



# An Analytical Study of CSR for the Upliftment of the Society: Special Reference to the Corporate Sectors in India

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## Abstract:

The world has developed a lot in the past 3 decades, however, despite all the development and growth, there exist some corporates and people who are unacquainted with the concept of Corporate Social Responsibility, let alone having knowledge about CSR being statutorily mandatory for some corporates due to introduction virtue of Section-135 in the Companies' Laws. The research paper is an attempt to approach the problem and explains the meaning of corporate social responsibility and its significance. Further, the legislative mandate pertaining to CSR is highly disregarded by corporates, by this research is an endeavour is made to highlight in detail, the CSR practices adopted and implemented by different companies and how these practices have contributed in not only the economic growth but the social growth and development of the country as well. To increase the acceptance of CSR practices by corporates it is also imperative to explain that the even though the term "Corporate Social Responsibility" was adopted from the western culture, the concept of CSR finds its origin in the Indian history as well. Efforts have to be made to illustrate that CSR is not a foreign concept. The problem is that CSR is conceived as a mere statutory obligation that has to be complied with by the corporates but rather, it should be conceived as a duty of the corporates towards the society, the people and the environment. Like every individual has certain duties towards the society, the country and the planet, corporates are also considered as legal entities and the same duties should be obliged by them.

**Keywords:** CSR practices, optimistic expectations, legislative mandate

**Introduction:** The world has developed a lot in the past 3 decades, however, despite all the development and growth, there exist some corporates and people who are unacquainted with the concept of Corporate Social Responsibility, let alone having knowledge about CSR being statutorily mandatory for some corporates due to introduction virtue of Section-135 in the Companies' Laws. This dissertation is an attempt to approach this problem wherein the researcher explains the meaning of corporate social responsibility and

its significance. Further, the legislative mandate pertaining to CSR is highly disregarded by corporates, by virtue of this dissertation an endeavour is made to highlight in detail, the CSR practices adopted and implemented by different companies and how these practices have contributed in not only the economic growth but the social growth and development of the country as well. An optimistic expectation is held that this detailed study of CSR practices adopted by different companies and its effect on the growth and development of the country will inspire other corporates to voluntarily engage in CSR activities.

### **Significance of the Research:**

The study provides a comprehensive understanding of the concept of CSR, its meaning and significance but it majorly revolves around the CSR practices adopted and implemented by corporates over the period of the past two decades. The objective is to justify the legislative mandate behind the implementation of CSR practices by certain companies and also to promote the voluntary adoption of CSR by majority of the corporates by highlighting the optimistic effect that CSR practices have had on the country's economic and social growth. CSR does not only require participation on part of the owners or the management of a corporation, but, every individual or employee of a corporation has to participate equally. It is only then that the CSR activities would yield any results.

### **Hypothesis Formulated:**

The hypothesis that has been formulated and shall be further tested by the researcher during the course of the research is *“CSR in Corporate Sector has evolved in the past few years and has contributed in the upliftment of the society. The existence of a positive relationship between mandated CSR spending and progress of a nation will be examined through extensive research.”*

### **Delimitations of the Study:**

There are many sources from which we derive what we know to be as law. One such source is judicial precedents. A major source of law and legal research is “Judicial Precedents”. This is due to their contribution to any legal system not just in their country but internationally as well as they have the tendency to improve the legislations and the respective legal provisions formulated for the proper functioning of the country. This is done when the judiciary of a country provides appropriate interpretations of laws. Therefore, it can be safely asserted that “Judicial precedents form a primary source of law”.

### **Literature Review**

At the very initial stage after the introduction of the concept of CSR, the primary focus of certain researchers was around the impact that mandatory CSR could have on environment and environmental protection. In his article on “A study of corporate social responsibility, mass tort & environment protection”, *Sukhvinder Singh Dari*<sup>1</sup> while discussing the link between mandated CSR and mitigation of disasters and environment

<sup>1</sup> “Sukhvinder Singh Dari, “A study of corporate social responsibility, mass tort & environment protection” 2 *ARPN Journal of Science and Technology* (2012)”.

protection, stated about the need for mandatory CSR by virtue of legislative frameworks. But, at the same time he neglected the proposed amendment under section 135 of the Companies Bill, 2012 and failed to provide a solution to the issue at hand. He basically pointed out the problem but did not suggest a way out of it. Thus, he failed to provide an effective redressal mechanism.

*Naval Lawande and Shubhangi Bhosale*<sup>2</sup> in their paper on “CSR & Employee Commitment” presented a strong connection between mandatory CSR and its benefits for the employees. The study showed that an organization committed towards its social responsibilities would be preferred by the employees over one that is not. This study even though brought a new perspective with respect to CSR into light but failed to provide an effective procedure to make corporates responsible for the society and its condition.

An extremely vital and progressive study on CSR was presented by *Dr. Sanjeev Verma and Rohit Chauhan*<sup>3</sup>, in their article which broadly discussed the part of CSR in developing economies. He also attempted to find out a way in which CSR can contribute towards the growth of the economy and social progress of a nation. In his paper he highlighted certain instances of corporates engaging in social activities and the resultant benefits to their respective countries. Although the United States has a greater HDI than India, both economies' HDI growth rates are essentially the same, according to this report. However, when it came to GDP growth, "India was aggressively outpacing U.S. growth, which highlighted the disparity between India's social and economic growth when compared to an advanced country like the U.S.A. This explains why India still has to cope with a variety of social issues, such as unemployment, poverty, and other social indices. A serious endeavour to promote CSR practices in India was shown by researchers *Kumar and V. Balsari* in their study on “Corporate Responsibility in India: A changing agenda”<sup>4</sup> wherein they submitted the four different models of CSR that can be recognized in India

### **Comparison of CSR Principles In India And CSR Principles Internationally**

In the preceding chapters this thesis has presented an elaborate study on the meaning and significance of the concept of CSR. Before proceeding to the debate on whether or not CSR should be made mandatory in India, it is important that go through the past and present situation of CSR along with the upcoming trends pertaining to CSR practices. What was the situation of CSR in India before the incorporation of CSR in its statutory provisions and what are the international norms and principles that are integrated in the companies' law globally?

<sup>2</sup> “Naval Lawande and Shubhangi Bhosale, “Corporate Social Responsibility & Employee Commitment: An Exploratory Study” 2(2) *Vishwakarma Business Review* 41 – 48 (2012)”.

<sup>3</sup> “Dr. Sanjeev Verma and Rohit Chauhan, “Role of Corporate Social Responsibility in Developing Economies” *International Marketing Conference on Marketing and Society* 139- 146 (2007)”.

<sup>4</sup> “Kumar and V. Balsari, “Corporate Responsibility in India: A changing Agenda?” *Business Social Partnership: Beyond philanthropy Conference, IIM Calcutta India*, (2002)”.

## India

"Each company entity should develop a CSR policy to direct its strategic planning and offer a roadmap for its CSR activities, which should be an important element of overall business strategy and in line with its business objectives. The Board should accept the policy once it has been developed with input from various level executives. These guidelines were appropriately compiled and revised by the "Ministry of Corporate Affairs in the year 2011", when it introduced the "*National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, 2011 (NVGs)*"<sup>5</sup> and framed the "*National Guidelines on Responsible Business Conduct (NGRBC)*"<sup>6</sup>. The NVGs formulated by the "Ministry of Corporate Affairs" are centered around the communal background of India and the practices established worldwide. The following principles form part of the NVGs:<sup>7</sup>

- The management of the corporate organization should be done with integrity, transparency and accountability.
- The services of the corporates should be rendered in a sustainable manner whilst keeping various environmental concerns in mind.
- Corporate enterprises should promote the well-being and safeguard the rights of their employees.
- Corporate organizations should fulfil the duties and responsibilities they have towards all their shareholders and stakeholders.
- Corporate practices must promote and safeguard human rights.
- Corporate practices must not indulge in activities that cause harm to the environment.
- While indulging in any strategy which is authoritative and trivial, corporate organizations should be transparent and accountable.
- Corporate organizations should also indorse comprehensive progress and fair conduct.
- Corporate organizations should attempt to build goodwill with their consumers and/or customers.

Pursuant to the issuance of the revised NVGs and the BRRs, the "Ministry of Corporate Affairs" formed a committee on "*Business Responsibility Reporting (BRR)*" to develop layouts for these responsibility reports for both listed and non-listed companies. These reports are a major factor for a sheer increase in the faith of the investors in respective businesses as well as their credibility. The primary function of this committee is to create layouts for these reports whilst keeping the stakeholders at the center to avoid additional reports pertaining to the same organization. These formats should necessarily include the relevant specifications of "*Global Reporting Initiative (GRI), Integrated Reporting (IR) etc., and SDGs from a NGRBC perspective.*" There are two most significant international principles on CSR which are very popular and extensively adopted by corporates worldwide. These are the "UN Global Compact" and the "ILO norms on Fundamental Rights at work". These principles are discussed in detail below:

<sup>5</sup> "Ministry of Corporate Affairs, *National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business*, (MCA, Delhi, 2011)".

<sup>6</sup> "Ministry of Corporate Affairs, *National Guidelines on Responsible Business Conduct*, (MCA, Delhi, 2018)".

<sup>7</sup> "*Ibid*".

## UN Global Compact<sup>8</sup>

The “UN Global Compact was framed by Kofi Annan, the UN Secretary General in the year 2000”. The objective behind the formulation of these principles was to bring together the corporations associated with the UN and other general societies to make a collective contribution for sustainable development. Similar initiatives are operated by the “World Bank, International Labor Organization and Organization for Economic Co-operation and Development (OECD)” on a huge scale. After the introduction of the UN Global Compact, corporates started taking cognizance of the welfare and rights of the employees, environmental issues, social evils, human rights and sustainable growth. **“The Ten Principles of the UN Global Compact”**:<sup>9</sup>

### Human rights

1. Corporate enterprises should aid to safeguard the globally pronounced and acknowledged human rights which fall within their influential horizon, and
2. Ensure that they are not indulging in any practices which violate these human rights.

### Labor relations

3. Corporate enterprises should protect and respect the rights of its members to form unions along with their right to mutual negotiations.
4. Eradication of coerced and unjust labor practices in all forms.
5. Annihilation of child labor practices
6. Eradication of discrimination in all opportunities with respect to employment.

### Environment

7. Corporate enterprises should take appropriate precautions keeping in mind various environmental issues while conducting their business.
8. Promote programs and indulge in activities to raise awareness regarding their environmental issues.
9. Promote the growth and usage of environmentally friendly technologies in their respective workspace.

### Combating corruption

10. Corporate enterprises should function jointly to eradicate any form of corruption in their administration and management.

<sup>8</sup> “UN Global Compact, available at: <https://www.unglobalcompact.org/> (last visited on February 25, 2021)”.

<sup>9</sup> “The Ten Principles of the UN Global Compact, available at: <https://www.unglobalcompact.org/what-is-gc/mission/principles> (last visited on February 25, 2021)”.

## “ILO’S Tripartite Declaration on Multinational Enterprises and Social Policy”<sup>10</sup>

The principles established in the “*Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration)*” suggest guidelines pertaining to the fields of employment and hiring, workplace environment, training of employees and industrial relations. The objective of this declaration is to promote and increase the contribution of the various multinational enterprises in the economic as well as social development of the society by means of acknowledging the genuine the practices adopted by the them to meet these ends and to reduce the risks incurred in the regular conduction of their business.

The following principles are included in the “ILO’s Tripartite Declaration”:

### 1. Employment:

- Promotion of Employment to attain sustainable economic growth and development while increasing employment opportunities and standards.
- Social protection should be included as a fundamental element of national security systems by governments.
- Eradication of forced labor practices.
- Abolition of child labor in all forms
- Equality of opportunity and treatment should be ensured by multinational enterprises and governments.
- Employment security should be promoted and protected by the MNEs and governments.

### 2. Training:

- Multinational enterprises should endeavour to provide appropriate vocational training to all employees at all levels with respect to their respective field of employment.
- Governments should establish policies and guidelines to ensure that adequate training is provided by the employers to their employees pertaining to their field of employment.

### 3. Working and living conditions:

- Wages, conditions of work and inherent benefits must be equivalent when compared with the those enjoyed by similar workers in the same field at the same level in the same country.
- Governments should formulate policies to ensure the MNEs do not practice any discriminatory activities against the employees regarding their wages, conditions of work and benefits.
- MNEs should abide by the highest standards of safety at the workplace and promote health and welfare for all its employees.

<sup>10</sup> “International Labor Organization, *Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy*, (ILO, Geneva, 2017)”.

#### 4. Labor relations:

- MNEs should respect and protect the right of its employees to form and join any organization of their choice, subject to the rules of the respective organizations.
- Employees should be allowed to indulge in practices of mutual negotiations with the employers.
- Consultation should be provided to resolve any conflict between the employers and employees mutually.
- MNEs should respect and safeguard the human rights of all its members and people associated with it.

#### **“Section-135 of the Companies Act, 2013”**

The “Companies Act, 1956” was amended in the by the introduction of “Companies Act, 2013”. This amendment contained a “new Section-135 and Schedule VII” by virtue of which Corporate Social Responsibility became legally mandatory for the companies which were fulfilled the conditions prescribed in the section. In furtherance to the purpose of making CSR mandatory, the “Ministry of Corporate Affairs notified the Companies (Corporate Social Responsibility Policy) Rules, 2014 which were applicable from April 1, 2014”.

The primary objective behind the introduction of a statutory provision with respect to CSR practices was to form a key business model which promotes sustainable development. The underlying objectives of the provision were two-fold:

- To prescribe guidelines to ensure contribution of the companies in good faith towards the society and its members by the prescribed category of companies.
- To keep-up with international practices and trends of development by establishing appropriate legislative framework to promote the companies to contribute towards the society.

The aim was the use of CSR practices as a tool to attain a form of social insurance by conducting various activities for the welfare of the society and environment.

The relevant section of the legislation pertaining to CSR i.e., “Section-135 of the Companies Act, 2013” is reproduced below:

#### “Section-135 Corporate Social Responsibility”

"(1) Every company with a net worth of at least Rs. 500 crore, a revenue of at least Rs. 1000 crore, or a net profit of at least Rs. 5 crore during 3[the immediately preceding financial year] shall establish a Corporate Social Responsibility Committee of the Board consisting of at least three directors, out of whom at least one director shall be an independent director.

With the caveat that a firm must have two or more directors on its Corporate Social Responsibility Committee in cases when it is not necessary to nominate an independent director in accordance with section 149's subsection (4).

“

(2) The Corporate Social Responsibility Committee's membership must be disclosed in the Board's report provided pursuant to section 134's subsection (3).

(3) According to the Corporate Social Responsibility Committee,

"(a) develop and submit to the Board a corporate social responsibility policy outlining the actions the firm will take [in respect to the topics or areas listed in Schedule VII];"

"(b) suggest the amount of money to be spent on the activities mentioned in subsection ; and (c) periodically review the company's corporate social responsibility policy."

(4) The Board of each company referred to in sub-section (1) shall:

(a) after considering the Corporate Social Responsibility Committee's recommendations, approve the company's Corporate Social Responsibility Policy; disclose the contents of such Policy in its report; and, if applicable, post it on the company's website in accordance with any applicable rules.

(b) ensure that the activities as are included in Corporate Social Responsibility Policy of the company are undertaken by the company.”

**Judicial Interpretations:** “Section-135 of the Companies Act, 2013” is a relatively new provision in the legislative framework of the country. Accordingly, the judicial precedents providing its various interpretations are comparatively lower. However, “Section-135 of the Companies Act, 2013” has been interpreted several times by the NCLT and the NCLAT. A few of those judgements are discussed below;

In the case of “**M/S. Hira Power and Steels Limited**”<sup>11</sup>, The court ruled that "the quantification of the CSR duty may only be determined once the accounts are finalised at the closing of the Books of Accounts of a specific financial year. As a result, only after the accounts for a specific financial year have been finalised can the sum to be donated for charity purposes as CSR duty be informed to the relevant authorities.

In the case of **Avinash Developers Private Limited**<sup>12</sup>, wherein the procedure of punishment and penalty for companies accused of non-compliance of Section-135 was discussed, it was held that “*the compounding of offence in respect of violation of Section 134 (3) (o) for non-disclosure of the CSR policy details in the Board’s Report can be done by forwarding an application under Section 441 of the Act.*”

<sup>11</sup> “CP No.: 2707/441/NCLT/MB/MAH/2018”

<sup>12</sup> “CP No. 2710/441/NCLT/MB/MAH/2018”



In a recent case of “**Technicolor India (P.) Ltd. v. Registrar of Companies**”<sup>13</sup>, “it was found that the Applicant company had spent less than the threshold limit set in Section-135 of the Companies Act, 2013 on CSR activities, the Tribunal allowed the company’s application to revise the Board report with respect to the CSR spending.”

#### **Amendment in “Section-135 through the Companies (Amendment) Act, 2019”<sup>14</sup>**

“Section-135” which deals with Corporate Social Responsibility was amended through “Section-21 of the Companies (Amendment) Act, 2019”. The amendment act was “published in the official gazette on 31<sup>st</sup> July, 2019”, however, the “Ministry of Corporate Affairs” notified that the provisions of “Section-21 of the Amendment Act of 2019” shall come into force from 22nd January, 2021. The major changes which were brought in the CSR provisions by virtue of the Amendment Act of 2019 are as follows:

- (a) The language of the erstwhile provision provided that in order to calculate the CSR expenditure of a company, the average gross profits of “immediately preceding three financial years shall be taken into consideration”. However, there was uncertainty with respect to the procedure for calculating the CSR expenditure of any company that was either recently established or which has not yet completed three consecutive years since its establishment and is satisfying any one of the conditions provided under “Section-135(1). The Companies (Amendment) Act, 2019” provides clarity in this regard. It provides that “a company which has not been completed the period of 3 financial year since its incorporation shall consider the average net profits earned by it during financial years after incorporation.”<sup>15</sup>
- c) Before the “amendment act of 2019”, if a company had not expended the allocated funds on CSR spends, it was merely required to notify the reasons for doing so, in its annual board report. However, the criteria with respect to the unspent CSR funds has changed through the amendment. It has been stated in the amendment that the CSR fund which remains unspent by the company when the financial year ends and is not related to any ongoing project shall be transferred, within a time period of six months of the termination of the financial year, to a fund which is specified as such under “Schedule VII”. A fine of minimum 50,000 rupees and maximum 25 lakh rupees can be imposed on companies on non-compliance of the provisions of Section-135(5) and (6).

#### **Studying the Contribution of CSR in the Upliftment of the Society Through Case Studies**

Probing into the historical background of “CSR” showed that during the latter part of the 1990s the notion of philanthropy was what occupied a majority of “CSR” scholars. Companies though that “CSR” was an act of philanthropy however, they did not commit consistently towards the same, they just issued one-time financial grants and mostly favoured activities which would aid the growth and development of their

<sup>13</sup> “2020 (7) TMI 423”

<sup>14</sup> “The Companies Amendment Act, 2019 (Act 2 of 2019), s. 21”.

<sup>15</sup> “The Companies Amendment Act, 2019 (Act 2 of 2019), s. 21(a)(i)”.

respective businesses. Further, corporates gave no consideration to stakeholders while indulging in such activities.

### **India: Case Study I: Name: Ashok Leyland**

Focus areas: “Environment”, “Safety and Health” and “Society”<sup>16</sup>

#### Environment<sup>17</sup>

The company has been implementing the practice of rainwater harvesting extensively by conducting several projects in this regard to improve the overall ground water level within “Bhandara”, a district of Maharashtra. To prevent the depletion of water during summers, the water saved up is used. Over the years, a dam having the capacity of 30,000 Kl and two separate artificial ponds with the capacity of 40,000 Kl and 10,000 Kl respectively, were constructed in in Bhandara. Due to these artificial water bodies, a variety of species belonging to both flora and fauna, thrive beautifully due to the easy access of water. An unfortunate incident occurred 2005, when due to heavy rainfall, these ponds overflowed. Consequently, a multitude of organism living in the ponds, including the fish, were found to have died. An investigation was launched to assess the reason behind this catastrophic event by several government organizations.

#### Safety and Health<sup>18</sup>

There is old saying that states “what is not identified is not controlled” and making sure that such dangerous situations do not occur, the company has undertaken an initiative to map these conditions in order to devise a strategy to control them. The aim is to improve the safety conditions at all places by using the results of this mapping. Regarding the aspect of contractor safety, a lot of new initiatives are undertaken which include the proper training of contractors that are to be assigned potentially dangerous workplaces, the appointment of “Safety Officials” on large projects, and finally regularly auditing Personal Protective Equipment and its procedure amongst the contracted workmen. Another initiative undertaken by the company to ensure the safety, health, access to information and proper training to all workmen, is to install an IT portal on safety for ease of access of all such information by the workmen.

#### Society<sup>19</sup>

Ashok Leyland along-side the “Government of National Capital of Delhi”, has authorized the Driver Training Institute (DTI) in Burari, Delhi, “to ready a commercial vehicle driver for life on the road - and off the road”. Operating on a revenue-neutral basis, this Institute is governed by a group named “FAITH (Foundation to Assist Inculcating Traffic Habits)”, which the “Government of NCT of Delhi” constitutes. The DTI was constructed with housing facility, a library, classrooms, an auditorium and a trainee’s hostel on around 12 acres of land. It contains a distinctive driving track which is 2.2 km long and several road configurations

<sup>16</sup> “Ashok Leyland, “Annual Report on Corporate Social Responsibilities (CSR) Activities” (2019-20)”.

<sup>17</sup> “Ashok Leyland, “Sustainability Report” (2018-19)”.

<sup>18</sup> “*Ibid*”.

<sup>19</sup> “*Ibid*”.

with e-signals, actual signboards, markings in the roads and streetlights to assist driving at night. Certified professionals are hired to train drivers in both theoretical, as well as, practical knowledge.

## **Case Study II: Name: ACC Limited**

Focus Areas: “Education”, “Health”, “Environment”, “Livelihood” and “Waste Management”<sup>20</sup>

### Community development<sup>21</sup>

The company devised a new strategy for assessing the needs of the community as a whole by hiring external agencies to contemplate the needs of the people living in the proximity of their different plants all across the country. An incredible collaboration took place between the company and “Development Alternatives”, a famous NGO with the aim to introduce the program of sustainable development of community for the people living nearby the Wadi Plant of the company in Karnataka. The plan was time-bound with a target of 3 years to build the local institutional capacities, creating livelihoods based on local and small enterprises, providing better habitation for the local which included better physical infrastructure, building of village institutions and household services.

### HIV/AIDS Programme<sup>22</sup>

ACC made a remarkable effort in the promotion of awareness regarding HIV/AIDS. Its effort against HIV/AIDS was nationally recognized. After partnering with Christian Medical College in Vellore, ACC founded a dedicated treatment center for HIV/AIDS at Wadi. It is most prominent to note that these two states were the states in which the virus was most prevalent. The treatment center founded by the company was named as “The Wadi Anti-Retroviral Treatment Center for HIV/AIDS”, it conducted regular operations and had a properly skilled medical staff supported by an equally qualified para-medical staff, catering only to the public community.

### Education Sector<sup>23</sup>

The company also contributed in the education sector by establishing “Sumant Moolgaokar Technical Institute” at Kymore which had an innovative and new curriculum with the objective to match the level of education imparted at IITs. It also transformed the attention of the “Regional Training Center” in Jamul, Chhattisgarh to an approach which catered more professional and technical courses which were considered more relevant in the manufacturing industry.

<sup>20</sup> “Corporate Social Responsibility at ACC Limited, available at: <https://www.acclimited.com/sustainable/corporate-social-responsibility> (last visited on April 10, 2021)”.

<sup>21</sup> “ACC Limited, “CSR Newsletter 23” (Oct-Dec 2018)”.

<sup>22</sup> “ACC Limited, “CSR Newsletter 21” (Apr-June 2018)”.

<sup>23</sup> “Ibid”.

Sustainable Development Endeavours

ACC also partnered with the “Holcim Foundation” for ‘Sustainable Construction’, to encourage ‘Sustainable Construction’ in this country. They also entered into a contract with “Development Alternatives”, an NGO, to form a ‘Center of Excellence’ which would follow researches providing a solution for problems like ineffective sustainable housing and durable rural infrastructure. They also provided modernization sustenance, outreach programs to the construction industry.

Planning and measuring effectiveness

The company made a proper business plan for CSR which lists yearly targets, the focus areas and tasks to be undertaken in the future. There were 2 unique participative practices adopted by ACC. The first was a model that helped to coordinate between the areas which were high priority to the stakeholders and their impact on the company. Secondly, they formed a scorecard which aimed to provide an investigation of the effect and the efficiency of the community development schemes.

**Case Study II: Name: Apollo Tyres Limited**

Focus Areas: Health<sup>24</sup>

Case Study of the HIV-AIDS Program in Apollo Tyres LimitedBackground

The initiative to fight against HIV-AIDS was initially launched by Apollo through a project named Apollo “Healthy Highways”. This development collaborated with DFID, thus beginning firstly in “Sanjay Gandhi Transport Nagar”. Presently, Apollo follows a wholistic and elaborative program on HIV-AIDS whose main concern are its employees, customers and those involved in their supply chain. The objective of this project is to build awareness among the general public and following the attitude of “prevention is better than cure”. The principle is to form strategic partnerships with various organizations to bring together more and more people on board with this project so as to attain maximum influence on the common public.

Apollo Tyres Health Care Centers<sup>25</sup>

These health centers are directed towards the involvement of truckers. The site decided for these clinics is basis on HIV pervasiveness, mobile population, intensity of trucking and the present level of contribution of other organizations in the said area. There are more than 15 such health centers running in North, West, and South of India. Transport Nagars are specifically ground zero for these clinics. They are placed as regular

<sup>24</sup> “Healthcare at Apollo Tyres Limited, available at: <https://corporate.apollotyres.com/en-in/responsibility/healthcare-for-trucking-community/> (last visited on April 11, 2021)”.

<sup>25</sup> “Apollo Tyres Limited, “Sustainability Report”, 38-39 (2018-19)”.

health clinics but the main aim is to prevent any stigma accompanying HIV-AIDS and to offer appropriate services for the same. The essential components of this project of the company as follows:

(a) Behaviour Change Communication (BCC)

Effective communication is considered as the key for increasing awareness regarding HIV-AIDS. The motive of the communication is to spread awareness regarding the modes of transmission and provide clarity with respect to any myths related to HIV/AIDS, forming group interaction sessions to have communication regarding the relation between sexually transmitted diseases and HIV.

(b) Peer Educators

Building a network of resourceful 'Peer Educators' is the most important link of the whole project. Considering the spread and nature of the population of Transport Nagars, these peer educators become a necessity.

(c) Condom Promotion

The program promotes use of condoms by organizing free distribution drives and social marketing of condoms. It is made sure that these condoms are easily and readily available at all outlets of the health centers in these transport nagars. The peer educators and outreach workers also contribute in this by educating the target audience on "The proper use and disposal of condoms".

d) Sexually Transmitted Diseases and Infection Identification and Treatment

Proper training is provided to the social workers, volunteers and peer educators for the identification of STDs and any related infections. The project involves the establishment of a strong referral system which requires the social workers, volunteers and peer educators to guide the patients to the clinic. It is important to note that these health centers and the clinic falling thereunder provide treatment and services with respect to STDS and its related infections only

Workplace Program

The company has also launched a program on workplace sensitization in collaboration with International Labor Organization. There are more than 16,000 employees everywhere, though out the company who are the target audience for this program. It began with sensitization of the upper management of the company. As a result of this, a committee was founded which included members from the upper management of the company.

**Conclusion and Suggestions:**

Corporate Social Responsibility is no longer considered as just another new emerging trend. CSR is a now construed as a concept which incorporates solutions to several emerging problems and issues that the people face globally. The rationale behind the implementation of this legislative framework of mandatory spending

on CSR by corporate entities seems sensible and reasonable. This paper found formulated the hypothesis that “CSR in corporate sector has contribution in upliftment of the society” and the hypothesis was tested in the affirmative. The positive impacts which have been brought in the society were thoroughly studied by virtue of a broad analysis of CSR policies and activities implemented by some of the leading corporates of the country and around the world as well along with the outcome that these activities yielded in the upliftment of the society. It has been seen from critical analysis of “CSR in Corporate Sector” presented in this paper that “Responsibility” and “Accountability” have to be an important and essential aspect of corporate governance regardless of the performance of the company or their business operations in order to prevent catastrophes like Bhopal and Satyam. After all the detailed analysis that has been provided in the former segments of this thesis it can be safely asserted that CSR can be a very important and efficient mechanism that can be applied and integrated in corporate practices for the betterment of all. It has formulated that basic principle for any corporate entity should be promulgated as “money and profit are the chief, but not the ultimate aim of a business, rather, it is service and welfare of the society which will thus gradually transform India from an agrarian to industrialized economy.”

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