



Corporate Social Responsibility: A Case study

Ms. Rekha Rani ¹

Corporate social responsibility (CSR, also called corporate conscience, corporate citizenship, social performance, or sustainable responsible business/ Responsible Business) is a form of [corporate self-regulation](#) integrated into a [business model](#). This paper is an attempt to discuss various aspects of corporate social responsibility. It describes the process of corporate social responsibility, benefits arising out of it and a case study of Aditya Birla Group's corporate responsibility framework.

1. Extension Lecturer, Department of Commerce, Govt. College For Girls -14 Panchkula

Introduction

With the passage of the Companies Act, 2013 the mandate for corporate social responsibility (CSR) has been formally introduced to the dashboard of the Boards of Indian companies. The industry has responded positively to the reform measure undertaken by the government with a wide interest across the public and private sector, Indian and multinational companies

The EC defines CSR as “the responsibility of enterprises for their impacts on society”. To completely meet their social responsibility, enterprises “should have in place a process to integrate social, environmental, ethical human rights and consumer concerns into their business operations and core strategy in close collaboration with their stakeholders”

The Companies Act, 2013 has introduced the idea of CSR to the forefront and through its disclose-or-explain mandate, is promoting greater transparency and disclosure. Schedule VII of the Act, which lists out the CSR activities, suggests communities to be the focal point.

Key words: Transparency, social causes, project strategy, implementation

CSR: Planning and strategising

Step one: Developing a CSR strategy and policy

Step two: Operationalising the institutional mechanism

Step three: Due diligence of the implementation partner

Step four: Project development

Step five: Project approval

Step six: Finalising the arrangement with the implementing agency

Step seven: Progress monitoring and reporting

Step eight: Impact measurement

Step nine: Report consolidation and communication

Benefits of a robust CSR programme

- 1. Communities provide the licence to operate**
- 2. Attracting and retaining employees**
- 3. Communities as suppliers**
- 4. Enhancing corporate reputation:**
- 5. Increase in amount spent on social welfare and social infrastructure**

Case study of Corporate Social Responsibility of Aditya Birla Group

Overview

Vision of Aditya Birla Group

"To actively contribute to the social and economic development of the communities in which we operate. In doing so, build a better, sustainable way of life for the weaker sections of society and raise the country's human development index."

— Mrs. Rajashree Birla, Chairperson - Aditya Birla Centre for Community Initiatives and Rural Development

Before Corporate Social Responsibility (CSR) found a place in corporate lexicon, it was already textured into this Group's value systems. As early as the 1940s, its founding father Shri G. D. Birla espoused the trusteeship concept of management. Simply stated, this entails that "the wealth that one generates and holds, is to be held as in a trust for our multiple stakeholders. With regard to CSR, this means investing part of our profits beyond business, for the larger good of society."

While carrying forward this philosophy, its leader, Mr. Aditya Birla, weaved in the concept of 'sustainable livelihood', which transcended cheque book philanthropy.

Its strategy

Its projects are carried out under the aegis of the "Aditya Birla Centre for Community Initiatives and Rural Development", led by Mrs. Rajashree Birla. Its focus is on the all-round development of the communities around its plants located mostly in distant rural areas and tribal belts. All its Group companies — Grasim, Hindalco, Aditya Birla Nuvo and UltraTech have

Rural Development Cells, which are the implementation-bodies. Its partners in development are government bodies, district authorities, village panchayats and the end beneficiaries — the villagers. The Government has, in their 5-year plans, special funds earmarked for human development and it recourse to many of these.

Project identification mechanism

All projects are planned in a participatory manner, in consultation with the community, literally sitting with them, and gauging their basic needs. It take recourse to "participatory rural appraisal", which is a mapping process. Subsequently, based on a consensus and in discussion with the village panchayats, it prioritise requirements. And thus a project is born. Implementation is the responsibility of the community and its team, as is the monitoring of milestones and the other aspects. Monitoring entails physical verification of the progress and the actual output of the project.

Village meetings are held periodically to elicit feedback on the benefits of group's community programmes and the areas where these need to be beefed up

Model-villages

One of its unique initiatives is to develop model villages, so each of its major companies is working towards the total transformation of a number of villages in proximity to its plants. Making of a model village entails ensuring self-reliance in all aspects viz., education, health care and family welfare, infrastructure, agriculture and watershed management, and working towards sustainable-livelihood-patterns.

Its Project operation

The geographic reach, annual spend

The footprint of its community work straddles 3,000 villages across the length and breadth of our country. It reach out to more than 7 million people annually. Over 60 per cent of these live below the poverty line and belong to scheduled castes and tribes.

The Group spends in excess of Rs.130 crore annually, inclusive of the running of 18 hospitals and 42 schools. The Group transcends the conventional barriers of business and reaches out to the marginalised as a matter of duty and to bring in a more equitable society.

Major focus areas

Its rural development activities span five key areas and its single-minded goal here is to help build model villages that can stand on their own feet. Its focus areas are healthcare, education, sustainable livelihood, infrastructure and espousing social causes.

Education

- Formal and non-formal education, adult education

- Scholarships for girls, merit scholarships and technical education for boys
- Distance education
- Girl child education
- Digital literacy / computer education

Health care and Family Welfare

- Pulse polio programme
- Mobile clinics — doctors' visits
- General and multispeciality medical camps, cleft lips
- Reproductive and child health care, supplementary nutrition / mid-day meal projects
- Safe drinking water, sanitation — household toilets, community hospitals
- HIV / AIDS, cancer, TB awareness and prevention camps
- Blood donation
- Responsible parenting

Social causes

- Widow re-marriage / dowry-less mass marriages
- Social security (insurance)
- Culture and sports
- Women empowerment

Infrastructure development

- Community centres
- Schools in villages
- Health care centres and hospitals
- Roads
- Homes for the homeless
- Rural electrification
- Irrigation and water storage structures

Sustainable livelihood

- Self-help groups (microfinance for women and farmers)
- Integrated agriculture development
- Integrated livestock development
- Watershed management
- Microenterprise development
- Skill development / vocational training through Aditya Birla Technology Park for integrated training programme and VT centers at most of our plants in collaboration with ITIs

Partners in different projects

WHO, Australia India Council, Bill and Melinda Gates Foundation, Habitat for Humanity, CII, European Union(EU), British Council, City & Guilds(UK), Global Compact Network, International Rotary Club, NSDC, FICCI, NABARD, NACO, CARE,IGNOU, Aide et Action, SEWA, BAIF,MYRADA, Basix, Card, Art of Living Foundation, Smile Foundation, Local NGOS, District Development Offices, Central and State Governments.

Conclusion

CSR in India tends to focus on what is done with profits after they are made. According to Indian Institute of Corporate Affairs, a minimum of 6,000 Indian companies will be required to undertake CSR projects in order to comply with the provisions of the Companies Act, 2013 with many companies undertaking these initiatives for the first time. With CSR the companies are contributing towards social welfare by way of education, health care and family welfare, social causes and infrastructure etc.

References

[http://en.wikipedia.org/wiki/Corporate social responsibility](http://en.wikipedia.org/wiki/Corporate_social_responsibility)

http://www.pwc.in/en_IN/in/assets/pdfs/publications/2013/handbook-on-corporate-social-responsibility-in-india.pdf

[corporate social responsibility - Google Search](#)

<file:///C:/Users/nk/Desktop/Aditya%20Birla%20Group%20-%20Corporate%20Social%20Responsibility%20in%20India.htm>

StudyMode.com