites of companies.CSR interventions comprises support from government, society, corporate as well as community itself.

CSR initiatives are the social obligations of the business houses. Corporate takes man, money, machines and many more from the society so this is the responsibility of the corporate to give back to the society and contribute to the society through the corporate social responsibility initiatives.

CONCEPT OF CSR:-

The concept of CSR comes into existence in late 1960 which considers the social and environmental issues. The concept of societal marketing gives rise to the concept of CSR. Most of leading organizations in the world understand the significance of being alliance with the society for promoting their brands and boost their status. Corporate social responsibility is a self directory business model that assists a company to be socially liable and accountable to itself, its stakeholders and to the general public.

Corporate social responsibility is also called corporate citizenship. We can also understand the CSR as a corporate functioning contribute positively to the welfare of the society and environment instead to harm

and negatively contribute for them while conducting their business processes.CSR basically have four components, economic social responsibility, legal social responsibility, ethical social responsibility and discretionary social responsibility. Through the CSR initiatives business houses contribute for the health, education, environment, girl child, child labor, women empowerment and other issues related to the society and environment.

DEFINITION OF CSR:-
"A company should have in its DNA, a sense to work for the welfare of the community. CSR is an extension of individual sense of social responsibility. Active participation in CSR projects is important for a company".

- Ratan Tata

"Corporate social responsibility 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".

- World business Council for Sustainable Development

DIMENSIONS OF CSR
There are two dimensions of CSR and these dimensions of CSR cover the internal and external management of an organization. These are as follow:-

1. **Internal Dimension:-**
   This gives attention towards those practices of corporate which relate to the stakeholders inside of an organization. The focal point of this dimension is internal interested parties of business houses. These practices and operations should be alienated with the standards of CSR or corporate citizenship. The internal dimension covers the following concerns:-
   - Human resource management
   - Health and safety at workplace
   - Organizational dexterity to change
   - Management of environmental conditions or impacts
   - Wise use of natural resources

2. **External Dimension:-**
   The external dimension of CSR gives attention towards those operations and practices of corporate which relate to the stakeholders connect with outside the organization. The focal point of this dimension is external interested parties of an organization. These practices should be alienated with the international regulations or standards of business operations'. The external dimension covers the following concerns:-
   - Business participants
   - Local public/community/society
   - Suppliers/venders
   - Consumers

CSR IN INDIA:-
CSR means integration of environmental and social concerns while conducting the business operations and processes with the same time fulfilling the expectations of their stakeholders. Normally CSR includes the societal projects and charitable donations. This shows a positive attitude and ethical behavior of business houses.

For Indian organizations CSR initiatives are lucky chance or opportunity, revolution and competitive edge with the same time contributing to the feasible development. It is a sensible decision in India for taking up the operations of CSR because the organizations understand the value to integrate with CSR projects because these interventions helps in growing their business and provide a supportive relationship with the society or community.

Companies are proactive for taking up the CSR projects and initiatives. Now the companies become more transparent about the CSR initiatives, they show reports and transactions related to CSR initiatives in the balance sheet and annual reports. Now some large companies also constitute the CSR teams those are responsible for organizing, maintaining, controlling of CSR interventions, polices and strategies related to CSR and goals and budgets related to CSR initiatives.

List Of Indian Companies Addressing CSR Interventions:-

SR. N.	COMPANY NAMES	SR. N.	COMPANY NAMES
1.	ONGC Ltd.	25	Pidilite Industries Ltd.
2.	Larsen and Toubro	26.	Shipping Corporation of India Ltd.
3.	NTPC	27.	SKF India Ltd
4.	ITC	28.	Sona Koyo Steering Systems Ltd.
5.	Infosys	29.	State Bank of India
6.	BHEL	30.	Sterlite Industries (India) Ltd.
7.	Reliance	31	Subros Ltd.
8.	Hindustan Sanitaryware	32	Sun Pharmaceuticals
9.	Tata Iron and Steel	33.	Industries Ltd
10.	Hindustan Unilever Limited	34.	Syndicate Bank
11.	Godrej Industries Ltd	35.	Tata Chemicals Ltd
12.	Henkel India Ltd	36.	Tata Coffee Ltd.
13.	Pearl Global Ltd.	37	Tata Consultancy Services Ltd.
14.	Mahindra & Mahindra Ltd.	38.	Tata Power Company Ltd
15.	Nestle India Limited	39	Tata Steel Ltd.
16.	NIIT Limited	40.	Tata Tea Ltd
17.	Novartis India Ltd.	41.	Tinplate Company of India Ltd.
18.	NMDC Ltd	42.	Union Bank of India
19.	OCL India Ltd.	43.	Wipro Ltd.
20.	Oriental Bank of Commerce	44.	Aditya Birla Nuvo Ltd
21.	Hindalco	45.	Bharat Petroleum Corporation Ltd.
22.	Sakthi Sugars Ltd.	46.	Hero Honda Motors Ltd
23.	Satyam Computer Services Ltd.	47.	Grasim
24.	Shanthi Gears Ltd.	48.	Jubilant Organosys Ltd.

BENEFITS OF CSR:-
CSR initiatives have the many benefits not only to the society and organizations but it also has benefits to the environment, customers, employees and stakeholders. These are as follow:-
- Upgrade and refine financial performance of concern
- Reduce the operating costs.
- Elevate the reputation of company and brand identity.
- Enlarge sales and loyalty of customers.
- Enlarge the potential of concern to attract and retain the talent.
- It shows explosion of capital towards the concern.
- It contributes to the society in the form of charity.
- It also contributes to the community in the form of education, health care, employment, women empowerment and many more.
- Better quality of products and services.
- Wisely and well use of natural resources.
- Recyclability of resources.
- Availability of eco- friendly and renewable products.

LITERATURE REVIEW:-
Kumar N. (2014), in his study he analyzed the impact and challenges for the CSR in India and found that a CSR initiative has a great impact on the corporate and society. The study founded that there was a need to spread out the awareness among the general public and corporate should adopt the comprehensive approach of CSR interventions for the effective result from the CSR initiatives.
Premlata and Agarwal A. (2013), in this study they studded the CSR initiatives of various companies of India and found that most of big organizations are trying to improve their environmental and social performances by adopting the various steps like code of conduct related to CSR initiatives, social audit, and environmental certification. The study also suggested that there is need of collaboration among the government and corporate for the welfare of society.

Shyam R. (2016), in her study she analyzed the challenges faced by the Indian corporates in the field of CSR interventions. The study pointed out the key challenges like transparency, visibility and lack of interest of community. The study also suggested the expertization and strategic thinking of corporate to overcome the challenges in the field of CSR initiatives.

Kaur S. and TandonN. (2017), in their study they examined the reasons for the growth of CSR in India and its benefits. The study highlighted the benefits of CSR for human resources, management of crises, brand differentiations and license for operations. The study also pointed out that Indian business sectors draw up plans for introducing the CSR in SMEs to reach the remote areas.

Bala M. (2013), in this study she explored the CSR interventions in the selected companies in India to understand the current status of CSR initiatives. The study founded that those companies adopted the strategies of CSR from a long time were successful in the comparison to others. The study also suggested that to uplift the, society organizations and government should work together in this field.

OBEJECTIVES:-

1. To understand the concept of corporate social responsibility.
2. To study the issues and challenges faced by CSR in India.

RESEARCH METHODOLOGY:-

This study is descriptive in nature and descriptive research is that which describe phenomenon and features of population that is going to be studied The data for the study were collected from the secondary sources such as journals, research papers, magazines and various reports from institutions, dissertations, theses, books, articles, newspapers and websites.

ISSUES AND CHALLENGES OF CORPORATE SOCIAL RESPONSIBILITY

Although companies are proactive for taking up the CSR initiatives in India apart from that there various issues and challenges in the way of effectiveness of CSR interventions in India which influence the impact of these initiatives. These are as follow:-

- **Lack of Participation By Society:-**
  Firstly, the hurdle in the way of CSR initiatives in India is that community and general public do not take interest in the CSR projects and activities because there is a communication gap between the corporate involved in the CSR initiatives and general public.

- **Need For Expertise and Trained Organizations:-**
  Lack of expertise organizations is another obstacle in the way of effectiveness of CSR initiatives. There is need to constitute a well trained and expert non - government organizations those can contribute efficiently to CSR interventions. This will enhance the level of CSR initiatives in India.

- **Non- Transparency in CSR Initiatives:-**
  Some companies are not transparent about the CSR initiatives organized by them, they do not disclose information about their CSR projects like funds utilized, audit reports, list of CSR initiatives and other assessments regarding these activities. Because of this these companies are fails to building up a sense of belongingness and connectivity with the society.

- **Narrow Awareness towards CSR Initiatives:-**
  Government and Non- government agencies, organizations, local community and society give fewer emphases to CSR initiatives because of their less awareness about these programs. They have narrow outlook towards CSR interventions. Because of that corporate hesitate that they should want to contribute in the CSR projects or not.

- **No Clear Guidelines about CSR:-**
  There are no clear principals, guidelines and directions about the CSR initiatives to guide the business houses, so that they can take up the right direction in the way of CSR. Because of lack of clear cut statutory guidelines level of CSR depends upon the size of organizations means bigger the organization, bigger the CSR programs. This is a barrier for the small organizations those want to contribute in this field.

- **Absence of Untrained and Underdeveloped Staff:-**
  Lack of efficient and well trained staff for the execution and management of CSR initiatives is also an obstruction for the success of CSR initiatives in India. The organizations engaged in the CSR initiatives should want to take some effective steps for the training and development of staff occupied in the CSR initiatives.

- **Suppliers' Relations:-**
  Now day's suppliers take interest in the companies' affairs and operations. They also show interest in the companies' policies and practices related to CSR initiatives because they want to maintain reputation and status in the society and do not want to tarnish their reputation. Because of that these stakeholders have a great interest to working with the organizations those working actively in the field of CSR.

- **Lack of Consensus Between The CSR Agencies:-**
  There is absence of consensus among the organizations those organized and contribute in CSR processes. Because of that there is duplication of CSR programs by these business houses for the society. Apart from the duplication of these programs there should be collective efforts and consensus between these organizations for the success of CSR initiatives in India.

- **Changing Behavior Of Employees And Customers:-**
  In the competitive world employees and customers have a tendency of changing behavior like employees want something more beyond the salaries and customers want beyond the goods and services. This is a big challenge for the organizations to understand these changes and needs and organized and implements CSR projects and processes accordingly.

SUGGESTIONS TO OVERCOME ISSUES AND CHALLENGES OF CSR

For the success and effectiveness of CSR initiatives or interventions it is essential to take some effective remedial steps to overcome the issues and challenges in the way of CSR initiatives in India. These are as follow:-

- ❖ For the success of CSR initiatives, there is need to spread out the awareness towards CSR initiatives among the general public.
- ❖ There is need of collective efforts by the government, employees, customers, organizations, stakeholders and general public to make CSR initiatives more effective.
- ❖ It is responsibility of government to provide the clear cut guidelines, principals and directions about the CSR processes.
- ❖ There is need of comprehensive approach of CSR which comprises all the matters and themes of society like child labor, health care, education, girl child, women empowerment and more.
- ❖ The government should want to recognize and rewarded the business houses working good in the area of CSR to motivate them and enhance the scale of CSR in India.
- ❖ For the successful outcomes of CSR practices there is need of arrangements to distribute CSR initiatives equally availability not only in urban areas but in rural areas also. So that CSR processes, projects and initiatives can reach to the needy persons.
- ❖ To spread out the awareness towards CSR in India there is need to set up a particular subject of CSR in the schools, colleges, universities and other educational institutions.
- ❖ Companies want to be transparent and visible about the CSR projects organized and implemented by the concern. They want to display all the data and information regarding the CSR initiatives.
- ❖ For the success, favorable outcomes and bright future of CSR initiatives in India there is need to build up some well organized and effective Non –government agencies to contribute in the field of CSR proves.

CONCLUSION:-

CSR concept was introduced by the government because they want to make business houses more accountable and liable towards the community or society. CSR programs contribute to the society but these programs also prove as an opportunity for the development and success of corporations. Indian corporations also understand the importance of CSR initiatives and these organizations are proactive to taking up these practices.

For the success and effectiveness of CSR programs in India it is mandatory to remove the obstacles of CSR initiatives for that there is need to spread out awareness towards CSR initiatives, adopt comprehensive approach of CSR and also need of clear cut statutory guidelines and regulations of CSR. For the bright future of CSR, it is not possible to make changes by a single hand, for this government, corporations and community want to join their hands in this area.

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