

Corporate Social Responsibility initiative of Selected Iron and Steel Industry in Chhattisgarh

Ms. Deepali Dandwani

Research Scholar, MATS University, Raipur

&

Dr. Tapas Lata Sahu

Assistant Professor, MATS University, Raipur

Abstract:

CSR is a wide concept that encompasses different approaches which aims towards economic growth and development. CSR is a measuring tool that measures how far a company is working towards benefit of stakeholders. Corporate Social Responsibility has incorporated as vital element in the modern business models. Corporate Social Responsibility is often referred as company's initiative to predict and take responsibility of Corporate Social Responsibility effects on the society as well on the environment. Nearly all of the top corporate have separate CSR departments to accomplish such activities. The purpose behind this research paper is to know how far and how genuine companies are working towards CSR. Its main aim is to know that is companies sole purpose is just profit earning or are concerned about CSR also. In this research it is observed that companies are genuinely concerned about CSR activities as CSR is vital to sustain in this competitive world. CSR can also be treated as USP, which helps an organization to sustain in society for longer period.

Some of the CSR initiatives undertaken by GPIL and JayswalNeco is to *adopt a school in a rural area, Provide digital education in students in rural areas, Collaborate with a NGO, Free Medical camps in backward areas, Donating sports equipment to schools, Food Camps, Donations to orphanages/old age homes, Environment, Education, Healthcare and Sanitation, Providing Safe Drinking Water, Social and Economic Empowerment, and Empowerment of women for education / health and self-employment.*

Keywords:*Business initiative, Environment and Economic Empowerment.*

Introduction

Corporate social responsibility (CSR) is a notion whereby companies integrate environmental and social concerns in their business operations and in their interaction with the stakeholders on a voluntary basis. CSR is a thoughtful and practical way to give back to society. When businesses are conscious of their social and environmental impact on the world, they can benefit society by giving back and helping to find solutions to everyday issues.

The potential advantage of CSR to companies comprises of positive business reputation, better brand recognition, increased sales and customer loyalty. These are the most common examples of corporate social responsibility: Reduce carbon footprints to mitigate climate change. Improve labor policies and embrace fair trade. Engage in charitable assistance and volunteer efforts within your community. Change corporate policies to benefit the environment.

CSR has varied policies like giving to organization, reducing harmful waste, providing products and services to consumers, and treating their employees with moral ethics. The best part about corporate social responsibility is that it was implemented in both large and small organization. CSR is something that benefits everyone when businesses adopt its policy.

Corporate Social Responsibility, or CSR, is a process within the business world that promotes larger social and ethical role for corporations. CSR guidelines are designed to amend the problem as well as to transform large companies into productive corporate citizens who contribute in positive ways to the community.

Corporate Social Responsibility is a mounting and imperative part of an organizations overall strategy. The voluntary compliance of ecological and social responsibility shared by the companies is called Corporate Social Responsibility. Corporate Social Responsibility is a concept whereby companies choose voluntarily to contribute towards better society and a cleaner-healthier environment.

In this concept companies integrate environmental and social concerns into their business operations as well as their interaction with the stakeholders on a voluntary basis. This is represented by contributions taken by companies to society through its social investment and business activities. CSR is also associated with the sustainability principal which argues that enterprises must make decisions based not only on financial factors like profits or dividends, although also based on the immediate and long term environmental and social consequences of their activities.

The CSR initiatives undertaken by GPIL and JayswalNeco are:

No.	SR initiatives undertaken by GPIL and JayswalNeco
1.	<i>Provide digital education in students in rural areas</i>
2.	<i>Collaborate with a NGO</i>
3.	<i>Adopt a school in a rural area</i>
4.	<i>Research scholarship to students of backward classes</i>
5.	<i>Environmental sustainability</i>
6.	<i>Promoting national and rural sports, Paralympic, Olympic sports</i>
7.	<i>Free Medical camps in backward areas</i>
8.	<i>Food camps</i>
9.	<i>Donations to orphanages and old age homes/ Senior Citizens Care</i>
10.	<i>Donations to orphanages and old age homes/ Senior Citizens Care</i>
11.	<i>Rural development</i>
12.	<i>Environmental sustainability</i>
13.	<i>Education, Employability and Livelihoods Enhancement</i>
14.	<i>Gender Equality and Women Empowerment</i>
15.	<i>Preventive Healthcare, Water and Sanitation</i>
16.	<i>Environment preservation</i>
17.	<i>Conservation of resources</i>

1. Adopt a school in a rural area

Inadequate quality primary education in rural area, thousands of young minds never received any chance to try their luck in different fields including sports, education, etc. Godawari Power and

Ispat Limited and JayswalNecohave a go in this area and provide students with quality education in rural areas. The companies have employed its staff with good quality qualifications at the rural area. The company's also provide better infra-structures, sanitary facilities, provide opportunities for extra-curricular activities, free uniforms and stationary.

2. *Provide digital education in students in rural areas*

In today's scenario, IT is one amongst most emerging industries. It's practically not possible to envision a comfortable life without knowledge of smart phones and computers. Godawari Power and Ispat Limited and JayswalNecohave donated computers at various schools to the students of rural areas in addition with providing free computer education to the students and enhance their IT skills.

3. *Collaborate with a NGO*

NGO are organizations that are continuously fighting for a social cause. Godawari Power and Ispat Limited and JayswalNecoby joining hands with a NGO can assist them through providing monetary fund's and the same. The company's employees can also volunteer to join the NGO to carry out various activities that it organizes.

4. *Free Medical camps in backward areas*

It is a common known fact that rural areas lack in medical facilities. Godawari Power and Ispat Limited and JayswalNeco have associated with hospitals and medical institutions so as to provide free health check-ups in rural areas. The camps with specific to a medical purpose like polio vaccination, testing for epidemic diseases like malaria, dengue, swine-flu etc. are also organized by these organizations. Godawari Power and Ispat Limited and JayswalNecoalso organizes awareness programs as part of this initiative.

5. *Promoting national and rural sports, Paralympic, Olympic sports*

A sport is one of the main fields in India. As with the increasing trends of indoor games and video gaming, the younger generation is lacking physical fitness. Godawari Power and Ispat Limited and JayswalNecoare donating sports equipment that will not only persuade the students in adopting a healthier lifestyle, while also advocate the company as a fitness and health promoting institution.

6. *Research scholarship to students of backward classes*

These companies provides fund for the student's accommodation fee, day to day living expenses, tuition fee to the students with brilliant academic caliber but has no means to fulfill their potential; or else they will be devoid of this. *Companies also provide* funds to the students who belong to lower income classes so that they can carry out their research work smoothly.

7. Food Camps

Godawari Power and Ispat Limited and JayswalNecoorganize food camps at various places/ at places where it operates.

8. Donations to orphanages and old age homes/Senior Citizens Care

Elderly *care*/eldercare is the accomplishment of the special requirements and needs that are unique to *senior citizens*. Godawari Power and Ispat Limited and JayswalNeco donates plenty of money in providing the required things/materials in *orphanages*/old age homes.

9. Environmental Sustainability

The term Environmental sustainability is defined as the rates of renewable resource harvest, non-renewable resource depletion and pollution creation that can be continued indefinitely. In case they are not continued indefinitely then they are not sustainable. Sustainability is vital as it encompasses many reasons like Environmental Quality that is important to have healthy communities, for clean air, natural resources, along with a nontoxic environment. Healthcare is closely associated with the sustainability as the quality of our environment affects public health. Godawari Power and Ispat Limited and JayswalNeco are ensuring environmental sustainability by working towards maintaining ecological balance, activities of plantation of saplings, protection of flora and fauna, development of parks and gardens, agro-forestry, animal welfare, conservation of natural resources as well as to maintain quality of soil, water and air.

10. Preventive Healthcare, Water and Sanitation

Preventive Services includes Routine health care that consists of check-ups, screenings, and patient counseling to prevent disease, illnesses or other health problems. Both the companies are vigilantly working towards preventive healthcare measures by organizing health camps at varied places near its business operation. Sanitation implies to public health conditions relating to clean drinking water as well as adequate treatment and disposal of human excreta and sewage. Godawari Power and Ispat Limited and JayswalNeco are running educational programs to create awareness regarding clean surrounding as well as good sanitary conditions. Companies also works towards providing drinking water through water tankers and bore wells during summer season so as to undertake maintenance and installation work of hand pumps along with maintenance of wells.

11. Rural Development

Rural development is the procedure to improve the quality of life of populace and economic well-being of people residing in rural areas. The companies are constantly making efforts

towards developing the rural areas by the means of road construction, deepening and widening of existing wells and ponds in the nearby villages, road side rest shelters, and many more.

The purpose of rural development program is to aid farmers in increasing their crop production along with raising the small farmers' income through allocation of resources and providing employment in rural areas.

12. Education, Employability and Livelihoods Enhancement

Education is defined as the process of giving or receiving systematic instruction, particularly at a school or university. Godawari Power and Ispat Limited and JayswalNeco are working on imparting quality education to the schools in rural villages. Companies are also running vocational training programs for the youth (both girls and boys).

Employability is defined as set of skills, knowledge as well as personal attributes that makes an individual more employable. The selected companies for the study are taking measures to create employability for the people of rural areas.

Livelihood is a term that describes set of activities that involves capacity to acquire necessities like food, water, shelter and clothing of life. This concept is an attempt to go ahead of the conventional definitions as well as approaches to poverty eradication. Godawari Power and Ispat Limited and JayswalNeco are constantly working towards Livelihoods Enhancement as its society where any organization operates.

13. Gender Equality and Women Empowerment

Gender equality/ sexual equality/ equality of the sexes, is the situation of equal ease of right to use resources and opportunities irrespective of gender, comprising of decision-making and economic participation; and the state of valuing diverse aspirations, behaviors and needs equally, irrespective of gender. The concept of Gender Equality is taken by the companies in order to create congenial atmosphere in the society.

Empowerment implies measures designed to enlarge the degree of autonomy and self-determination in communities and people as well in order to enable them to embody their interests in a self-determined and responsible way, acting on their own authority. Companies are earnestly working towards women empowerment like with self-help group through generating cottage based self-employment schemes.

These are just some of the mentioned CSR initiatives carried out by the organizations, might be the selected companies have been working beyond this.

Some more other initiatives include *conservation of resources, environment preservation, women empowerment* etc.

Literature Review

The European Commission's definition of CSR is "A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis." The online encyclopedia, Wikipedia (2007) has one of the best definitions of CSR. It states that it "is a concept that organizations, especially (but not only) corporations, have an obligation to consider the interests of customers, employees, shareholders, communities, and ecological considerations in all aspects of their operations." Long referred to as a company's soul food, corporate social responsibility is finally being taken seriously by Indian tech companies as they embark upon a gamut of philanthropic activities. Through Infosys foundation and other initiatives, Narayan Murthy chairman and Chief Mentor of Infosys have always been on the forefront of philanthropic activities as a part of CSR. Mr. Narayan Murthy firmly underlines the significance of CSR "For benefits of globalization and technology to reach to the poor, the private sector, philanthropic institutes and individuals should cooperate and establish partnership with Government institutes. This would lift millions of our people out poverty, provide them with opportunities and make them participating in the process and progress of globalisation. The sad part is that CSR still has not taken off in India according to a recent survey by Mumbai based online organisation Kramayog. The edition of the research revealed that nearly half of the top companies do nothing in way of CSR. For the Indian Company whatever the CSR activities are happening are centered on education, rural upliftment and helping the physically challenged.

Sharma (2011) made an attempt to analyze CSR practices and CSR reporting in India with special reference to banking sector and concluded that banking sector in India is showing interest in integrating sustainability into their business models but its CSR reporting practices are far away from satisfaction. Ventura and Vieira (2007) made a study to understand the dynamics of institutionalizing corporate social responsibility in the field of Banking Organizations in Brazil and found that from being an isolated marginal action, CSR in the past ten years is now a structured action in banking organizations. Narwal (2007) made a study to highlight the CSR initiatives taken by the Indian Banking Industry. The findings suggest that banks have an objective view-point about CSR activities. They are concentrating mainly on education, balanced growth (different strata of society), health, environmental marketing and customer satisfaction as their core CSR activities. CSR has emerged as the business issue of the 21st century and has been studied for over 50 years.

Gray in (1987) defined CSR as "the process of communicating the social and environmental effect of organization economic action to particular interest group within the society and society at large". Similarly Perk in (1993) defined CSR as "disclosure of those cost and benefit that may or may not be quantifiable in monetary term arising from economic activity and subsequently born by community at large or other stakeholders". According to EU Commission [(2002)347final:5] "CSR is the concept whereby companies integrate social and environmental concern in their business operation and in their interaction with their stockholders on a voluntary

basis.” Mining companies have long had a questionable reputation for social responsibility, especially in developing countries. In recent years mining companies operating in developing countries have come under increasing pressure as opponents have placed them under greater public scrutiny. Mining companies have responded by developing global corporate social responsibility strategies as part of their larger global strategies. In these strategies a prominent place is given to their relationship with local community. In the mining sector Corporate Social Responsibility (CSR) refers to a company’s voluntary actions to either reduce the negative impacts of mining (economic, social, and environmental) or to improve the living conditions of the local communities where they operate. By definition, voluntary actions are those that go beyond legal obligations and binding contracts. Thus, agreements between communities and companies cannot be considered part of a company’s CSR program because these agreements are similar to binding contracts (Hamann and Kapelus, 2004).

Conway (2003), in his study on iron ore mining industry in Goa and found that many large mining companies have their own initiatives towards environmental and social development. However, a structured CSR policy and planning is missing especially among the small and medium players in the industry. TERI Europe and ORG-MARG (2001), conducted a survey in several cities in India and found that more than 60% of the people felt that the companies should be held responsible for bringing down the gap between rich and poor, reducing human rights abuses, solving social problems and increasing economic stabilities. A survey conducted by CSM (2001) found various dimensions that companies follow for performing CSR. Various dimensions are national wealth, employment, environment and social programme including health and literacy. Arora and Puranik (2004) found in his study that there are appreciably several cases of companies in India involved in diverse issues such as health-care, education, rural development, sanitation, micro-credit and women empowerment, arts, heritage, culture, and conservation of wildlife and nature, etc Given the increase in corporate profits on the one hand and the reality of human-poverty and development indicators on the other, CSR seem to be in an embryonic stage in India.

According to Friedman (2006) "There is one and only one social responsibility of business-to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception or fraud". In contrast to Friedman’s statement, Robbins and Coulter (2007) explained that the management’s social responsibility goes beyond making profit to include protecting and improving social welfare of its stakeholders and the environment in which the firm carries out its operations. They also have the responsibility to the society that allow their information through various laws and regulations and support them through purchasing their products and services. The importance of CSR was realized by financial sector, when investors have started to consider extra-financial factors, like environment, society and governance (Bengtsson, 2008, Sjöström, 2009, Déjean et al., 2004). In today scenario, many banking organization have started to align their CSR practices with core value, products and services and publishing sustainability reports. Dangi and Kumar (2013) discussed about significance of inclusive financial system and role of RBI towards strong banking infrastructure. Regarding the banking sector Bhatt (2008) stated that

banks do not exist in a vacuum. They make a large contribution to the country's GDP growth, meet the demand of the growing middle class, contribute to infrastructure spending and reach out to the semi urban and rural areas. The Reserve Bank of India (RBI) 2011 on stressing the need for CSR, suggested the banks to pay special attention towards integration of social and environmental concerns in their business operations to achieve sustainable development. RBI also pointed out to start non-financial reporting (NFR) by the banks which will have the work done by the banks towards the social, economic and environmental betterment of society.

Objective of the Study

1. To study the CSR initiatives practiced by the Godawari Power and Ispat Limited and JayswalNeco.
2. To analyse how far these CSR initiatives are practiced by the Godawari Power and Ispat Limited and JayswalNeco.

Research Methodology

Data collection method used was primary data and secondary data. Primary data is collection of first hand information. Secondary data is information which has been collected in the past by someone else. For the study primary data was collected through interaction with the society and secondary data was gathered through books, magazines and journals.

Findings of the Study

From the study it can be well concluded that both the organizations are earnestly working towards CSR. Different CSR initiatives have been undertaken by them for upliftment of rural areas through adopting/implementing various activities. Organizations are also working towards women empowerment, environment sustainability, gender equality, for upliftment of the society, vocational training programs, for providing quality education to the students of rural areas, health care measures, and many more. Employees of both the organizations are quite well aware of the CSR practices initiated by Godawari Power and Ispat Limited and JayswalNeco. And society where this company's function also feels quite satisfied with the activities undertaken by these companies. Through study it was found that both the companies are enthusiastically working towards CSR implementation.

Recommendations and Suggestions

Further companies can also pay attention on the employee's family healthcare measures, imparting education to their children, and so on. As employees should also fetch benefits from the company practicing CSR. And all the stakeholders' interests should be taken into consideration because CSR is not just confined to the society but it comprises various other stakeholders as well. As iron and steel industry contributes to major economic growth, responsibility towards society and various other stakeholders should be enlarged. Its always two side relationship, if company fetches benefits, he is supposed to return it back in the form of actively participating in CSR initiatives.

Conclusion

Corporate social responsibility (CSR) is the way companies manage their business processes in order to produce an overall positive impact on the society. Corporate social responsibility covers social impact, sustainability and ethics. CSR should be incorporated in the functioning of different activities of corporate sector. Corporate Social Responsibility (CSR) is a common used term in the social and corporate sectors these days. CSR has important effects on environmental protection, environmental issues, education, employment creation and labor practices, eradication of poverty and human development.

It was seen from the study that both the companies are actively practicing CSR initiatives for the benefit of the company and the society as well. These companies have adopted varied CSR activities like concern for society, upliftment of backward areas, Education, Employability and Livelihoods Enhancement, Environmental Sustainability, *Donations to orphanages and old age homes/ Senior Citizens Care, Food Camps, Research scholarship to students of backward classes, Promoting national and rural sports, Paralympic, Olympic sports, Free Medical camps in backward areas, Collaborate with a NGO, Provide digital education in students in rural areas, Adopt a school in a rural area and many more.*

The CSR norm recommends that in spite of solely focusing on maximizing shareholders' wealth, corporations must also recognize their responsibilities to a large set of actors and thus investing portion of these rents for their welfare. CSR is acquiring importance not to increase revenue whereas, to incubate sustainable relationship with the public and the society.

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