

"UNDERSTANDING CSR ACTIVITIES PATTERN OF MANUFACTURING FIRMS OPERATIONAL IN STATE OF CHHATTISGARH"

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ABSTRACT

India is a land of diversity and so is it a land of contradiction. As we are climbing the ladders of success and are on the verge of becoming a super power, we are lacking behind in providing the very basic amenities to some of the economic weaker section of our Indian society. To improve the same, Indian government has brought upon companies Act 2013 under which companies as a part of their corporate social responsibility works for betterment of the economic weaker section of society and tries to give an ambience to them that's suitable for a proper living. Working for economic weaker section betterment is a part of CSR and companies carry out several number of activities as part of CSR like giving back more to environment then they take. Hence an effort has been made to study the CSR activity pattern of manufacturing firms using an especially designed questionnaire which can be answered on Likert Scale. The study after analysis provides list of activities which manufacturing firms stress upon as CSR initiative.

Introduction

A healthy and flourishing growth sector is central to India's mission for evenhanded, comprehensive and sustainable development. India's growth sector has evolved considerably over the previous few decades and is now witnessing extraordinary interest and funds across the value chain. With the passageway of the Companies Act, 2013 the directive for corporate social responsibility (CSR) has been officially introduced to the console of the Boards of Indian companies. The industry sector has responded optimistically to the improvement measure

undertaken by the government of India with an extensive awareness across the public and private sector, Indian and multinational companies [1].

CSR is not new to companies operating in India. Though, what this Act does is carry more companies operating in India into the crease. Also, it is possible that the total CSR spends will enhance [2]. One thing that is clear to many companies is that if this elevated CSR spending is to accomplish outcome on the ground – which is the goal of the Act – then it needs to be completed tactically, steadily and solicitously [3].

India is a nation of countless contradiction. On the one side, it has grown-up to be one of the major economy in the world, and an ever more significant thespian in the rising global order, on the other side, it is still house to the major numeral citizens breathing in total poverty (even if the quantity of poor people has decreased) and the a number of malnourished children [4].

Due to this companies too have been the mark of those troubled by this rough development and as a result, their assistance to society is under insensitive inspection. With rising consciousness of this opening between the haves and the have-nots, this inspection will only enlarge over time and community outlook will be on the rise. Many companies have been speedy to logic this progress, and have responded proactively while others have done so only when pressed [5]. Therefore this study will try to focus light upon the activities taken by company under CSR using effective comprehensive questionnaire developed solely for understanding the activity of different companies operational in state of Chhattisgarh.

Literature Review

The questionnaire developed for the study was prepared after extensive study of published literatures. The gist of those literature surveyed is being presented in the following paragraph.

Bimal Arora, remarked that the importance of all forms of global corporate social responsibility (CSR) is evident with the increasingly widespread adoption of ISO9000 and ISO14000 management systems by global corporations. As more consumers demand that marketers follow socially responsible practices, corporations are given an opportunity to further exploit the newer,

verifiable social accountability system, SA8000, to enhance their reputation, differentiate their products, and build competitive advantage. The adoption of SA8000 may be perceived as a very rational, cost effective, and strategic approach to managing the corporation's social reputation with its stakeholders.

Business India, undertook an analytical study of the corporate social disclosure practices of the top 16 software firms in India by analysing their annual reports using content analysis to examine the attributes reported relating to human resource, community development activities, products and services activities and environmental activities. It was revealed that the human resources category was the most frequently reported followed by community development activities and the environmental activities was the least reported. Most of the information was qualitative. Some firms had separate sections for each category while many others disclosed their social practices in the introductory pages of the annual report.

R.Goswami, provide a comprehensive description of the global trends, competitive pressures, and changing expectations of society that are reshaping the rules for running a profitable and principled business. It also offers companies a framework for mastering the new rules of the game by realigning their business practices in ways that restore trust. Information is presented on the crisis of trust, the crisis of inequality, and the crisis of sustainability.

Data Used and Methodology

The study area is marked by green buffer region as show in Figure 1.



Figure 1: Location of Study Area (Image adapted from Maps of India)

The region was so selected to include manufacturing giants around the capital city of state of Chhattisgarh, Raipur. The buffer region included 100 Km Radius. Due to security purposes the information about the name and exact geographic location of company(s) will not be shared. The details reside with author and can be obtained through proper mode of communication.

The CSR spokesperson of the company was asked to fill a comprehensive questionnaire developed. The answers to the questionnaire can only be made on Likert Scale of 1 to 6 with 1 depicting as the activities that are very important for company as part of CSR while 6 being least important.

The questionnaire collected data on the following mentioned below points

1. Cleaning Procedures (CP)
2. Industrial pollution (IP)
3. Energy efficiency (EE)
4. Renewable energy Sources (RES)
5. Water consumption (WC)
6. Waste handling (WH)
7. National Environment Law (NEL)
8. Environment Impact Assessment (EIA)
9. Child Labor (CL)
10. National Labor Law (NLL)

The data collected through the questionnaire is analyzed in the next section.

Analysis of the Data

The data was collected for four companies. The collected data is present in Table number 1.

The data shows that the companies are prompt enough to understand that industrial pollution generated by them (IP) has to be cleaned by them only. The better they control the industrial pollution the lesser the carbon credits and better their image in the society in the age of social network were a short lapse in the pollution can soon lead to disaster for their reputation on social platform.

The companies are less focused towards finding new ways or utilizing new ways of Renewable energy sources in their manufacturing plant the topic scored an average of 3.75. The points waste handling and Compliance to National Environment Law scored 2 on average which shows that companies are now pretty much not negligent towards Indian Environmental laws as these laws now have a sharp teeth to bite whenever there is violation. The companies are pretty much aware of the fact that child labor is one of the most heinous crimes in India therefore it scored a perfect one along with Industrial pollution. The

companies are also now considerate upon the Annual EIA hence the section scored a 1.5 on average.

The point towards which the companies are feeling that does not lies under CSR is the cleaning procedure or cleaning activities that is to be carried out to clean the dirty streets and pathways of a town or village. On rigorous questioning orally the CSR spokesperson tabled the point that those responsibilities are primarily activities of Municipality or local government agencies, they can contribute towards providing effective mechanism for cleaning but will not deploy a dedicated team for that as that might leave to blossom a permanent escapist attitude in Municipality towards cleanliness of the society.

Table 1: Score on likert Scale

Title	Company 1	Company 2	Company 3	Company 4	Average Score
cp	6	5	6	4	5.25
ip	1	1	1	1	1
ee	1	3	1	3	2
res	5	3	4	3	3.75
wc	1	1	1	3	1.5
wh	2	1	1	4	2
nel	1	1	2	4	2
eia	3	1	1	1	1.5
cl	1	1	1	1	1
nll	2	1	3	1	1.75

Conclusion

The above study concludes that the companies primarily are concerned about minimally damaging the environment of our planet. The companies on an average gave a point of perfect 1 when it came to controlling industrial pollution as they want to generate minimum amount of pollution so that the cost of its control comes out to be minimum. Second factor to score a perfect 1 is of child labor compliance. According to company fact sheets no labor employee was belonging to category of child labor which is one of the positive signs that our industrial sector is

now contributing in eradicating one of the most heinous forms of crime from India. While the companies in one sound agree to the point that cleanliness procedures for streets and pathways are sole responsibility of Local Government. While some agreed that a small section of street can be maintained only for beautification purpose because that helps to lower down carbon credits for them. The study hence shows an activity pattern of the companies on a ten point questionnaire that matters the most.

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