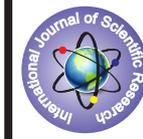


CSR Initiatives of Corporate Sectors in Controlling Pollution and Protecting the Environment



Commerce

KEYWORDS: Corporate Sustainability, Initiatives, Governance, Environment, Indian companies.

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ABSTRACT

Corporate Social Responsibility (CSR) is emerging as a new field in the management research. Many Indian Companies have taken the initiatives of CSR Practices which have met the varying needs of the society. The present Study has made an attempt to understand the status, progress and initiatives made by large firms of India in context to protect the environment. Although India has entered or taken a transformational change by involving into new CSR initiatives, but still a lot has to be done in this area. Amid the global ecological crisis around climate change, India stands at a moment in time where she has the responsibility of acting responsibly and ethically towards the environment.

This paper is an attempt to understand initiatives of Indian Companies towards protecting the environment for its sustainability so as to provide a green and clean environment for the next generation. Also applying green processes to the workplace that creates a healthy environment for employees, reduces waste, and recognizes the role that businesses play in leading the way for social change.

Even though the Green movement started more than a decade ago it is becoming the trend now. Building green isn't just a cost saving strategy. It is a brand growth strategy

INTRODUCTION

Corporate social responsibility (CSR) is basically a concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment. Corporate social responsibility is represented by the contributions undertaken by companies to society through its business activities and its social investment. This is also to connect the Concept of sustainable development to the company's level.

Corporate Social Responsibility and Environmental Management provides a practical resource for the ever increasing number of organisations concerned about social and environmental responsibilities in the context of sustainable development and are interested in developing tools to improve their performance and accountability in these areas.

Over the last years an increasing number of companies worldwide started promoting their Corporate Social Responsibility strategies because the customers, the public and the investors expect them to act sustainable as well as responsible. In most cases CSR is a result of a variety of social, environmental and economic pressures.

In India there are an existent but small number of companies which practice CSR. This engagement of the Indian economy concentrates mainly on a few old family owned companies, and corporate giants such as the Tata and Birla group companies which have led the way in making corporate social responsibility an intrinsic part of their business plans. These companies have been deeply involved with social development initiatives in the communities surrounding their facilities. Jamshedpur, one of the prominent cities in the northeastern state of Bihar in India, is also known as Tata Nagar and stands out at a beacon for other companies to follow. Jamshedpur was carved out from the jungle a century ago. TATA's CSR activities in Jamshedpur include the provision of full health and education expenses for all employees and the management of schools and hospitals.

In spite of having such life size successful examples, CSR in India is in a very nascent stage.

Definition of Corporate Social Responsibility:

The World Business Council for Sustainable Development (WBCSD) defines CSR as "the commitment of business to contribute to sustainable economic development, working with employees, their families & the local communities"

CSR is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.

The voluntary compliance of social and ecological responsibility of companies is called Corporate Social Responsibility (CSR). CSR is achieving commercial success in ways that honor ethical values and respect people, communities and natural environment.

Socially conscious enterprises can take a wide range of initiatives in social action areas such as adoption of villages, contribution to rural development, general health and education, sanitation, housing, combating environmental pollution, reducing urban congestion etc.

The meaning of CSR is analyzing the interdependent relationships that exist between corporations and economic systems and the societies and also discussing the level of any obligations of a business has to its immediate society; a way of proposing policy ideas on how those obligations can be met as well as a tool by which the benefits to a business for meeting those obligations can be identified.

REVIEW OF LITERATURE

Wartick and Cochran (1985) traced the evolution of the corporate social performance model by focusing on three challenges to the concept of corporate social responsibility: economic responsibility, public responsibility, and social responsiveness. They also examined social issues management as a dimension of corporate social performance.

According to Berkhout (2005), CSR plays a vital role in promoting sustainability. Through embracing the principles of CSR, a firm is conscious on how it utilizes its resources, at the same time reducing negative impacts to not only to the environment, but also the economy and the society as a whole.

Shah, Bhaskar (2010), has taken a case study of public sector undertaking i.e. Bharat Petroleum Corporation Ltd. in their research work. The research has discussed that there is a broad relationship between the organization and society. Organization has its existence only with the society. Organization used the resources/inputs of the society like material and human etc. In reverse, the organization provides services to the society.

Vujic et al (2012) Socially responsible company maintains a balance between the company's interests on one hand along with the societal interest on the other by simply following the basic ethical guidelines and engaging in those business activities that will protect and improve the society.

Objectives of the study

- To examine corporate social responsibility in the light of environment protection.
- To discuss the impact of organization's activities on the environment.

- To study initiatives of companies towards environment

Research Design

Methodology of the study

- This paper is developed on the basis of referring secondary data from books, journals, magazines, e-sources, websites and newspapers.
- Source of information is research based books, reports, plan documents and articles published in research journals.
- Quantitative and qualitative methods have been used for the analysis of the data.

Limitations of the study

- The study is limited to secondary data only
- The findings of the study cannot be generalized.

Why companies undertake CSR Initiatives

- **Philanthropic Activity**
- **Reengineering the Value Chain**
- **Transforming the Ecosystem**

CSR benefits to the Company

- Creates new business opportunities
- Reduces operating costs
- Improves supply chain performance
- Improves company's environmental impact
- Protects resources on which the company depends
- Markets to socially responsible customers

Environmental Impacts of Large Corporations:

The CSR towards environmental needs by organizations has to reduce or eliminate the impact of corporate on environment. The impact of corporate on environment is as follows-

- Accidents
- Water pollution
- Consumption of natural resources
- Noise pollution
- Soil damage
- Atmospheric emissions
- Generation of hazardous waste Corporate leaders across all industries now face growing pressures to become more sensitive to their companies energy consumption and Environmental impact.

Initiatives of 5 Companies towards Protecting the environment

1. Tata Steel Ltd:

The most recent testimony to Tata Steel's contribution is The Energy & Resources Institute (TERI) Award conferred on it in recognition of corporate leadership for good corporate citizenship and sustainable initiatives. Tata Steel is the only Indian company to have pledged to translate the Global Compact principles on human rights, labor and environment into practice and was conferred the Global Business Coalition Award for Business Excellence in the Community for HIV /AIDS. Over the years, the nature of the company's involvement with the community has undergone a change. The many facets of Tata Steel's efforts are medical and health services in the rural and semi-urban areas, sports, women's health and education, water harvesting and tribal development, relief and rehabilitation and income generation, among others.

Following the achievements of Tata Steel Ltd:

- The only integrated steel company in the world to receive the Deming Grand Prize
- Ranked among the World's Most Ethical Companies by Ethisphere Institute, USA
- Successfully commissioned a 6 mtpa Pellet Plant, the largest of its kind in India, leading to a paradigm shift in efficient use of low grade raw material resources
- More than 1800 solar lights installed in about 500 neighbouring villages

- Measured Human Development Index in 232 villages to assess and prioritize social initiatives

2. Indian Oil Corporation

Indian Oil is also been forefront in case of national emergencies. Few of the initiative is providing petrol/diesel station dealerships and LPG distributorships to beneficiaries from among Scheduled Castes, Scheduled Tribes, physically handicapped, ex-servicemen, war widows, etc. and also Kisan Seva Kendra. In case of environment it has favored for green fuel. It is the firm resolve of Indian Oil people to move beyond business, touch every heart and fuel a billion dreams.

Following are the schemes followed by Indian Oil :

Environmental sustenance: IOC provides many options in alternative fuels such as ethanol-blended petrol, bio diesel, and hydrogen and hydrogen-CNG mixture.

Health-care: Indian Oil has a concerted social responsibility program to partner communities in health, family welfare, education, environment protection, providing potable water, sanitation, and empowerment of women and other marginalized group.

Natural Emergency Assistance: Indian Oil has been in the forefront in times of national emergencies. Employees of IOC have rallied to help victims of natural calamities, maintaining uninterrupted supply of petroleum products and contributing to relief and rehabilitation measures in cash and kind.

Community Development: Allotment of petrol/ diesel station dealerships and LPG distributorships to beneficiaries from among scheduled castes, scheduled tribes, physically handicapped, ex-servicemen, war widows, etc.

3. Infosys

Narayan Murthy chairman and chief mentor of Infosys has always been on the forefront of philanthropic activities as a part of CSR. Mr. Narayan murthy firmly underlines the significance of CSR: "for benefit of globalization and technology to reach the poor, the private sector, philanthropic institutes and individuals should cooperate and establish partnership with government institutions. This would lift millions of our people out of the poverty, provide them with opportunities and make them participate in the process and progress of globalization".

A Recent initiative by Infosys is promoting the cause of health and hygiene in rural India, the Foundation invested ` 10 crore and started the Parishudh Initiative with the help of over 10 NGOs in North Karnataka. Since the beginning of the program, the Parishudh Initiative has helped 12,000 families build toilets in over 400 villages.

4. DALMIA CEMENT

The water source for the villages in and around the Dalmia Cement factory is dependent on rains. During summer months, the villagers, particularly women folk, travel long distances to fetch water for drinking and other purposes. Considering the difficulties and hardship faced by the people, the company, after discussing with the village elders and concerned Government authorities, took the initiative of making water available by: Providing deep bore wells. So far, 45 bore wells have been provided in various villages, namely Kallakudi, Palanganathan, Malvoi, Elakkurichi, Muthuvathur, Pullabmadi, Edayathankudi, etc. Approximately, 300 to 400 people get adequate drinking water from each bore well. Water tanks to store the water. Rain and seepage water is harvested in the quarries of the company is pumped into a tank and supplied to inhabitants. 44,000 trees were planted and nurtured over a period of eight years. The presence of large trees and vast greenery has considerably improved the ecology in the area

5. ITC (One Paisa Campaign)

Being a large tobacco corporation is no easy task from corporate responsibility viewpoint. How can a company that produces cigarettes for a living actually fulfill its social and profit responsibilities and look good at the same time? Well, ITC (Indian Tobacco Corporation), the largest tobacco company in India has managed to create an altered image for itself by promoting its social activities through its many faucets of income. For example, through its proprietary notebook and college equipment brand name, Classmate, it collects one paisa from every sale to donate to NGOs and feed hungry, below poverty, children in India. Every item sold under its clothing brand name and any other outlet shall have a certain percentage given back through plantation of trees or feeding hungry stomachs.

Social & Farm forestry:

ITC's social & Farm forestry program emerged in response to its challenge to source effective pulp wood from sustainable sources to enhance its competitiveness. Instead of taking easier route to importing pulp, ITC innovatively leveraged its pulpwood requirements to provide sustainable livelihood opportunities to poor and tribal marginal farmers, by assisting them to convert their private wastelands into productive pulpwood plantations. High yielding, disease resistant and site specific clones are developed in ITC's research center.

This program has not only created sustainable source of livelihood for a large no. of disadvantaged sections of society but has also bought in a multiplicity of benefits by creating a large green cover that contributes significantly to groundwater recharge, soil conservation and carbon sequestration.

Environment

- ITC has been 'Carbon Positive' three years in a row (sequestering/storing twice the amount of CO₂ than the Company emits).
- Water Positive' six years in a row (creating three times more Rainwater Harvesting potential than ITC's net consumption).
- Close to 100% solid waste recycling.

CONCLUSION

Today, CSR in India has gone beyond merely charity and donations, and is approached in a more organized fashion. It has become an integral part of the corporate strategy.

Corporate Social Responsibility (CSR) defined as "the ethical behavior of a company towards the society," manifests itself in the form of such noble programs initiated by for-profit organizations. CSR has become increasingly prominent in the Indian corporate scenario because organizations have realized that besides growing their businesses it is also vital to build trustworthy and sustainable relationships with the community at large. This is one of the key drivers of CSR programs. Another reason fueling this rapid adoption of CSR is the state of the Indian society. Though India is one of the fastest growing economies, socio-economic problems like poverty, illiteracy, lack of healthcare etc. are still ubiquitous and the government has limited resources to tackle these challenges. This scenario has opened up several areas for businesses to contribute towards social development.

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