

A Research Paper on Corporate Social Responsibility in India: Issues and Challenges

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Abstract: . It is rightly said that "It is easy to dodge our responsibilities, but we cannot dodge the consequences of dodging our responsibilities." - Josiah Charles Stamp, 1880-1941, former director of the Bank of England. In this modern digitalized world, businesses need to know not only what they do but also how they do it. The brand of the company is not dependent only on the quality of products they are offering to people but on the overall impact of the company's operations on society, environment, and the economy. It's actually social responsibility as a sense that will give a fair competitive edge over competitors in the marketplace. CSR is an integrated and holistic concept of management wherein the companies integrate their social and environmental objectives with the business objectives. It is working on a Triple Bottom Line Approach i.e. the company is focusing on 3P's; People, Planet & Profit while addressing all of the expectations of its stakeholders. Most of the policy initiatives for the country are taken with objectives of equal opportunities, poverty and human deprivation minimization, focus on the fundamental rights, etc, therefore, leading to strong human development. The choices we make today will affect and influence our next-generation, even with all these inequalities and disparities. This year, the Indian Government has come out with new CSR guidelines. These guidelines have made it inevitable to have companies in India incur 2 percent expenditure from their net profit on CSR. India is the first country of the world which compels CSR. Including CSR into the Companies Act, 2013 is a great step of engaging the corporate sector into the equitable development of the country.

Earlier, the companies used to spend 2 percent of the profits on CSR and if they could not do so then they used to give some reasons. But in the present amendment of it, companies are needed to spend 2 percent of the profits on CSR in the given time limit otherwise it is needed to turn over this amount of profits in funds that are run by the government. The new amendment will bind every one of the companies that qualify the provisions under CSR guidelines to spend the specified part of their profits toward Corporate Social Responsibility without failing. In this paper, researchers have attempted to study Issues and Challenges associated with CSR in India and also to determine various factors driving CSR practices in Indian Companies. This statement is rightly said that "It is easy to dodge our responsibilities, but we cannot dodge the consequences of dodging our responsibilities." - Josiah Charles Stamp, 1880-1941, former director of the Bank of England. Businesses, therefore, need to be alert in today's modern digitalized world in all aspects of what they are doing and how they are doing it. The company's brand is not only dependent on the quality of products they are offering to people but also on the overall impact of the company's operations on the society, environment, and the economy. Their sense of social responsibility provides them with a competitive advantage over their competitors in a crowded marketplace. CSR is a holistic and integrated management concept whereby companies integrate their social and environmental objectives with their business objectives. It works on a Triple Bottom Line Approach i.e. Company focuses on 3P's; People, Planet & Profit while addressing all the expectations of its stakeholders. The majority of policy initiatives in the country are driven by the objectives of equal opportunities, minimizing poverty and human deprivation, focus on fundamental rights, etc. thereby leading to strong human development. The choices that we make today will be going to affect and influence our future generations. This is in spite of all this inequality and disparity still exists. This year, the Indian Government implemented new CSR guidelines. These guidelines require Indian companies to spend 2 percent of their net profit on CSR. India is the first country in the world to make CSR mandatory. Including the CSR mandate in Companies Act, 2013 is a great step of engaging the corporate sector in the equitable development of the country. Earlier companies

were required to spend 2 percent of the profits towards CSR and in case of failure to do so; they were required to give reasons. But as per the present amendment, companies are required to spend 2 percent of profits towards CSR in the given time limit or are required to turn over this amount of profits in the funds which are run by the government.

The new amendment will require all the companies which qualify the provisions under CSR guidelines to spend the specified part of their profits towards Corporate Social Responsibility without failing. In this paper, research ershave made an attempt to study Issues and Challenges associated with CSR in India and also to determine various factors driving CSR practices in Indian Companies Keywords: CSR, Corporate, Society, Environment, Triple bottom line, Sustainability, Social responsibility.

Keywords: CSR.