"A study of approach towards Corporate Social Responsibility and its impact on overall growth of companies with special reference to selected I.T. Companies in Mumbai region "

A THESIS SUBMITED TO

TILAK MAHARASTRA UNIVERSITY PUNE

FOR THE DEGREE OF

DOCTOR OF PHILOSOPHY (PhD)

UNDER THE GIUDANCE OF

Dr. AFTAB ANWAR SHAIKH

BY

IRFAN AHMED AJMERI

UNDER THE FACULTY

DEPARTMENT OF MANAGEMENT

IN

March 2014

DECLARATION

I hereby affirm that the research work entitled **"A study of approach towards Corporate Social Responsibility and its impact on overall growth of companies with special reference to selected I.T. Companies in Mumbai region"** is an original work accomplished by me in the Department of Management, Tilak Maharashtra Vidyapeeth, Pune. It does not contain any work for which a degree or dissertation has been awarded by any other university.

Pune, India   **Irfan Ahmed Ajmeri**

Date   **Researcher**

CERTIFICATE

Certified that, the work incorporated in this thesis entitled **"A study of approach towards Corporate Social Responsibility and its impact on overall growth of companies with special reference to selected I.T. Companies in Mumbai region"** submitted by Irfan Ahmed Ajmeri was carried out by the candidate under my supervision. Any such material obtained from other sources has been duly acknowledged in this thesis.

Dr. Aftab Anwar sheikh

(Research Guide)

ACKNOWLEDGEMENT

ABBREVIATIONS

1.	ANOVA	Analysis of Variance
2.	BPO	Business Process Outsourcing
3.	CEO	Chief Executive Officer
4.	CII	Confederation of Indian Industry
5.	CSP	Corporate Social Performance
6.	CSR	Corporate Social Responsibility
7.	DTI	Department of Trade and Industry
8.	ESS	Employee Satisfaction Survey
9.	EU	European Union
10.	GDP	Gross Domestic Product
11.	HRM	Human Resource Management
12.	ICT	Information and Communication Technology
13	ILO	International labuor organization
14.	IOE	International Organization of Employers
15.	ISO	International Standard Organization
16.	IT	Information Technology
17.	IT- BPO	Information Technology Business Process Outsourcing
18.	MCA	Ministry of Corporate Affairs
19.	MNC	Multi National Company
20.	NASSCOM	National Association of Software and Service Companies
21.	NGOs	Non-Governmental Organizations
22.	NS	Non-Significant
23.	R and D	Research and Development
24.	ROI	Return on Investment
25.	SD	Standard Deviation
26.	SHG	Self Help Group
27.	TCS	Tata Consultancy Services
28.	UK	United Kingdom
29.	US	United States
30	WBCSD	World Business Council for Sustainable Development

Table of Contents

LIST OF FIGURES	Page No.

CHAPTER 1

INTRODUCTION

1.1　　Introduction

Corporate social responsibility is more than a business policy or a response to issues raised by society. Corporate Social Responsibility can be defined as the set of policies, activities, or behavior undertaken by an organization that goes beyond the traditional economic and legal obligations that the firm has towards its internal and external stakeholders. It is a governing business philosophy argued by (Votaw and Sethi 1973). Studies looking at CSR have concluded that what "goes beyond" the traditional responsibilities is influenced and therefore, ultimately demanded by the norms, values, and expectations of stakeholders of the organization and those are classified as being ethical or moral obligations discussed by (Carroll 1979; Sethi 1975)[1]. ethical obligations must be voluntary in nature and if undertaken effectively benefit and improve the overall welfare of the community in which the firm operates mentioned by (Anderson 1989)[2] in order to achieve these benefits both the organization and its stakeholders have a responsibility to work together. It is assumed that an organization being proactive and meeting the needs of its stakeholders before it is required is deemed to be engaging in philanthropic or discretionary type behavior suggested by (Carroll 1979)[3]. Therefore, it is important for an organization to develop an ethical organizational culture and define its role within the society and implement the necessary ethical, responsible, legal, and social standards to their firm focused by (Lichtenstein 2004 Lindgreen et al. 2008). Studies have shown that Corporate Social Responsibility is directly related to the development of society. However, researchers have rarely tested the underlying mechanisms and practices of Corporate Social Responsibility among the different types of companies belonging to the Information Technology sector. The present study has made an attempt to explain how Corporates in I T sector might be resolve social problems through CSR practice. History of CSR from the 1950's to the present day the concept of CSR has gained considerable acceptance and its meaning has been broadened to include business houses. Though the business houses have been instrumental in creating employment, wealth, products and services, yet the pressure on business to play a role in social issues involving employees, stakeholders, society, environment, government etc. is continuously increasing. The society is questioning the existence of business houses, especially in the wake of the scandals and scams In response to it, the organizations around the globe are forced to wake up to the need for being committed towards Corporate Social Responsibility. Over the years this concept of Corporate Social Responsibility has gained unprecedented momentum in business and public debate and

has become a strategic issue crossing the departmental boundaries, and affecting the way in which a company does business. It has become so important that many organizations have rebranded their core values to include social responsibility. Almost all corporate websites, policies, reports talk about their CSR which ensure the fulfillment of all the obligations towards society. These activities of CSR ranging from small donations to bigger projects for social welfare the sustainable practices differ from organization to organization depending on the resources available to them. Business practices of big and successful companies, with plenty of resources at their end, have set the trend for being committed to sustainable practices. Such business houses around the globe show their commitment to social responsibility. In India, the initiatives of Dabur India Limited, for example, which commenced 'Sundesh' in 1993, a non-profit organization, with an aim to promote research and welfare activities in rural areas are appreciable. Similarly Bharat Petroleum Corporation Limited has adopted 37 villages as their responsibility to develop their quality of life. It has made efforts to make them self reliant, provided them fresh drinking water, sanitation facilities, medical facilities, vocational training and literacy camps. Around its industrial facilities, Tata Group has created towns and cities like Jamshedpur, Mithapur, Babrala for the benefit of its employees. Cadbury India, Glaxo and Richardson Hindustan are some of the companies which are helping farmers to grow crops which in turn shall serve as raw materials for them. Although the implementation of such activities involves time, effort and resources, yet the business houses have realized that the Corporate Social Responsibility is one of the important ways in which an organization can distinguish itself from its competitors. The tangible and intangible benefits associated with it for the organization are immense. A powerful tool like CSR not only enhances the brand image and reputation of the business but also leads to improvement in sales and customer loyalty, and an increased ability to attract and retain employees. Through CSR, the organizations can improve their financial performance and attract more investment with immense economic value. The word CSR has, as a result, occupied a very important place in the plans and strategies of the organizations in the present era. But still there are numerous organizations which understand CSR as undertaking some donations or philanthropic activities. Rather, in its true sense, CSR constitutes a strong commitment to social obligations and internalization throughout the organizational culture which lays emphasis on the execution of the obligations towards the employees and involving them in the responsibilities. However, from the very beginning the key player in undertaking such

activities in the organizations has been the top management and it has been the driving force in the area of social responsibility. Employees have been rarely covered under the ambit of CSR. The non-management workforce has to be involved in the process to enhance the quality of CSR.

1.2 Statement of the Problem

The problem selected for the study is stated as follows "Corporate social responsibility of a company for the development of society, a study of selected IT companies in Mumbai."

In the competitive and global environment, CSR has been considered as one of the most important aspects, but the question is how does a corporate perform CSR effectively or not?

1. To what extent Corporate Social Responsibility policies are successful in protecting human values.

2 Most of the corporate use Corporate Social Responsibility as a tool of marketing.

3 A few corporate houses have a clearly defined Corporate Social Responsibility policy. Most of the corporate implement CSR in inappropriate manner where share of CSR expenditure is very less in terms of profit is received to corporates.

1.3 Aims and Objectives of the Study

The present research aims to study the Corporate Social Responsibility practices of small, large and multinational companies of Information Technology sector in relation to the development of society.

1. To study the relationship between Corporate Social Responsibility and the development of society.

2. To analyze the role of Corporate Social Responsibility in development of society.

3. To understand the practices undertaken by the Corporate Social Responsibility in terms of transparency, accountability and fair business.

4. To understand the Corporate Social Responsibility pattern of the Information Technology sector in India in general and Mumbai in particular.

5. How far the I T companies doing its job by sharing the social responsibility and improving standard of living of the people in the society.

6. To study the gap between execution and actual performance of CSR in selected I T companies in Mumbai.

1.4 Statement of Hypothesis

H_1 1. There is a less awareness of Corporate Social Responsibility among I T companies

H_1 2 There is a co- relationship between Corporate Social Responsibility and development of society

H_1 3 Corporate Social Responsibility does lead to increase the brand image of the company.

1.5 Rationale for the Study

Corporate Social Responsibility is an emerging concept as it is now becoming one of the important criteria to become a respectable and leading corporate which not only carries out business activities, but also dedicates itself to the nation by implementing CSR. The research focuses on the concept of CSR of IT companies in India, and specifically in Mumbai. I T industry is one of the fastest growing industries in India and other developing and developed countries.

1.6 Scope of the Study

1 The study is confined to examine the practice of corporate social responsibility of Information Technology Industry covering small, large and multinational companies having their head office in Mumbai city. ,

2 The scope of the study is limited to the practice of Corporate Social Responsibility of selected Information Technology companies in Mumbai city.

Corporate are motivated to involve stakeholders in their decision making and to address societal challenges because today's stakeholders are increasingly aware of the importance and impact of corporate decisions upon society and the environment. The stakeholders can reward or punish corporates. Corporates can be motivated to change their corporate behavior in response to the business case which a CSR approach potentially promises. This includes stronger financial performance and profitability, improved accountability and assessments from the investment community, enhanced employee commitment; decreased vulnerability through stronger relationships with communities, and improved reputation and branding .The study will explore more dimensions of CSR in the society. Once the concept of CSR is accepted and understood by an individual and institute, then many local and global problems can be solved, attraction of employee towards corporate will increase in a positive way. CSR could be a self motivated instrument in the corporate value system and good culture will develop and it could enjoy a great environment owing to CSR. The present study covers the different aspects of CSR functions in IT industry. The study is important to the global environment as it ascertains the strategic trend of CSR in I T industry amidst the problems faced by society in and around Mumbai.

1.7 Need of the Study

Corporate Social Responsibility is an appropriate subject to study as it is an emerging issue, Now a day's all the major companies in the world are spending considerable resources in this field, primarily to establish and uphold a proper rapport with their stakeholders, both inside and outside the company. Corporate have moved on from the traditional assumption that the business of business is to make profits (Milton Friedman 1970)[4]. Today, business success depends not only on quality, price, convenience alone, but also other variables like ethical business practices, strong organizational culture, community engagement, the environmental concern and so on. Companies must also measure the broader impact of business on society and on the key stakeholders.

As an organization is the part of the society, it cannot function in isolation from the society around it. So there is an obligation and responsibility on the part of the corporate to take such action that protects and improves the welfare of society as a whole, along with its own interest (Keith Davis, 1975; Sethi, 1995; Shrivatsava, 1995)[5]. Corporate Social Responsibility is generally considered to be a concept or practice whereby organizations consider the interest of society stakeholders, customers, employees, shareholders, communities and the environment This obligation is seen to extend beyond the statutory obligation to comply with legislation and sees organizations voluntarily taking additional steps to improve the quality of life for the local community and society at large. The concept of Corporate Social Responsibility has long been established in academic literature as both, a business philosophy and practice (Anderson Jr. 1989)[6]. The concept is timely and important in this new millennium, as firms attempt to be seen as being "sustainable" or "socially responsible" in nature due to the demands of target stakeholders (Cornelius et al. 2007; Moir 2001; Wilson 2000). Internal and external stakeholders are requesting firms to act responsibly and behave ethically. Moreover, firms are expected to respond to the changing beliefs and values of the society (Anderson Jr. 1989; Committee for Economic Development 1971; Steiner 1972). Whilst being socially responsible is often considered doing the "right thing" or being ethical, (Carroll 1979)[7] identifies that the organization also has economic, legal, and discretionary obligations to its target stakeholders. The society plays a pivotal role in the success of any organization. Hence no organization can achieve long-term success without fulfilling the responsibility towards the society. It is thus with the intention of understanding the practices and performance of corporate social responsibility in

IT industry, the study has been undertaken. The review of literature reveals that though a large number of studies have been carried out across the globe analyzing the practices of Corporate Social Responsibility and its impact, there is a dearth of literature in this subject in the Indian context. The Review of literature reflected a growing trend of business towards social responsibility practices and its relation to the development of society. Information Technology has revolutionized life and brought prosperity to many. As the Information Technology industry has grown in size and revenues, it has concerns in the development process. While the development potential of Information Technology is undeniable, it has actually extended the gap between the information elites and impoverished majority. While the Indian Information Technology industry has been justifiably appreciated for its achievement on the economic front, several issues on the social and environmental fronts still remain unresolved. Here is where the role of the corporate social responsibility of Information Technology sector arises. The purpose of this research is to study how effectively Corporate Social Responsibility is practiced by small, large and multinational companies of Information Technology industry in Mumbai. Furthermore, is there any correlation between the Corporate Social Responsibility practices and the development of society? This study will endeavor to answer these questions by understanding more about the present state of Corporate Social Responsibility in Information Technology companies in Mumbai.

Most of the empirical studies on Corporate Social Responsibility practices in an organization and their relationships were done in United States as per the study conducted by (Porter 2006). In India, there are a few studies that have investigated the role of Corporate Social Responsibility for the development of society. So far there has been no Corporate Social Responsibility for the development of society in a particular industry especially in IT Industry. Moreover, one of the most important gaps in Corporate Social Responsibility literature is the possible absence of empirical work that links Corporate Social Responsibility. There is a challenge in establishing the relationship between Corporate Social Responsibility. The present study has been undertaken to survey and analyze the social responsibility practices of small, large and multinational IT companies operating in Mumbai. This study highlights the CSR activities for the development of society. The growth rate of the Indian software industry has been substantially higher than the global software industry (Kumar, 2008). This study regards the issue of social responsibility and aims to examine the effectiveness of corporate social responsibility practices, and then analyzes

the relationships of organizational policy through primary data. Hence a study of CSR practices in IT companies in India is quite appropriate, relevant and contextual.

1.8 Research Design "Pilot Study"

After modification of the original scale on corporate social responsibility, a pilot study was carried out on a random sample of 50 employees among the sample of 50 companies of Information Technology industry in Mumbai.

1.9 Background of the Study

The modern corporation is an institution of enormous economic power and social impact. Corporations have grown in size and numbers all over the world because of their ability to mobilize productive resources and create new wealth. The evolution of the corporation has given rise to new opportunities and challenges that require a redefinition of the corporation and its objectives. The legitimacy of the corporation as an institution or its 'license to operate' within society depends not only on its success in wealth creation, but also on its ability to meet the expectations of diverse constituents which contribute to its existence and success. These constituents and interests are the corporation's stakeholder's resource providers, customers, suppliers, alliance partners and political factors. Consequently, the organization must be seen as an institution engaged in mobilizing resources to create wealth for the benefits of stakeholders describe by (Post. Lee, Preston 2002)[8]. There has been an explosion in the Corporate Social Responsibility in relation to social, environmental, cultural and ethical practices. Corporate Social Responsibility can be described as the continuous commitment by corporate towards the economy and for the development of society in which they operate.

1.10 Sampling It refers to the technique or the procedure the researcher would adopt in selecting samples. Research always starts with a question or a problem. Its purpose is to question through a scientific approach. It is a systematic and intensive study to acquire complete knowledge about the relevant subject.

1.10.1 Population and Sample of the Study

The population of the study was IT companies in Mumbai. It was selected because it has been recognized that Mumbai has a considerable number of IT companies, which is convenient for data collection. The questionnaire was administered to only those employees who had a minimum of one year work experience in the company. Using NASSCOM membership as a measure, the number of IT companies were 2000 in India and 378 in Mumbai. Out of these 150 companies responded, a sample of 49 companies in Mumbai has been selected for the study which contributes about 36% of the sample companies selected. In many of the previous studies as suggested by (Budhwar and Sparrow)[9]. This parameter appears to be quite logical in the case of IT industry,

 IT companies were generally classified as small scale, large scale and multinational companies in India as per discuses by (Paul, 2002)[10].

A study has been done based on the secondary information available from NASSOM website and publications like Dataquest, Computers Today, etc.

Sackett and Larson (1998) argue that a convenience sample can be said to be relevant for a research to the extent that it possesses the essential person and setting characteristics that define membership in the intended target population or universe. It was decided to resort to convenience sampling because it was the feasible alternative to get adequate responses given in the stringent criteria for enlisting companies and individual respondents for the study. Further the assistance of internal coordinators in each company was taken to ensure that the questionnaires were distributed to CSR or HR employees and a few Non CSR employees who fulfilled the criteria defined above for respondents.

1.11 Limitations of the study

The study is conducted on the topic of "Corporate Social Responsibility" in IT industry. As the IT companies are spread across the country, to approach each and every entity and their respective officers was difficult.

Moreover, as the data on Corporate Social Responsibility is a confidential part of each organization, the staff of the various companies was reluctant to disclose it. In fact, many of the Information Technology companies have not appointed any CSR officers who can be contacted for the required information and details.

In such situation, the researcher contacted Human Resource (HR) Managers of some companies for the information. Here, one more limitation came into light the HR personnel look after the activities whereas the finances are being mobilized from finance departments and to get their appointment was most tough as these finance related matters are kept highly confidential.

The research is limited to the geographical region of Mumbai only. The research is carried out within the distinctive characteristics of the IT industry only. Companies may not show their accurate records and data, while the staff and the person concerned may not be ready to share full details due to the internal policy of the company. It was very difficult to ascertain the feeling of other departments of the organization towards the CSR activities conducted by the company. The sample size was not quite large owing to the nature of the study as well as difficulty in collecting data from the respondents. The present study concentrates on one industry only i.e. Information Technology. Therefore the conclusions derived from this research are purely based on the opinion of the employees belonging to the Information Technology industry and may not hold good for the other industries.

The Forty-nine companies chosen were not representative of the wide variety of firms that practice Corporate Social Responsibility, but were chosen because they were recognized for their Corporate Social Responsibility.

1.12 Chapter scheme

Chapter 1: Introduction, Statement of The Problem, Aims and Objectives of The Study, Hypothesis Statement, Rational For The Study, Scope of The Study, Need of The Study, Research Design , Background of The Study, Sampling, Population and Sample of the Study, Limitations of the study, Chapter scheme.

Chapter 2: Definitions of CSR, Understanding CSR, Dimensions of CSR, Review of Literature, , Social Contract, Impact of Religion, Seeds of Modern CSR, Governance and CSR, Social Impact, Role of NGOs, Role of Educational Institutions, Roles of The Media, The Future of CSR, Philanthropy and CSR, Measurement of CSR, CSR In Developing Countries, Development Actions in company, Investment In Developing Countries.

Chapter 3: Post-Independent India, India's Fundamental advantage, IT Industry in India, Role of I T company in Economic Development, NASSCOM - Dept of IT, Ministry of Corporate Affairs, Newspaper Article, ISO 26000, IT Act, CSR of leading IT companies, Views on CSR, Critique of CSR.

Chapter 4: Description of the research design for the study. Elaboration of the methodology proposed to be followed in order to arrive at answers to the research questions identified, and finally, the techniques to analyze the data, in order to verify the proposed hypothesis.

Chapter 5: Statistical Analysis of CSR in IT Companies Statistical Analysis Testing of Hypotheses

Chapter 6: Findings Conclusions**,** Scope for the Further Research

Bibliography

Appendix

References

[1] Sethi S. P., (1975), Dimensions of corporate social performance: an analytical framework. California Management Review. 17. (3). Spring. 58-64.

[2] Anderson Jr., J. W., (1989), Corporate social responsibility. Quorum Books. Westport.

[3] Carroll A. B., (1979), A three-dimensional conceptual model of corporate performance. The Academy of Management Review. 4. (4). October. 497-505.

[4] Friedman M., (1970), September 13, The social responsibility of business is to increase its profits. New York Times Magazine, pp. 32-33, 122, 124, 126.

[5] Davis Keith, (1975), "Five Propositions for Social Responsibility", Business Horizons, June, pp.19-24.

Shrivastava, P. (1995). The role of corporations in achieving ecological sustainability. Academy of Management Review, 20, pp. 936–960.

[6] Anderson Jr., J. W., (1989), corporate social responsibility. Quorum Books. Westport.

[7] Carroll A. B., (1999), Corporate social responsibility: Evolution of a definitional construct, Business & Society, 38. 268-295.

[8] Post E, Lee E. Preston (2002) "Redefining the corporation: Stakeholder management and Organizational Wealth", Stanford University Press.

[9] Budhwar P.S. and P.R. SSparrow, (1997), Evaluating levels of Strategic integration and development of human resource management in India, The International Journal of Human Resource Management,Vol 8, No1,pp476-494.

[10] Paul A.K., (2002), Impact of HRM practices in Organizational performance: A study of Indian software industry. PhD Thesis submitted to IIT Madras., India.

CHAPTER – 2

REVIEW OF LITERATURE

2.1 Definitions of Corporate Social Responsibility

UK government's Department of Trade and Industry sponsored Corporate Responsibility defined Corporate Social Responsibility as: the management of an organization's total impact upon both its immediate stakeholders and upon the society within which it operates. Corporate Social Responsibility is not simply about whatever funds and expertise companies choose to invest in communities to resolve social problems, it is about the integrity with which a company governs itself, fulfill its mission, lives by its values, engages with its stakeholders, measures its impacts and reports on its activities. (Corporate Social Responsibility is about the way businesses take account of their economic, social and environmental impacts in the way they operate - maximizing the benefits and minimizing the downsides).

The World Business Council for Sustainable Development
Defined CSR as 'the continuing commitment of business to behave ethically and contribute to economic development while improving the quality of life of their "workforce and their families as well as of the local community, and society" At large' In an interview, Bjorn Stigson, president of WBCSD said, 'There is no universal definition of CSR because the concept is always being redefined to serve changing needs and times. It is up to each company individually to define the values and principles.

Frederick (1960)[1], defines social responsibility as the use of society's resources; economic and human, in such a way that the whole society derives maximum benefits beyond the corporate entities and their owners. Keith Davis (1960) set forth his definition of social responsibility by arguing that it refers to "businessmen's decisions and actions taken for reasons at least partially beyond the firm's direct economic or technical interest". He asserted that some socially responsible business decisions can be justified by a long, complicated process of reasoning as having a good chance of bringing long run economic gain to the firm, thus paying it back for its socially responsible outlook. His "Iron Law of Responsibility" held that "social responsibilities of businessmen need to commensurate with their social power". He further took the position that if social responsibility and power were to be relatively equal, then the avoidance of social responsibility leads to gradual erosion of social power on the part of businesses.

Milton Friedman (1970)[2]

Milton Friedman's beliefs that "there is only one responsibility of business, namely to use its resources and engage in activities designed to increase its profits The inclusion of strategic philanthropy, innovation, environmental sustainability and transparency demonstrate how diverse and farreaching CSR has become embedded into management strategy. And most recently, corporate financial performance and the measurement of CSR activities is causing corporations to understand the strategic value of CSR through the realization that the implication to a business.

Joseph W. McGuire stated, (**1971**)[3], "The idea of social responsibility supposes that the corporation has not only economic and legal obligations but also certain responsibilities to society which extend beyond these obligations". He later elaborated by saying that the corporation must take an interest in politics, in welfare of the community, in education, in the happiness of its employees and in fact in the whole social world.

A landmark contribution to the concept of Corporate Social Responsibility came from the Committee for Economic Development (CED), which observed, "A business functions by public consent and its basic purpose is to serve constructively the needs of society to the satisfaction of society". The CED noted that the social contract between business and society was changing in substantial and important ways – Business is being asked to assume broader responsibilities with respect to society than ever before and to serve a wider range of human values. Business enterprises, in effect, are being asked to contribute to the quality of life rather than just supplying quantities of goods and services. In as much as business exists to serve society, its future will depend on the quality of management's response to the changing expectations of the public.

Carroll (1979)[4] defines corporate social responsibility as the entire range of obligations a business owes to society, and it encompasses the economic, legal, ethical and discretionary expectations that society has of organization at a given point in time. A good corporation is one, which "Voluntarily shares its market power and resultant pecuniary gains and thereby yields accountability for its action and performance with those groups- who have been adversely affected by the power." According to the Canadian Center for Philanthropy, Corporate Social Responsibility is "a set of Management practices that ensure the company minimizes the negative impacts of its operations on society while maximizing its positive impacts". This definition provides the link between the decisions tied to the social responsibility and the business derived from the respect of the lawyer instruments, the population, the communities, and the environment.

'The European Commission with the Green Paper Promoting a European framework for Corporate Social Responsibility' (July 2001) better defines the concept of Corporate Social Responsibility as "a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. Being socially responsible means not only fulfilling legal expectations, but also going beyond

compliance and investing 'more' into human capital, the environment and the relations with stakeholders The word "more" is underlined also in the original version of the document: in this way the European Commission wants to emphasize the lack of consideration for the different cooperating actors highlighting, for the future, the urgency of a severe increase of the sensibility and the cures and, at the same time, encouraging the enterprises to the investment in social responsibility as a vehicle for the best competitiveness and enlargement.

Patricia Ditzler (1983) defined Social Responsibility as a voluntary expenditure or activity by a corporation with charitable intent, for which marginal returns are less than those available from other alternative activities. According to Donna Wood (1994) corporate social responsibility means "a business organization's configuration of principles of social responsibility processes of social responsiveness and observable outcomes as they relate to the firm's societal relationships."Backman (1975) considers social responsibility as other stated objectives by business, which are not directly related to economic, but rather address its negative externalities, improve employee's conditions and the societal quality life.

Michael Hopkins (2003)[5] Corporate Social Responsibility is concerned with treating the stakeholders of the firm ethically or in a responsible manner.

Ethically or responsible means treating stakeholders in a manner deemed acceptable in civilized societies. Social includes economic and environmental responsibility. Stakeholders exist both within a firm and outside. The wider aim of social responsibility is to create higher and higher standards of living, while preserving the profitability of the corporation, for people both within and outside the corporation.

Canadian Government

"CSR is generally understood to be the way a company achieves a balance or integration of economic, environmental and social imperatives while at the same time addressing shareholder and stakeholder expectations."

European Union

"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 Kennedy School of Government (Harvard University), CSR Initiative.

"The term (CSR) is often used interchangeably with others, including corporate responsibility, corporate citizenship, social enterprise, sustainability, sustainable development, triple-bottom line, corporate ethics, and in some cases corporate governance. Though these terms are different, they all point in the same direction: throughout the industrialized world and in many developing countries there has been a sharp escalation in the social roles corporations are expected to play."

Carroll's Four Part Definition[6]

CSR encompasses the economic, legal, ethical and discretionary (philanthropic) expectations that society has of organizations at a given point in time.

Corporate Social Responsibility (CSR) is a concept whereby organizations consider the interests of society, based on the impact of their activities on customers, employees, shareholders, communities and the environment, for all aspects of their operations.

Corporate Social responsibility is best defined by the World Business Council as "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".

Peter Drucker[7]

"A business that does not show a profit at least equal to its cost of capital is irresponsible; it wastes society's resources. Economic profit performance is the base without which a business cannot discharge any other responsibilities, cannot be a good employer, a good citizen and a good neighbor. But economic performance is not the only responsibility of a business…Every organization must assume responsibility for its impact on employees, the environment, customers, and whomever and whatever it touches. That is social responsibility."

Sir Geoffrey's definition [8]

Corporate social responsibility is concerned with treating the stakeholders of the firm ethically or in a responsible manner. 'Ethically or responsibilities means treating stakeholders in a manner deemed acceptable in the civilized societies.

2.2 Understanding CSR

It is important to understand that CSR goes beyond philanthropy, though that may be its beginning. It has to take into account integrity and accountability in the long-run process of sustainability. For a better understanding of this concept, it has been divided into four broad aspects of CSR: Responsibility. Accountability, Sustainability, Social contract Responsibility Clarkson (1995) has tried to differentiate between responsibility, responsiveness, and performance. He has argued that a fundamental problem in the field of business and society has been the notable absence of definitions of corporate social performance (CSP), corporate social responsibility (CSR, and corporate social responsiveness (CSR2), and the lack of consensus about the meaning of these terms from an operational or managerial viewpoint. He emphasizes that CSP can be analyzed more effectively by using a framework based on the management of a corporation's relationships with its stakeholders than by using CSR models and methodologies. This, he believes, is a better way of Understanding because corporations are the nexus of a complex web of stakeholder relationships. Therefore, corporations manage relationships with specific stakeholder her groups rather than with society at large. The crux of the problem stems from the meaning of the word 'social' and how it links to everyday business activities. In fact, (Clarkson) [9] defines society as 'a level of analysis that is more inclusive, more ambiguous, and further up the ladder of abstraction than a corporation itself.' In the same vein, (William Frederick 1994)[10] has taken the concept of CSR higher level by discussing about corporate responsiveness. According to him, corporate social responsiveness 'refers to the capacity of a corporation to respond to social pressures.' From the creativity view of history, there is a need for new forms of creativity and innovation in the era of globalization to deal with the challenges that corporations face while pursuing profits. From the liberation view of history, we learn the lessons of empowerment, and the fall of the fittest view indicates the need for continuous innovation and a better understanding of the change process (Sharma 2005). Ethically accepted corporate activity and profit-making are not mutually exclusive (not opposed to each other). Sustainable growth and Success demands ethicality in the process of dealing with stakeholders. As analysis of history shows three distinct approaches to understand the relationship between the victor and the victim. These are domination, exploitation, and oppression. This can also be extended to the business hat world, because when selfish means of earning profit is practiced by the business world, then society becomes the victim of domination, exploitation, and oppression.

However, this way of earning profit is not sustainable in the long run, as it leads to both economic depletion of resources and social upheavals as a result of exploitation. The result of such degradation and exploitation would impact the business that is promoting it, so future avenues of earning profit would not be available. Therefore, mutual respect and sharing of benefits would lead to a continuous flow of profits through better productivity based on trust.

A framework that meets the requirements of internal uniformity and operational stability. Often, CSR has been challenged on the grounds of relativity, which means that what may be considered right by one may be considered wrong by another. Arriving at a consensus for CSR checklists may not be easy. There will be the perennial and inevitable disagreements on cause and effect' in the development process, as every organization has its own perspectives and perceptions regarding service to society. This needs to be innovatively handled because there are certain universal values that are acceptable to all and are collectively known as human rights. Therefore, in a cross-cultural scenario that is riddled with diversity, issues have to be prioritized keeping the human aspect of compassion and justice in the
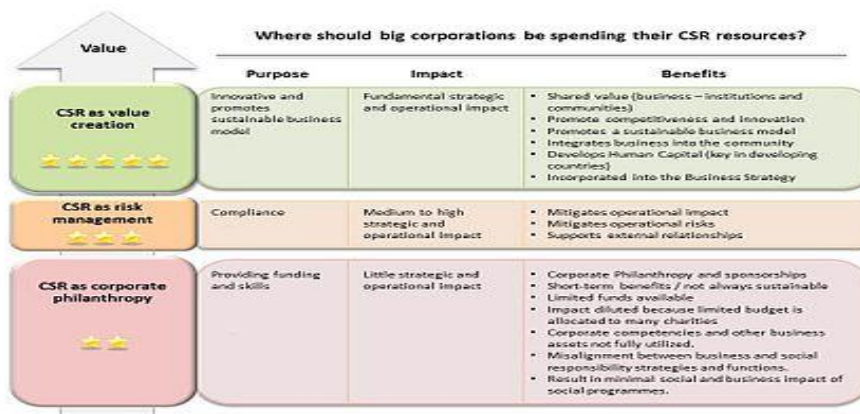
Fig 2.1:- Where should big corporate spending there recourses.

2.3 Dimensions of CSR

The dimensions of corporate behavior encompass those activities of the corporate that ensure responsible and just behavior towards society. There are four major dimensions of corporate behavior:

1. Setting boundaries of learning, accountability, and responsiveness.

2. Building activities that form the basis of learning.

3. Creating measures that validate and make knowledge effective, and so form the basis for decision-making and action.

4. Institutionalizing (making it an integral part of the corporate strategy and system) trust in ways that create a virtuous circle of practice and further engagements with stakeholders.

Values are, therefore, essential to the organizational function and dynamics. This is the reason CSR has received such importance in management studies. The human aspect of any organization is its core asset, as they are the data generators as well as the data users. Organizations are nothing but the collective consciousness of all the members contributing to its activities. This human operator (individual) of the organization is certainly more important than the objective result because the result is achieved by what the individual does. Chakraborty (1995)[11] sums up this aspect when he says, 'Is the human being for industry-technology or is industry-technology for the human being' Here, the importance of the phenomenon of CSR, which is about business taking into account their total impact on society and the natural environment"

Businesses have to align their profitable opportunities with their social identities and underline values of corporate responsibility. The world is increasingly undergoing rapid development. More powerful and enabling technologies are constantly being created. Life and its choices are becoming more complex. These necessitate that we radically alter our view of ourselves and the world and our functioning as beings in order to ensure sustainable development. The present situation is one of bewilderment and confusion about the ways in which the corporate world has exercised its size and power, and at what cost and result.

However, we cannot deny the extraordinary ability of business activities to bring economic prosperity to those communities that need it most. Corporations have also helped to develop and apply technologies that are most likely to offset the constructive impacts of unrestrained growth. Therefore, even the harshest critics or committed enemies of the corporate world would not like

to destroy business activities. The corporate community's universal influence makes it very unlikely that society can wish it away. Therefore, the need is to 'system engineer', which deals with finding specific solutions, appropriate to the surrounding culture and environment. The need is to transform instead of just trying to constrain and tame or offer general standard solutions that may not be implementable in every situation.

The above aspect is more relevant today because of the massive and rapid changes that are occurring around us. Modern economy is marked by three underlying dynamics. The first is the speed of change as a technological phenomenon as well as in spheres of social and personal activities. The second characteristic of this new economic growth is the increased importance of knowledge, innovation, and communication. A notable feature of the knowledge economy is the growing importance of intangible assets, such as intellectual capital, skills, research and development, brand relationships, and reputation. The third characteristic of this recent economic development is shifting closeness, which puts diversity at centre stage, because it brings people from different spheres (cultural, regional, skills and knowledge related, gender related.) together. The workspace is increasingly reflecting the extraordinary spread of communities from which expertise is being drawn (Zadek 2001)[12]. The impact of these factors leads to increasing distribution of core activities within the company and the country in which the company is situated, as well as beyond national boundaries. This requires the establishment of values, leading to an increase in trust and integrity among the physically dispersed staff. Therefore, the prerequisite is that the relationship between business and society be built on the basis of trust so that the culture of policing business activities is minimized. The hard reality at the end of the day is that we will survive only if everyone can operate with a sense of self-esteem and faith. If is trust is lost, then we will no longer have an organization but automation, without a soul and a heart. With increasing democratization of politics, economics also needs to be as democratized, which means wealth has to be shared and equal opportunities lie should be available to all without discrimination. As in political democracy power is seen as a force by the people, of the people, and for the people. Similarly, economic progress should also be distributed as a product of a force by the people, of the people, and for the people. This is where the responsibility of to the corporate world becomes pronounced. With more liberalization, corporate have begun to enjoy more freedom with responsibility. Real freedom can be enjoyed only when one respects

others' freedom responsibly. Therefore, the modern 'free market' has to stay 'within the boundary' for everyone to enjoy the benefits.

CSR provides this framework of boundary for the free market to operate responsibly. However, CSR also appears to be the most misunderstood. Corporate are still struggling to give a formal structure to their CSR programmers. Social responsibility has been variously described as a vague and ill-defined concept (Preston and Post 1975)[13]. They opine that 'in the face of deal large number of different, and not always consistent, usages, we restrict our own use of the term social responsibility to refer only to a vague and highly generalized sense of social concern that appears to underlie a wide variety of free ad hoc managerial policies and practices; Most of these attitudes and activities social are well-intentioned and even beneficent; few are patently harmful. They lack, however, any coherent relationship to the managerial unit's internal activities or its fundamental linkage with its host environment.'

2.4 Evolution of the Concept of CSR

There is an impressive history associated with the evolution of the concept and definition of Corporate Social Responsibility. The general understanding of the term, 'Corporate Social Responsibility', is that business has an obligation to society, which extends beyond its narrow obligation to its owners or shareholders. This idea has been discussed throughout the twentieth century, but it was (Howard R. Bowen1953)[14] who initiated the debate of Social Responsibilities of Businessman through his writing. Since then, the topic of corporate social responsibility has been explored extensively. Bowen reasoned that there would be general, social and economic benefits that would accrue to society, if business recognized its broader social goals in its decisions.

2.5 Importance of Corporate Social Responsibility

Corporate interact with society in many ways. They invest in facilities, produce and sell products, employ people and subcontract or in source many activities. They also have an impact on the environment by the nature of their activities, by using valuable resources, or creating by-products, which influence the physical environment. Their interaction with society is through their employees and many facets of society around them. Further, corporate may act explicitly as responsible, for either emotional reasons or business purposes. As the organization is a part of the society, it cannot function in isolation. So there is an obligation and responsibility on the part of the corporate to take actions that protect and improve the welfare of society as a whole along with their own interest mentioned by (Keith Davis, 1975). The society plays a pivotal role in the success of any organization. Hence, no organization can achieve long-term success without fulfilling the responsibility towards the society. Originally, businesses were seen strictly as economic entities with the primary responsibility of producing goods and rendering services required by a society. This is the classical view held by Milton Friedman and Hayek, Theodore Levitt and others. According to (Friedman 1971) the corporate social responsibility is beyond the basic purpose of business and violates the responsibility of business to its owners, the stockholders. However, over time, businesses resides their role in broader perspectives. With the business environment being characterized by various developments including the shift of power from capital to knowledge, increased levels of literacy and the shrinking of geographical boundaries due to faster means of travel and communication, people are, by and large, becoming conscious of their rights, which has led to a rise in the expectations of society from businessmen. Organizations receive inputs from society in the form of skilled and unskilled labor, raw material and natural resources, and, in turn, offer goods and services to society. Thus, businesses depend on the society's further existence, and it is in their interest to take care of society. Businesses cannot operate in vacuum. Like individuals, businesses also need to live in the real world.

Corporate Social Responsibility involves a commitment by a company towards the sustainable economic development of the society. It means engaging directly with local communities, identifying their basic needs, and integrating their needs with business goals and strategic intend. The government perceives CSR as a business's contribution to the nation's sustainable development goals. Essentially, it is about how business takes into account the economic, social and environmental aspect of the society in which it operates. Simply stated, CSR is a concept,

which suggests that commercial corporations must fulfill their duties of providing care to the society.

In the opinion of Davis Blomstorm (1975)[15], it is the obligation of decision makers to take actions that protect and improve the welfare of society as a whole along with their own interest. Protecting and improving are two aspects of social responsibility. "To protect" implies avoiding negative impact on society, whereas "to improve" implies creating positive benefits for society. The business class should render their support to the common man. If they will be uplifted socially and economically, the productivity of the corporate is also bound to increase. The Corporates are to act according to the environmental factors given in Fig.1.3 like social, legal and ethical environment.

```
                          ┌──────────────┐
                          │  Corporates  │
                          └──────────────┘
            ┌───────────────────┼───────────────────┐
  ┌───────────────────┐ ┌───────────────────┐ ┌──────────────┐
  │ Social Environment│ │ Legal Environment │ │   Ethical    │
  └───────────────────┘ └───────────────────┘ └──────────────┘
  ┌───────────────────┐ ┌───────────────────┐ ┌──────────────────┐
  │ • Shareholders    │ │ • Law             │ │ • Moral Theories │
  │ • Customers       │ │ • Government      │ │ • Moral Values   │
  │ • Employees       │ │                   │ │   and Judgments  │
  │ • Creditors       │ │                   │ │ • Ethical        │
  │                   │ │                   │ │   Standards      │
  └───────────────────┘ └───────────────────┘ └──────────────────┘
```
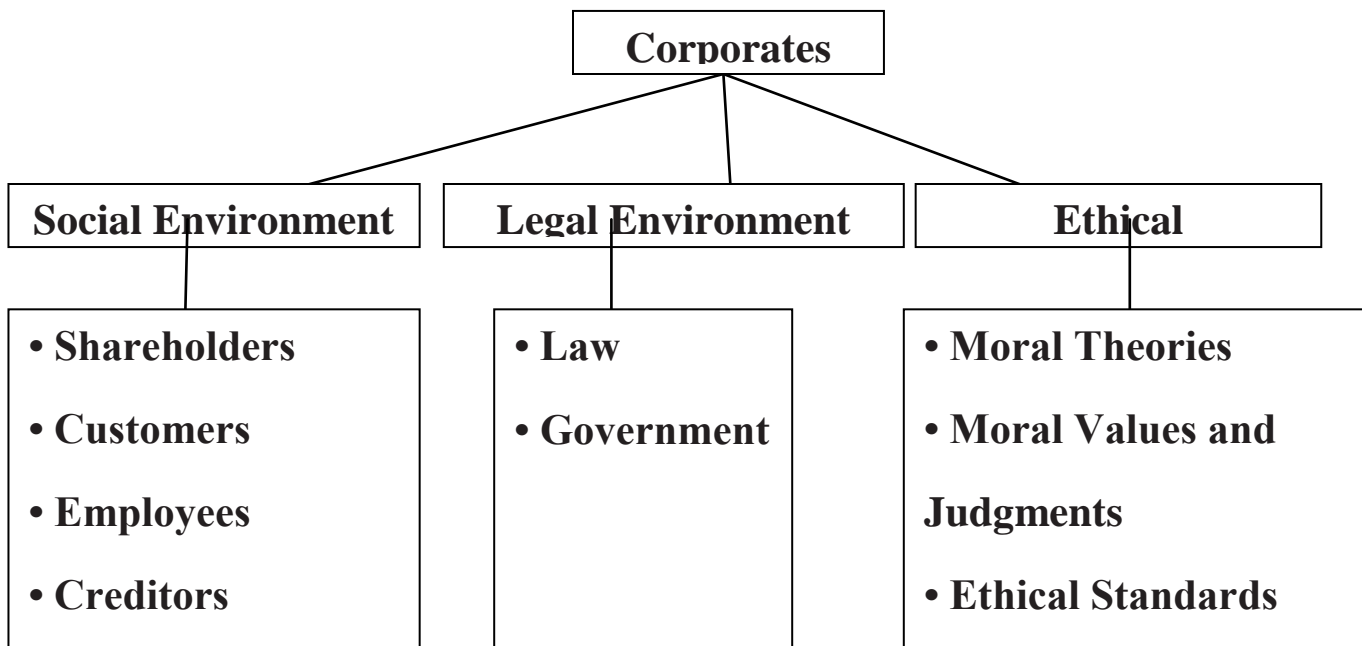
Figure 2.2 Corporate and Environmental Factors [Source: Sethi (1991), Carroll (1993), Shivaramu (1998)]

As per the above figure, Corporate Social Responsibility is an obligation of the organization to act in a way that serves both - its own interests and interests of its many external communities and environmental factors such as social environment including customers, employees, creditors, and suppliers of goods, society and legal environment which comprises of state and local governments. To get successful results, the corporate should hold moral values, judgments and

ethical standards. Corporate is not merely profit making institution. They have a responsibility to help society to overcome their problems. Some of the areas in which corporate social responsibility has to be practiced are health, environmental issues, education, community, and promotion of art and culture and climate change. The following figure 2.3 clearly shows some of the practices expected from corporate as their social responsibility towards society at large.
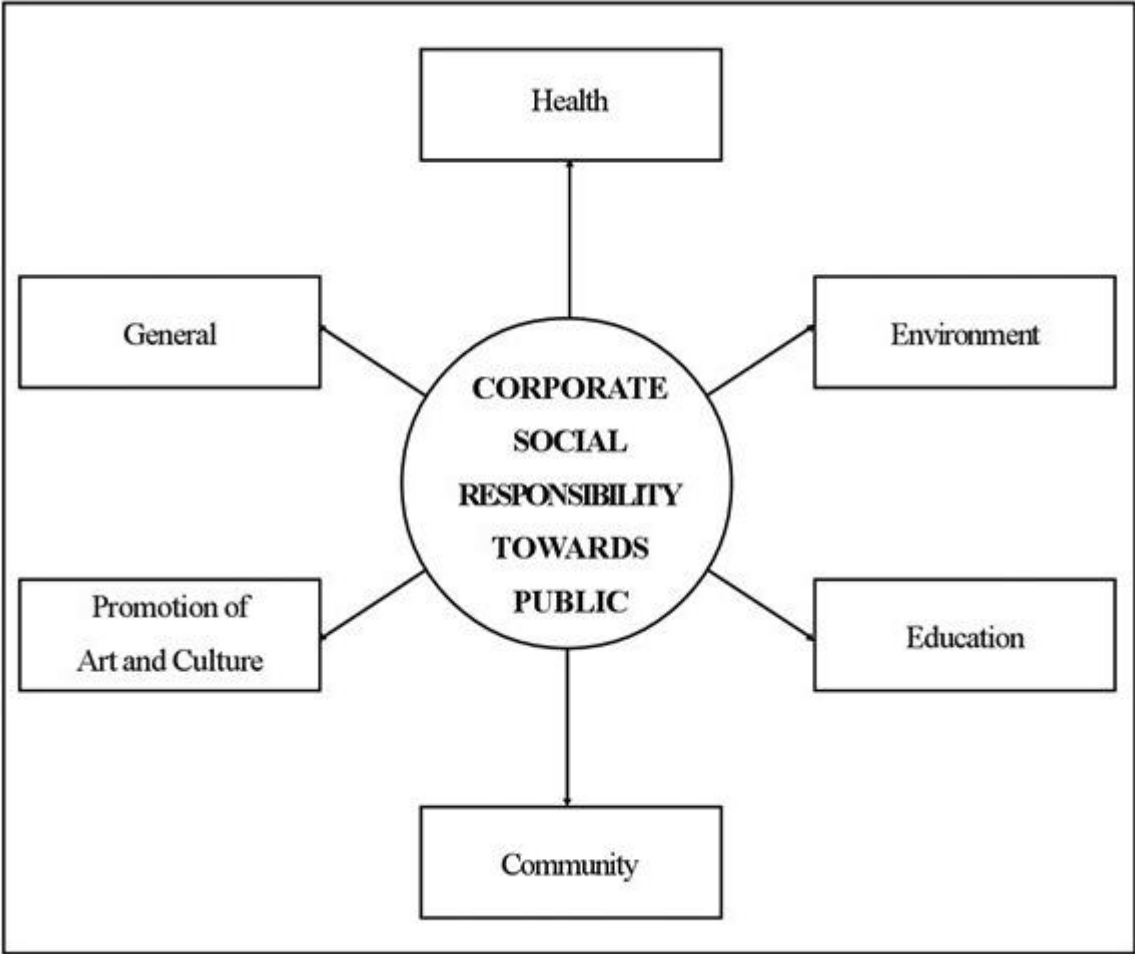
Fig.2.3 Corporate Social Responsiility Towards Society.

2.6 Business and Social Responsibility

Business plays a significant role in economic, social, political and technological affairs. So, business owes responsibilities to all segments of the society. Wealth of a country is controlled by business to a great extent. This gives business and its executive's enormous power to affect the lives of employees, consumers and shareholders.

In the words of Porter M.E. & Kramer M.R. (2006)[16], Business is a part of the total environment in which we live, being influenced by it, while being a force in influencing it. The relationship between business and its environment is one of mutual benefits as explained below in figure 2.4 both take from and give to various segments. Only through such a relationship, a business can survive and prosper.
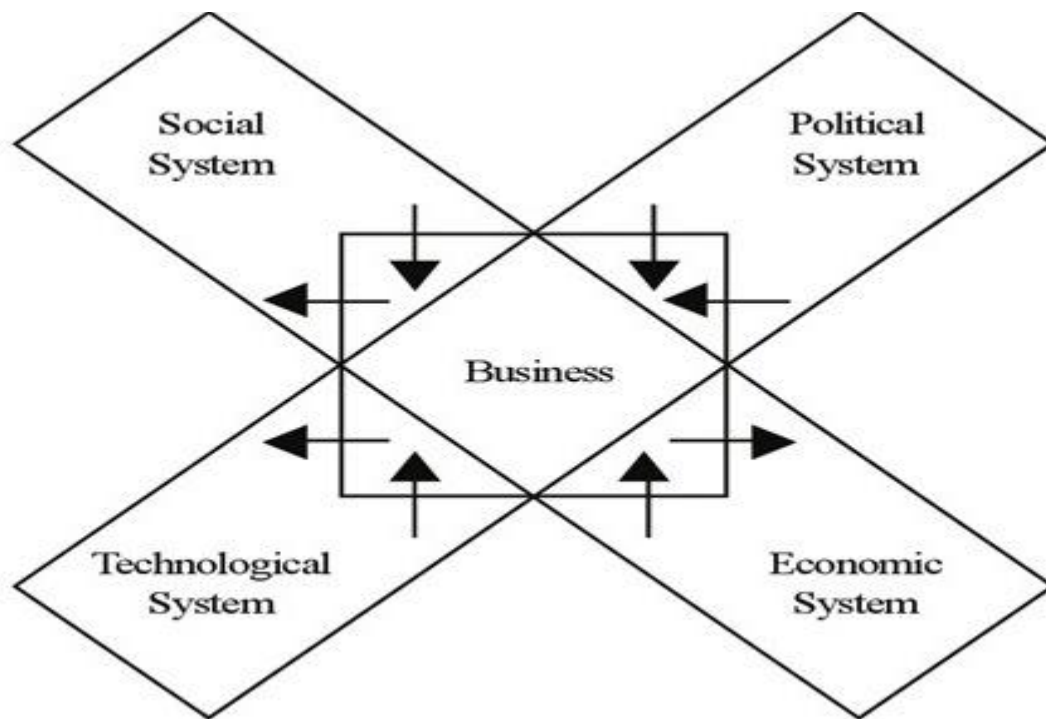
Fig. 2.4 Business and its total environment.

Modern business has acquired a sense of social responsibility towards society in general and to its different segments in particular. The objective of business is to balance the conflicting claims of stakeholders. Business is not to confine to productive and commercial activities as its social concern, but it has to take into account social problems, which arise due to its activity.

2.7 Review of Literature

This chapter is the review of related literature and related studies. Since 1970 the concept of CSR, has gained considerable acceptance and the meaning has been broadened to include additional components. Different researchers at different points of time have emphasized the importance of HR for the proper implementation of CSR the role that HR is inevitable to achieve the objectives.

Friedman (1970)[17] Expressed his view "Corporate social responsibility is beyond the basic purpose of business and violates the responsibility of business to its owners, the stockholders". He further stated that if the owner or a manager of a business has independent wealth, he or she is free to contribute his or her own resources to improve society. However, if the owner or manager uses corporate funds for the benefit of society without improving the company's economic performance, then the shareholders are being taxed and the company's resources are being misused. In such a case, the acceptance of social responsibility by business undercuts economic performance and borders on illegality because the money that belongs to the stockholders is being spent without their approval and perhaps they may oppose. He rejected any discretionary Corporate Social Responsibility in favor of strict fiduciary responsibility focused on economic wealth creation as the best contribution of business.

Sidney H Jones (1971)[18] conducted a study using secondary data published in Fortune 500 of 55 larger companies (1960-1970) covering topics such as air pollution control, water pollution control, employee ,disadvantaged worker hiring, visual pollution control, safety, community involvement , civic, support of education and non-company basic research, employee external education and training, community involvement urban development and charities it is found that the dominant concerns in 1960 were support of education, employee education and safety. By 1970, the emphasis had shifted to pollution control and hiring of the disadvantaged.

Fulmer (1971)[19] had conducted a survey involving over 1,500 business executives to find out the purpose of business, 94% of the respondents agreed with the idea that "business exists for only one purpose, to create and deliver satisfactions at a profit to him". The apparent conflict between social responsibility and the profit motive would seem to pose a peculiar dilemma for

the businessman to reconcile these seemingly paradoxical attitudes, Drucker (1969) has pointed out that socially responsible behavior actually serves the self-interest of business. In support of this argument, a study by Dawson (1970) indicated that job performance can be adversely affected by an employee's negative outlook on business' ethical norms and acceptance of social responsibility. Dawson's contention, was supported by his survey findings, was that jobs may be performed in a rather perfunctory manner by the "new generation" of workers who are disenchanted with the hard-line profit motive of business.

Peter F. Drucker (1973)[20] views that the social responsibility of managers is directly related to the power and authority they have. However, integrity, disclosure and responsibility maintain sense only if they reflect on business. Despite the common ground in Drucker's position (Schwartz 1998); he does not maintain social responsibility as being inversely related to profit maximization. His view on the ultimate goal of the firm is not the same as Levitt or Friedman, i.e. profit maximization, but the production of goods and services. Analysis of Drucker's thought leads to two main considerations: (a) it appears very clearly, from a traditional point of view, that social responsibility does not simply mean 'philanthropy', and that (b) rejecting the functionalist view is not connected to the logic of profit. Drucker's thought is eminently pragmatic, and related to corporate management. He states that Business enterprise is an integral part of the social system. Organizations do not exist in isolation; rather they are inter-related with many other elements that make up their environment. However, society is not just the environment of the enterprise. Even the most private of private enterprises is an organ of society and serves a social function.

Kaith Davis (1975)[21] has provided five propositions for social responsibility in corporations. The first proposition states that social responsibility arises from social power. Social responsibility arises from a concern about the consequences of business actions as they affect the interests of others. The second proposition is that business has to operate as a two-way open system with the open receipt of inputs from society and open disclosure of its operations to the public. The third proposition is that social costs as well as benefits of an activity, product or service should be thoroughly calculated and considered in order to decide whether to proceed with the manufacture of a product or not. The fourth proposition states that the social costs of

each activity, product or service should be priced into it so that the user pays for the effects of his consumption on society. The final proposition is that beyond social costs reduction, business institutions as citizens have responsibilities for social involvement in areas of their competence where major social needs exist. The author thus outlines the basic principles for developing socially responsible policies.

Sethi (1975)[22] Corporate Social Responsibility is another word, which is very prominent among the corporations. Social responsibility- is a sense of obligation and duty. It might also mean to incorporate the notion of answerability. He has discussed dimensions of corporate social performance and in the process considered corporate behavior as "social obligation", "social responsibility" and "social responsiveness". According to him social obligation is corporate behavior "in response to market force or legal constraints". The criteria here are economic and legal only. "Social responsibility goes beyond social obligation. Social responsibility implies bringing corporate behavior up to a level where it is in conformity with the prevailing social norms, values and expectations of performance". Social responsiveness means "adaptation of corporate behavior to social needs".

Ewing David, (1976)[23] discusses about a survey was made by the Harvard Business Review of 3,453 subscribers with the questions on the following issues: "A corporation's duty is to its owners and only to its owners". "A corporation's duty is primarily to its owners and secondarily to employees, customers and the public". "A corporation's duty is to serve as fairly and equitably as it can be the interests of four sometimes competing groups' owners, employees, customers and the public". "The primary duty of the enterprise is to itself - to ensure its future growth and continued functioning as a profit making supplier of goods and services". The survey revealed that 74 percent responded that the first statement was the least valid of the four. Sixty-one per cent said that the third statement was the most valid of the four.

Carroll's (1979)[24] presented his study which has divided the social responsibility of organization into typologies to give direction towards ideal responsibility. Carroll has developed a four dimensional conceptual model of corporate social responsibility and includes the categories of economic, legal, ethical and discretionary responsibilities. The first dimension deals with the

social issues involved such as 54 consumerism, environmental issues, product and occupational safety and similar issues of social responsibility. The third dimension deals with social responsiveness strategies such as reaction, defense, accommodation and pro-action. These three dimensions are combined together in the model which can help managers to conceptually understand the level of their social responsibility and improve upon it to develop socially responsible stakeholder policies.

Carroll explains that discretionary, philanthropic responsibilities are not mandatory or required by law and not expected of business in an ethical sense, (they are becoming) increasingly strategic in that such contributions towards solving society's problems enhance corporate image as well as its stranglehold on the market.

The University of Toronto, Canada took up a 10-year research programmed between 1983 and 1993. The purpose of which was to develop a framework and methodology, grounded in the reality of corporate social responsibility. Altogether, more than 70 field studies of corporate social responsibility were conducted. During this research programme, there had been three principal stages in the development of the methodologies for data collection, analysis and evaluation. The stages were as follows: (a) 1983-1985: 30 field studies; (b) 1986-1988: 28 studies and (c) 1989-1993: 20 studies. The following were the principal conclusions drawn from the research programme: It is necessary to distinguish between stakeholder issues and social issues because corporations and their managers manage relationships with their stakeholders, namely, employees, shareholders, customers, suppliers and public, and not with society.

P.R. Sengupta (1988)[25] conducted a study on 25 public sector undertakings for the year 1984-85 to review the pattern of social investments and expenditures on social responsibility practices and to examine their relationship with some of the organizational correlates. He concluded that both social investment and recurring expenditure on social responsibility practices vary from enterprise to enterprise and such variations are likely to be due to size of the company.

Wood, Donna J. (1991)[26]**,** the study is based on corporate Social Responsibility (CSR) and a model has been developed comprising of corporate social responsibility, corporate social responsiveness and corporate behavior. The outcome of the study says that society gives

legitimacy and power to business and the organizations are expected to operate in the interest of the society. Business is responsible to solve the problem they have caused in the society.

Carroll (1991)[27] revisited his 1979 four-part characterization of Corporate Social Responsibility and he replaced the discretionary with the philanthropic component emphasizing that this component also includes the notion of Corporate Citizenship. In light of this, he (1999:289) posits that "the Corporate Social Responsibility firm should strive to make a profit, obey the law, and be a good corporate citizen." He further (1999:289) suggested that the philanthropic component of his 1991 revision of the definition of Corporate Social Responsibility embraces Corporate Citizenship and noted that it is a voluntarily chosen commitment to help out the community that corporate organizations operate within. He has proposed that a company has a so called Corporate Social Responsibility Pyramid of duties to pay attention to. At the base level is the economic responsibility or duty of a firm. A company needs to survive and perform well economically first so that stakeholders like employees, shareholders and suppliers can be satisfied. A company on the next level needs to follow the legal requirements of its business environment in order to survive. This involves the paying of taxes and not breaking any laws and regulations of the land. The next step will be the ethical responsibility. The company should perform its activities "ethically". These ethics could change from time to time. It could also vary according to cultures and some unique happenings or situations. Here it is expected that the company will follow the norms and values that are applicable at that particular time and at that particular place. Finally, the discretionary responsibility that a firm can participate is mostly charitable activities. On this pyramid it is the final two steps of ethics and discretionary actions that Corporate Social Responsibility policies play more of an influential part. It should be remembered that the activities here will affect stakeholder's attitude towards a firm. A favorable view could increase profitability by increasing support from the customers and productivity from 55 the employees. This pyramid construct embeds a proposed theoretical synthesis of economics and ethics. He completed differentiation of Bowen's basic Corporate Social Responsibility notion into a still canonical set of defined cumulative responsibilities, depicted classically as a subdivided 'pyramid' cross-walked to stakeholder categories. The pyramid is a vertical triangle with four internal subdivisions for economic, legal, ethical, and philanthropic responsibilities in

that order from foundation to apex. All four responsibility dimensions are morally infused (Carroll, 1995): a moral manager behaves differently in every dimension.

Fritz, (1996)[28] defines business orientations as the underlying philosophies that determine the nature and scope of a firm's activities and plans. These fundamental guiding principles determine the organization's basic values and goals, as well as the strategies the firm uses to compete in its marketplace. He discusses six fundamental orientations that affect corporate management. These six dimensions are market orientation, production and cost orientation, financial orientation, technology and innovation orientation, employee orientation, environmental and social orientation An environmentally and socially orientated firm has corporate goals pertaining to the welfare of society and the protection of the environment as well as of a positive corporate image and public opinion. Further an employee oriented firm has employee satisfaction and a social responsibility to maintain job sites as part of its corporate goals and a financially oriented firm has goals of profit and return on investment.

Mala Srivatsava (1999) conducted a study that the "Corporate Social Responsibility is a Perceptual Study" which attempted to understand the perception of 60 individuals who were graduates in the age-group of 21 to 60 years and had invested in shares and debentures about the social role of corporation. The study indicated that most people expect organization to achieve the first two levels of the model suggested by Monsen. A survey of the annual reports of sixty companies, including the forty largest companies in the United States, showed a sharp rise in expression of social responsibilities. The number of socially responsible actions and statements steadily increased from 167 in the 1965 annual reports of these companies to 576 in 1971. Further, it was observed that environmental issues which accounted for 16 per cent of all items in 1965 reached 42 per cent in 1971. They also reported a rapid increase in specific action programs in the social area.

McWilliams and Siegel, (2000)[29] have studied the responses of corporate social responsibility investments. Through his research he has identified that several companies have responded by increasing their Corporate Social Responsibility investments. However, other companies have resisted investing in Corporate Social Responsibility as they believe that it contradicts their aim to maximize profits.

Lockwood (2004)[30] explained the critical role of the human resource function in organizations to play a leading role and educating their firms regarding the importance of Corporate Social Responsibility. He is adding that strategic implementation of sound human resource management practices would support the company's business and Corporate Social Responsibility goals. According to him, firms must shift from first and second generation social responsibility practices of not risking a firm's business success in the name of Corporate Social Responsibility and move over to third generation Corporate Social Responsibility practices where a firm addresses significant societal issues, such as poverty and cleansing the environment; and the HR function must lead this shift.

Bigg and Ward (2004)[31] through their study tried to link corporate social responsibility, good governance and corporate accountability through an institutional framework. They found that it is necessary to integrate public governance and Corporate Social Responsibility activities for better results. Further, they feel that corporate must create a more inclusive agenda through a value framework of sharing and caring. Ultimately, firms must have a multi-stakeholder outlook to frame their Corporate Social Responsibility policies.

Hopkins (2004)[32] has been studied corporate social responsibility from the value perspective. His study focused on the economic value-added implications of Corporate Social Responsibility actions. The study has found impact in the following areas of the organization such as Brand equity and companies' reputation; Access to financing; Employee motivation; Innovation, creativity, intellectual capital and learning; and better risk management.

Remington (2005)[33] with the help of twelve case studies, while underlining the HR professionals' key role in managing the changes required for CSR activities to succeed, stated that employees are the most neglected though most important stakeholder of the organization for conducting CSR activities. While accentuating on this issue he said that having a good reputation socially implies that a company's behavior towards its people is consistent and is of a particular standard in which they are valued in as much as the external stakeholders. Rupp et.al (2006) accentuated that CSR plays a role about fostering positive social relationships between

organizations and communities. They highlighted that employees will turn to CSR to assess the extent to which their organization values such relationships and so high levels of CSR can meet employees' need for belongingness with the organization and the society.

Kotler and Lee (2005)[34] argue that Corporate Social Responsibility engagement has shifted from obligation to strategy. Before 1990s engagement in Corporate Social Responsibility tended to be implemented as a result of pressures for "doing good to look good". Today we can observe a shift towards a strategic approach, which is described as, "doing well and doing good".

Manmohan Singh (2007)[35] in a modern, democratic society, business must realize its wider social responsibility. The time has come for the better off sections of our society to understand the need to make our growth process more inclusive to conspicuous consumption, to save more and waste less, to care for those who are less privileged, to be role models of probity, moderation and charity. Indian industry must, therefore, rise to the challenge of making our growth process both efficient and inclusive. If those who are better off do not act in a more socially responsible manner, our growth process may be at risk, our polity may become anarchic and our society may get further divided.

(The inaugural session of confederation of Indian Industry's Annual Summit, 2007).

Agarwal (2007)[36] stated that with the adoption of HR policies, such as, periodic review of employee performance, adequate training for the workforce and career advancement norms for its personnel, creating motivation, and commitment in the workforce the organization can reap the full business benefits and become successful to the great satisfaction of all its stakeholders. This is also reinforced by Malikarjunan (2006). Emphasizing upon such dimensions Krishnan & Balachandran (2004) pointed out the role of HRM in incorporating responsible practices within an organization. It is due to the lack of involvement of employees and failure to embed the socially responsible values into the organizational culture that many CSR initiatives inevitably fail and they just become an exercise in public relations.

Sirota Survey Intelligence (2007)[37] affirmed that employees who are satisfied with their organization's commitment to social and environmental responsibilities are likely to be more positive, more engaged and more productive than those working for less responsible employers and when employees are positive about their organizations' CSR commitment, their engagement

rises to 86 per cent. On the other hand, when employees are negative about their employer's CSR activities, only 37 per cent are highly engaged.

Murray (2008)[38] on the basis of survey stated that more than one-third of respondents pointed that working for a caring and responsible employer was more important than the salary they earned and nearly half would turn away from an employ.

2.8 Summary of the past research in India

Sr. No.	Researcher	Title	References
1	Leena James 2012	A study on corporate social responsibility practices in relation to organizational culture and business ethics in information technology industry in Bangalore city	Dr. Uma was the Vice-Principal and Head, Department of Business Administration, at Cauvery College of Bharathidasan University, India. She completed her Ph.D. in 1993
2	Dr. Sangeeta Mansur 2001	Critical Factors of Corporate Philanthropy, Their Impact on Monetary Contribution and Attributes of Corporate-Choice of NPO	Prof.R. Srinivasan
3	Dr. Smt.Meena Amar Gulliara 2003	Social Responsibility of the Corporate Sector towards the Community (A study of selected Manufacturing Corporate in India for the period 1995-96 to 1997-98)	Prof.Y.K. Bhushan Narsee Monjee Institute of Management Studies, Mumbai.
4	Dr. Nishikant M. Borge 2008	A study of Commitment to corporate social responsibility among selected companies in Pune.	Dr.M.D. Lawrence.
5	C. G. Krishna 1992	To examine the attitude of middle level managers in the Public & Private sector firms toward Corporate social responsibility.	C. G. Krishna, Corporate Social Responsibility in India: A Study of Manctgenient Attitudes, Mittal Publications.
6	L. S. Porwal & Narendra	To examine the state of social reporting in India.	L. S. Porwal & Narendra Sharma, "Social

	Sharma 1991		Responsibility Disclosure by Indian Companies", The Chartered Accountant, February, 1991.
7	D. R. Singh and J. M. Ahuja 1983	To ascertain the extent of disclosure and examine the influence of four organizational Correlates (size, profitability, age, and nature of the industry).	"Corporate Social Reporting in India", International Journal of' Accounting Education and Research, 1983 Cf. L. S. Porwal & Narendra Sharma, "Social Responsibility Disclosure by Indian Companies", The Chartered Accountant, February, 1991.

Table 2.1 Summary of the past research in India

2.9 Business Ethics

2.9.1 Meaning of Ethics

The concept of ethics comes from the Greek word "ethos", meaning both, an individual's character and a community's culture. Generally people believe business ethics involves adhering to legal, regulatory, professional and company standard, keeping promises and commitments and abiding by the general principles like fairness, truth, honesty and respect. The word "ethos" from which "ethics" has originated means character or manners. Ethics is thus said to be the source of morals, a treatise on this moral principles of recognized rules of conduct.

2.9.2 Values, Ethics and Social Responsibility

Business ethics is not a distinct and separate aspect of corporate life. It permeates all aspects and departments of the firm, its operations and its links with the community. At times, the word ethics and values are used interchangeably. Values are a set of beliefs germane to the individual, group or organization and are the basis for action. It is something which is held in regard, importance or worth. Values are essentially a thought based concept, while ethics are a set of actions born out of beliefs, attitudes and values. It is a branch of knowledge concerned with moral principles that govern or influence conduct. Ethics is essentially an activity based concept. Point to the inescapable reality that Corporate Social Responsibility is nothing more than smart management cloaked in the language of morality and ethics (Reich 2007)[39].

Ethics is person specific, context specific and culture specific. It is also important to distinguish between 'managerial ethics' and 'business ethics. While the former is a micro view and is an examination of individual level behavior, the latter is a macro view and examines organizational behavior. It is important to look at the micro level behavior because most unethical decisions emanate at the individual level, rather than as collective decisions of boards or committees, and individual sensitivities will contribute to companies taking an active ethical stand while making decisions.

Ethics and Corporate Social Responsibility are closely related concepts. Ethics deal with issues pertaining to organizations and its stakeholders in day-to-day business transactions. Social responsibility refers to a company's posture relative to the community either narrowly or broadly defined. Ethics tends to be more internal in orientation, while social responsibility is more external, but this orientation is not an absolute one. As Shell has noted in its Principles and

Profits Report, society has moved from a 'Trust Me' position, through a 'Tell Me' position to a 'Show Me' position, implying that verbal assurances by corporate management are no longer sufficient to gain the trust of stakeholders. Independent verification of social and environmental reports is one way in which companies are addressing this lack of trust.

2.9.3 Importance of Business Ethics

Business Operates within the Society. It is a part, a subsystem of the society. Business's functioning must contribute to the welfare of the society. In order to survive, develop and excel, business must earn social sanction of the society where it exists and functions. Without earning social sanctions, business cannot get loyal customers and thus cannot operate in the market place. If business grows larger, the public takes more interest in it, since this will lead to a greater impact on the community. Thomas Donaldson says that there is a growing realization all over the world that ethics is vitally important for any business and for the progress of any society. Ethics makes for an efficient economy. Ethics alone, neither government nor laws, can protect society. Ethics is good in itself. Ethics and profits go together in the long run. An ethically responsible company is one which has developed a culture of caring for people and for the environment, a culture which follows downwards from the top managers and leaders. The social responsibility of business involves ethics which must be reflected in the philosophy of business organization. "The biggest corporation, like the humblest private citizen, must be held to strict compliance with the will of the people" - Theodore Roosevelt, (1900). To be effective, a sound ethics' structure must be recognized by top management and reflected in the policies of the firm. Top management should establish clear policies that encourage ethical behavior and a cordial culture of the organization. Management must assume responsibility for disciplining wrong doers. Members should voluntarily accept it. Right leadership, integrity, proficiency, commitment to social values of a manager can change the expected behavior of individuals and are crucial to business ethics and organizational culture. Good ethics may be good business in majority of the cases. When the crunch comes, when ethics conflicts with the firm's interests, any ethics program that has not prepared for this possibility is doomed to fail because it will undercut the rationale of the program itself. A similar danger occurs with corporations choosing or being wooed to be environmentally friendly because it will be in their self interest. There is the risk of participating in the movement for the wrong reasons. The frequent strategy of the new

environmentalists is involving in a business to help solve environmental problems by finding pure or virtually costless ways for them to participate.

2.9.4 Business Ethics and Corporate Social Responsibility

Business ethics can be defined as written and unwritten codes of principles and values that govern decisions and actions within a company. In the business world, the organization's culture sets standards for determining the difference between good and bad decision making behavior. In the most basic terms, a definition for business ethics boils down to knowing the difference between right and wrong and choosing to do what is right. The phrase 'business ethics' can be used to describe the actions of individuals within an organization, as well as the organization as a whole. There are two schools of thought regarding how companies should approach a definition for business ethics: the shareholder perspective and the stakeholder perspective.

2.10 Governance and Management of Company

Corporate governance is not an abstract goal, but exists to serve corporate Purposes by providing a structure within which stockholders, directors, and management can pursue most effectively the objectives of the corporation' as (US Business Round Table White Paper on Corporate Governance, September. 1997).

 Governance is the prerogative of the board of directors, who are appointed by the shareholders. The board does not have a hierarchy and every director has equal responsibility and similar duties and powers. The management structure is a pyramid, headed by the chief executive officer (CEO) with a number of managers below. Authority and responsibility is delegated downwards and in return accountability is expected upwards. The CEO is the bridge between the directors (governing activities), and the managers (management activities). , The board consists of executive directors and non-executive directors. Non' executive directors include outside non-executive directors who have links with the company or are connected non-executive directors (CNED), and outside non-executive directors are those who have no links and hence are referred to as independent directors (INED). The main activities of the board can be summed up as formulating strategy, promulgating policies, supervising executive management, and being answerable and accountable to shareholders.

This brings us to the first principle of fiduciary duties. The fiduciary principle states that one having been entrusted with powers for another's benefit is under to a general equitable obligation when dealing with those powers to act honestly or in what they consider to be in the other's interests. . In reality, we find that though the board is seen as the major driver of good governance, it very often comes under external influences like large institutional investors who play a more important role than the individual shareholders the threat of hostile take-over's in liquid markets like the US and UK also keeps the boards constantly vigilant about governance and share prices. In debt-driven markets, banks and financial institutions play a significant part as" "governance drivers". Even family members who sometimes can act as 'shadow'. Directors', joint venture partners, and holding companies influence governance in companies. There is a fundamental difference between countries prescribing regulations through law and countries favoring a self-regulatory approach in governance styles, leading to vital differences in drivers of good governance.

2.11 Importance of Corporate Governance

The requirement from corporate has moved beyond just getting shareholder value. The stakeholder theory is now an integral part of corporate governance. Socially responsible companies are lauded for their involvement in the welfare of all the stakeholders, the community, and the environment. There is a general acceptance that the government alone cannot manage the multifarious needs of the modem globalized society. Public-private partnerships have to be the order of the day to balance the interest of stakeholders with the profit requirements of the shareholders Carroll (1979) has succinctly summarized the concept of responsibility as given below: Economic responsibility: The company has to be profit-oriented and market driven Legal responsibility Since society gives the sanction to the business to operate, it is the duty of business to obey the laws and regulations laid down by society. The Company has to go beyond the law and honor the trust and expectations of society. The company should also be extremely culture-sensitive to provide the right services Discretionary (or philanthropic) responsibility-Undertakes voluntary activities and expenses, keeping the greater good of society in mind.

Many countries have created company laws, which incorporate CSR as a formal duty of the company. For example, The Companies Act of 2006 of the UK formally includes CSR as a

responsibility to be undertaken by companies. .In India, the Narayana Murthy Committee also recommends CSR as an integral part of corporate governance.

Corporate governance is a powerful tool, which can ensure that CSR permeates throughout the company. It should operate at the internal, intermediate, and outer circles. However, we must remember that every company would have to find and frame its own framework for implementation of CSR because every company is unique, and similarly, every culture in which it is operating is distinct. Today, environmental pollution has become a major concern and many companies are including their efforts to improve the situation in sustainable reports that they are issuing along with CSR reports.

A brief list of obligations catering to important areas related to some important stakeholder is given in Table 2.2

TABLE 2.2 List of obligations to society, investors, and employees

Obligations to society	
1.	National interest should take priority
2.	Political non-alignment
3.	legal complications
4.	Rule of law
5.	Honest and ethical conduct
6.	Corporate citizenship
7.	Ethical behavior
8.	Social concerns
9.	Corporate social responsibility
10.	Environment-friendly
11.	Healthy and safe working conditions
12.	Trusteeship
13.	Accountability
14.	Effectiveness and efficiency
15.	Timely responsiveness

16.	Uphold brand of the country
Obligation to investors	
1.	Towards shareholders
2.	Measure as promoting informed shareholder participation
3.	Transparency
4.	Financial reporting and records
Obligation to Employees	
1.	Fair employment practices
2.	Equal opportunities by employer
3.	Encouraging whistle-blowing
4.	Humane-treatment
5.	Participation
6.	Empowerment
7.	Equality and inclusiveness
8.	Participative and collaborative environment.

Source adapted from corporate governance principle, policy and practice by A.C. Fernando (2006)

2.12 Social Impact

The social impact of CSR is a Long-term success is an outcome of interdependence and the people dealing with their unique emotions and feelings. The business Fraternity needs to realize that the law and order situation is also dependent on the economics of the country; its roots are often embedded in a terrible sense of deprivation felt by the local community. Anger is usually directed towards; big businesses which, it is felt, have cornered all the benefits of development without giving anything back to society. The unprecedented labor unrest in West Bengal during 1969-70, especially the Naxalite movement of 1970 as well as the recent Maoist movements in Nepal and India, are examples such emotions. If business needs customers with buying power, then it must ensure that the common man's condition must improve. Unless the business community contributes to the basic development needs, it would be threatened and it is in its own interest to participate in the 'nation building' effort. Another famous business tycoon of India, Shri Ramakris Bajaj (1970), grandson of Jamnalal Bajaj, also expressed the same view when he said, 'The business community is an essential ingredient of our democratic society and it has a duty not only to create wealth but also to promote the ethical and social goals of the community. Unless it fulfills both these functions there by plays its due role as a responsible section, it will not be able to ensure its own survival'. As managers behave as if we are alone and only our needs matter. The commonly heard cliché is that we have no choice. It is this seeming lack of choice that is the real killer of humanity in organizations that are undergoing massive and speedy change. People suffer from the insecurity that they are not in control of anything and try to control whatever they can any way they can. Problems are assuming huge proportions and gigantic .shapes. They can only be solved when looked at in the broader light of global interaction. This certainly needs an inter-cultural awareness and an attitudinal change in accepting everyone. The original intent of management scientists who developed models was to consider only objective judgments of the costs to the company, but it has become obvious in recent years that the models also have to include subjective estimates of the costs to the employees, the customer, and the general public. Estimates of the costs external to the firm and of the economic damages caused by the firm are also required to be taken into account. Sir Julian Huxley (1957) has rightly pointed out that 'human evolution is not every biological but psychological'. Therefore, the concept of survival of the fittest does not fit human civilization in literal terms because, in that case, how do we define and measure fitness, and who among us

should be given the right to judge fitness. The spirit of cut-throat competition only for wealth has led us to accumulation of more and more wealth at the cost of ethics. This has wrought social havoc at every level leading to fear, purposelessness, drug addiction, anxiety, neurosis, unethical life, and untimely death. As early as 1939, Arnold J. Toynbee questioned the efficiency of scientific management when he wrote , 'what was the extent of sacrifices of personal freedom that workers would be prepared to make for the sake of increasing size of the cake of which they were each demanding a larger slice? How far would the urban industrial workers go elopement in submitting to scientific management? Western man had brought himself into concentration on a sensationally successful Endeavour to increase his of 1970, material well being. If he wants to find salvation, he would find it only in sharing the result of his material achievement with the less materially successful majority of the human race. Toynbee called him the western man, but is it not true for all our self-seeking materially motivated professionals? 'Consensus management' with vertical, horizontal, and diagonal consensus among workers and management are becoming common. To achieve this, an individual has to move beyond himself and create a family within the corporation. The idea of family carries with it the concept of basic human values of love, integrity, honesty, selflessness, etc. Therefore, we are again back to the principle of being the ethical, which leads to good business.

2.13 Social Contract

CSR is related to the social contract between the business and the society in which it operates. In any society and in any time, there is a set of generally accepted relationships, obligations, and duties between the major institutions and the people. Philosophers and political theorists have called this set of common understandings 'the social contract' (Steiner and George 1972).

 If we take this understanding further, we find that at any point of time the accepted relationships, obligations, and duties differ between and within society and therefore business practitioners prefer to either ignore or criticize the concept of CSR as only theory based. However, when business professionals were surveyed even a decade ago, nearly 81 per cent of 248 executives believed that wealth maximization and social involvement were not contradictory concepts (Edmonds and Hand 1976)[41]. This thought is further corroborated with the twin surveys conducted by McKinsey in 2007 (The McKinsey Quarterly 2007), this reveals that 84 per cent of executives and 89 per cent of consumers believe that corporate obligations to shareholders

must be balanced by contribution to the broader public good; for example, providing good jobs (jobs that ensure sustainable livelihood), making philanthropic donations, and going beyond legal requirements to minimize pollution and other negative effects of business activities, The consensus for engagement (business engaging in socially relevant activities) is widespread, ranging from 75 per cent in China to 90 per cent in India among executives, and from 86 per cent in India to 91 per cent in the UK among consumers.

Business has responded in a very fragmented manner to the demands of responsibility by enacting labor laws, employee welfare programmers, consumer satisfaction policies, environmental protection activities, etc. But there is no collective long-term impact on the community and therefore it has become imperative to consolidate the concept of CSR and fit it into an overall plan.

It is interesting to note that certain themes have evolved about how business can relate to ethical behavior. According to Robin and Erie (1989), 'business activities that have a foreseeable and potentially serious impact on individuals ought to be regulated by the values of deontological (related to rules and regulations) reasoning,'

'For all business actions that do not have foreseeable serious consequences for individuals, the arguments of utilitarianism (greatest good for the greatest number) seem appropriate within capitalistic democracies.' For the level of performance, Aristotle's Virtue Ethics describing the "golden mean" i.e." neither excessiveness nor deficiency in performance is suggested,' This relates to earning profit by ensuring that neither is CSR emphasized so excessively that profit suffers; nor is CSR totally ignored and profit is earned by exploitation. For social responsibility, 'the image of an average family using central values to solve family problems provides a benchmark for developing values within a business organization.

Though business has the bigger responsibility of going beyond philanthropy, we must also keep in mind that each stakeholder also has reciprocal duties with others and the consuming community also has the obligation to make the tradeoff between cost and sustainability and integrity. Different stakeholders also cannot be driven by their selfish interests alone because each stakeholder has an important role to play and one cannot be destroyed for the benefit of the other, Just as business needs to do just tradeoff between stakeholders based on priority and sustainability, stakeholders also have to understand that at times one has to give up one's interest

for the benefit of all. This reciprocal relationship between business and society is shown in Fig. 2.5.

Fig. 2.5 This reciprocal relationship between business and society

2.14 Impact of Religion

Religion played a major role in encouraging charity. Hindu scriptures highlighted the concept of using wealth for granting charity, performing sacrifices, and discharging debts; the best gift was the gift of spiritual knowledge and the lowest that which satisfied the basic physical needs of human beings. Therefore, most Hindu merchants made generous gifts to temples, monasteries, and conglomerates of religious practitioners like priests and monks. To encourage secular Earning, scholarships were instituted by the merchant families and educational institutions were set up. Other forms of gifts included land, cattle, food, etc. The founder administered all endowments, whether small or big. "His thought of giving evolved into the final philosophy of Lokasangraha (universal brotherhood) and Sarvabhutahita (welfare of all beings) found in the sacred book of the Hindus-the Gita." Jainism also encouraged charity and many hospitals, rest houses, and libraries were constructed from their endowments. Since the Jain religion strictly prohibited any kind of violence and cruelty, Jains normally provided charity to all races and creeds as part of the practice of compassion for all living beings.

Islam popularized Zakat, a certain percentage of the acquired wealth and Emergence profit should be dedicated for the purpose of charity. Building mosques with attached educational institutions was a common form of charity. Christianity was made popular by the Jesuits who

visited India during the Mughal rule, and was entrenched as a religion when Great Britain colonized India. The tenet of giving was central to Christian teachings as well. In fact Christians were told 'let thy right hand not know what they left hand gives', signifying the importance of giving but not for publicity. In Christianity also, wealth was considered as a trust and therefore, distribution of wealth was also about doing justice to society, not just compassion. Christianity highlighted the Importance of giving time and personal service for the welfare of others, and. that encouraged great humanitarian activities by the followers of the religion.

The Parsi community in India drew its strength from their religion, Zoroastrianism. The religion, way, preached a middle path by neither glorifying poverty nor wealth. It was more about self-development through self- help and hard work. Prosperity was to be shared through works of beneficence and public well-being. Charity was, by and large, motivated by religion and spirituality. However, at times practice faltered in terms of strict adherence to the religious tenets because self-interest drove charity. This is visible when we find that very often charity was linked to business interest and practices. Studies by Rudner (1995) and Bayly (1983)[40] have clearly shown that religious giving was often linked to social creditworthiness and this in itself was self-reinforcing and self-fulfilling. Quotes like 'the social consequences of Sangha (Jain religious brotherhood) are many. On the one hand, prestige is acquired by the Sanghapati (head of the Sangha) and financial reputation is earned through spending large sums of money, which begets investment and credit facilities, which in turn lead to expansion of business' by Singh (1991) highlights the underlying business. Agenda in charity this encouraged the practice of combining charity with the bottom line of business. Often, merchants who had endowed temples with charity used the temple grants to increase their business. As trustees of endowments, they came to occupy important social positions and respect, which further enhanced their business. Historical sources verify that various means of religious gifting were used as mechanisms by merchants and mercantile communities to penetrate into new localities and create respectable social identities, which helped them entrench their authority over commercial enterprises (Rudner 1995). Religious grants were supplemented with individual secular spending, like building wells, rest houses, and commissioning relief work at times of peril to gain social status by merchants.

2.15 Seeds of Modern CSR

Indians quickly built on their potential by embracing new technology and Business opportunities that were beneficial to Indian society. Charitable activities were still on traditional lines, like donating to educational and religious institutions. However, with the spread of western education, as represented by Raja Ram Mohan Roy, a perceptible change was noticed in the process of charitable investment. Now the shift was towards more inclusive philanthropy, based on the equality of all human beings. Christian missionaries, with their humanitarian approach, played a significant role in bringing about this change. The political awakening in India on the lines of democratic and secular understanding of freedom, helped in creating an atmosphere of social justice, equality, individual freedom, and universal brotherhood. The state helped by awarding status to individuals engaged in philanthropy.

There was a realization that the development of society depended on public enlightenment. Therefore, education was the most popular and favorite field for donations. Public health was also a concern that received charitable help as health facilities were very poor. Endowments to build libraries, meeting halls, parks, and gardens are also recorded. Indian culture was encouraged through theatre, dance, and music. The Parsi community was more proactive in providing basic needs like housing and sanitation than the other philanthropists Agriculture and rural development still did not receive the attention they should have. According to Rudner (1995)[40], personal interest was a major driver in the philanthropy of that age: 'Religious gifting and secular philanthropy-far from constituting irrational expenditures for other worldly ends-were investments in the conditions that made worldly commerce possible.' (This means that if philanthropy was not limited to only religious charities for spiritual fulfillment but also added to actual material gains and profits in economic terms.)

Philanthropy in this period suffered from the stigma of traditionalism, but it cannot be denied that it prepared the ground for future institutional reforms.

2.16 Role of NGOs

The full form of NGO is 'non-governmental organization'. As the name suggests, it is a legally constituted body without any government involvement. Even those NGOs that receive government funding keep their non-governmental status intact and do not allow any government representative to be their members. Though this is a common term, it is not a legal definition and

therefore, such organizations are referred to by different names in many countries, like civil society, independent sector, volunteer sector, grassroots organizations, transnational social movement organizations, private voluntary organizations, self-help organizations, and -state actors' organization. It is estimated that in India there are about one to two million functional NGOs. Though the history of NGOs in different countries can be traced to antiquity, as a generally accepted concept, it became popular with the establishment of the United Nations Organization in 1945, as per the provisions in Article 71 of Chapter 10 of the United Nations Charter for a consultative role for organizations Be that are neither governments nor member states. The international NGO got of its definition from the 288(X) resolution of the ECOSOC in 1950, stating any International organization that is not founded by an international treaty me an incorporated organization that exists for educational or charitable reasons and from which its shareholders or trustees do not benefit financially, is referred to as non- (not) for-profit organization (NPO). Any money earned must has, be retained by the organization, and used for its own expenses, operations, and the programmers. Many non-profit organizations also seek tax-exempt status and may also be exempt from local taxes, including sales taxes or property taxes. Well-known non-profit organizations include Habitat for Humanity, the Red Cross, and United Way, and are also called not-for-profit organizations. In India, they can be registered in four ways: (1) Trust; (2) Society; (3) Section- 25 company and 4) Special licensing. Registration can be done with the 1 or Registrar of Companies (ROC). The following laws or Constitutional Articles of two Articles 19(1) (c) and 30 of the Constitution of India them. Income tax Act, 1961 Public Trusts Acts of various states Societies Registration Act, 1860 any. Section 25 of the Indian Companies Act, 1956. Foreign Contribution (Regulation) Act, 1976 NPOs need to be managed just as any other corporate. The inherent structure of a NPO is the high level of dedication and commitment to work with and for the disadvantaged groups in society. This naturally needs specialized skills and expertise. Considering the socio-economic condition of the country or region where these NPOs and NGOs operate, the work can be extremely demanding. The funds are usually public donations that get routed either through donor gests, agencies, government bodies, or are given directly to the organization. Unlike Even the corporate world where investors get a share of the profit, in a NPO or NGO there is separation between the cause supported and the donor. Actually, their NPO works as the bridge between the beneficiary and the donor, and hence is accountable to both (Padaki and Vaz 2005). From the above description

of a NPO or NGO, we can assess the important role that these institutions can play in CSR. In fact, they can play a very proactive role if they work to facilitate social responsibility by joining hands with the corporate. It is and government. They can work as the conscience of the business world. However, they can also become agents of money laundering by unscrupulous business organizations or government bodies, by posing as the social wing and the camouflaging the actual activities. Businesses often tend to use them as facades to keep away legal collective bargaining processes, like trade unions, from questioning the social responsibilities of business. Since the NGOs and NPOs receive funds from donors and venture capitalists, the donors often decide what social cause needs to be addressed. If the donor is residing in a foreign country, they would like to address social issues that is the priority in their country or considered fashionable among the rich. Therefore, very often the priority social causes in the country where the NGO or NPO is operating get ignored. It often happens that donors may insist on changing the focus of work, even if the earlier project is not completed, because a particular social cause is being promoted in the media or social circles. All these often lead to just superficial social work without any concrete requites of social up-liftmen. Therefore, one needs to assess the true worth of such voluntary organizations in their role as CSR promoters.

With the unbridled growth of commercial activities, countries are faced with both positive and negative fallouts. Often, tradition suffers at the hands of commercial growth. This makes people rootless and the fear of such displacement can be addressed by NPOs and NGOs in a more professional manner than either government or corporate. An excellent example is the practice of child labor in India. Children are caught in a vicious cycle of lack of opportunities and poverty, leading to promotion of child labor. Till India does not create enough infrastructure, like better connectivity between rural and urban areas, accessibility to schools, and provision of meals to ensure children do not run away from school, employment, and social security schemes, child labour would remain as a source of livelihood for children and the families belong to, If by law, child labor is totally eradicated, then social issues Like street Crimes, drug abuse, human trafficking, and other related concerns would plague society, as has happened in Bangladesh where child labor was banned due to international pressure but there was no contingency plan to absorb these children more productively.

Another major concern is that traditional forms of art are dying because once children are educated; they do not want to go back to their hereditary forms of earning a livelihood. For one,

it is hard work and the economics are also not very encouraging for young people to follow traditional professions. This is an area where NPOs can play a major role in conjunction with the government and corporate world, by designing education in a manner that keeps the traditions alive and also by ensuring that right esteem and price is offered to such products. These kinds of initiatives are actually beneficial to all parties concerned because it reduces the burden on the already overstretched facilities of the urban centers and also creates employment and purchasing power, leading to a more viable economic development.

2.17 Role of Educational Institutions

Adomssent and Michelsen (2006.) state that a university does not only need,

to become more open-minded, it also needs to transform itself into learning

Academia constantly adapting itself to new challenges and comprehending itself as one player interacting with others the same argument is also applicable to smaller educational institutions.

Educational .institutions should promote an ecosystem suited to CSR throughout their organizations and in the outside world. The advantage of Educational institutions is that they are far better positioned to influence and mould the young minds to value-sharing and giving. This is an important aspect of CSR that businesses are unable to handle, for lack of resources that can mould mature minds.

Communication to the stakeholders is an activity that education institutions have to undertake vigorously because they are the training grounds of the future corporate leaders. The immediate stakeholders of a university include present students, future students, corporate and other financial supporters. These students would carry the baggage of their conscious and unconscious learning to the corporate world. This subjective dimension is the cause of the nature of corporate culture. Satisfaction and dissatisfaction and happiness and discontent influence the smooth functioning of the organizations and thus its performance and policies. Academic institutions have to provide the platform for interaction between the corporate and academics for encouraging innovative processes of CSR practices. Students are the largest stakeholders who should be given the opportunity to learn hands-on about CSR.

The ultimate objective is the enhancement of the quality of life of the Population. In this, educational institutions can play many roles, essentially a social to achieve social dynamics. For example, education is a great tool that can persuade people to stop polluting, to adopt healthier lifestyles and diets, to engage in family planning, ensure gender equality, etc. Academic institutions have a social responsibility to create a better future through processes such as those mentioned below:

(a) Educating the human capital.

(b) Promoting the development of knowledge in society by encouraging in the lifelong learning.

(c) Creating an environment for scientific and technological innovations that make human existence more comfortable.

(d) Collaborating with the corporate world to help in the processes of advancement through research and development.

(e) Disseminating knowledge that creates synergy for socio-economic development.

Educational institutions have to play major role in removing the inequality is natural because only then can solutions be obtained to fight Inequality is a major hurdle in the distribution of the fruits of progress. Learning CSR encompasses this issue and academic institutions have to partner with government and civil society to eradicate inequality.

Academic institutions have to play very proactive and influential role in redressing the fundamental power imbalances between the political realm, the economic realm, and the civil society. The imbalance of power between the major actors, that is the state and the economic realm represented by the business world, cannot be accepted because in the long run, whether the state Important has more power or the business world has more power, it is the common man in the social sector who really feels the brunt of exploitation. In an ideal scenario, power would be equally divided among the three actors-politics, economics, and society. The ongoing global crises like the economic recession, climate change, economic imperialism in the name of progress, and patents and sanctions have unleashed concerns about how academic institutions are going to revamp their curriculum and teaching processes to ensure that future leaders and professionals do not plunge the world into similar catastrophes. Similar concerns were raised by the public during 1960s and the 1970s as well, showing that people have constantly questioned unethical behavior. The media actively supported these issues during the 1970s and most US schools offered a course in business ethics by 1980. The next five years saw consolidation of the idea of business ethics as a field of academic interest with its inclusion in journals, research centers, and Conferences. The offering of courses in business ethics paved the way for it to be recognized as an academic discipline (Shaw 1996). The debate whether CSR is a part of business ethics as a discipline or vice versa still rages in academic circles. However, there is certainly a consensus that both are normative sciences that relate to values and morality and need significant attention in academic institutions training future managers.

Realizing the influential role academic institutions play, the United Nations has created a charter, which when signed, binds the academic institutions voluntarily to commit to ten principles of action, encompassing institutional commitment, environmental ethics, university employees'

education, environmental education, inter-disciplinary approaches, knowledge Dissemination, networking, strategic partnerships and alliances, continuing education programmers, and technology transfer. They have the freedom to decide whether or not to teach themes such as social responsibility and sustainable development; they should not ignore the norms and guidelines of organizations such as UNESCO, UNDP, and ED, since they are in fact key players in promoting CSR.

2.18 Role of the Media

The media is one of the most powerful engines of social change. Unfortunately, due to reasons internal and external to the media world, it has not been tapped to bring about responsible social change. History is witness to the fact that Autocratic oppressive governments have always tried to control the media because of its influence and reach. This industry has remained unregulated because democratic political systems shy away from being seen as regulators of free expression of speech and thought. Also, the media with its powerful 'pens' often have 'shot' the hapless regulators.

The benefits of the free press cannot be overlooked. Whenever the media world has wished to achieve some good, it has had a tremendous positive influence on society. We have examples in India like the Jessica Lal case, where the murder case of Jessica was reopened because of the campaign carried out by the media in partnership with the civil society. But the danger is when media companies become the tools of their proprietor for self-promotion or camouflaging unethical activities through biased reporting.

The competition for survival is strong and media companies often trade value and integrity to remain in business. The media world justifies this by saying that they show or write what the public wants. Sensational scoops are considered the highest selling products of the media companies and with 24- hour channels, very often news needs to 'created'. So where is the business case for social responsibility?

The media has to play the role of true detective who weighs all the evidence carefully and offers a balanced Opinion. It must expose the truth but also keep in mind that the dignity and privacy of the citizens should be maintained. The ethical issue is that media has to balance between two rights in the literal as well are as the legal sense-right to information and right to privacy. It has to play the role of not just that entertainer, but also of the informer. Taking sides is not its

privilege because society trusts it and it must honor trust. Media cannot encourage conflict of interest in the name of open journalism. The media world has to create a self-regulatory process keeping the well-being of the civil society in mind.

This is where the concept of CSR fits into the media world. Rules, codes, systems, and processes can only produce minimum standards. They cannot lead to excellence, which CSR can provide as a best practice. Considering the power and pressure that media can create, it has to create a strong value foundation by embedding virtue into the system. The argument that the inherent virtue of the profession would take care of the media world is flawed. The media is described as the conscience- keeper of the nation and it has to live up to this reputation. It is not the moral police, but certainly, it can highlight and promote morality by reporting cases that enhance human dignity. It has to act as the channel for dialogue between different stakeholders in a society and be the instrument for disseminating development and goodwill. It can infuse solidarity and appeal for joint action, across borders to enhance the positive' contributions of globalization. Tapped both the government and the corporate can be monitored by the honest Act that media, and in fact, the media can often play the role of a mediator in sensitive media issues by creating a platform for debate. This naturally means that the media glutted itself must be transparent and accountable to be the credible judge of other institutional players, like the government and business stakeholders in CSR. Media companies have often faced the criticism that they do not want to track stories related to social responsibility because it does not ensure readership media or viewership and, therefore, demand payment from institutions to print such issues. The fall-out of this attitude is that unscrupulous business organizations where can use CSR as a publicity by joining hands with deceitful media companies. Therefore, the role of media has to be that of a role model of CSR. It has to enhance its understanding of CSR and build public awareness. Media can motivate corporations who are involved in value added service to society by publicizing their work, and thus creating awareness in society of the need for socially relevant activities and sustainable development. This kind of strategic this by communication is an important mechanism of social awareness resulting in change. Such communications would create a cycle of sustainability as society would demand responsibility and corporate involved in such responsible behavior would come into the limelight, thus improving their brand image. This would encourage other corporate to follow suit, as the advantages would be obvious. When the media strongly supports CSR, it would gain public

support and almost blind faith. However, if the underlying motive behind media activism as well is only brand building, then it would remain an attention-seeking effort the role without yielding any real change for the better. The media needs to create its privilege ethical code of conduct and a transparent governance procedure to ensure its courage credibility among the citizens of the world. Perhaps the best advice was given by the erstwhile media baron Joseph Pulitzer, 'Always fight for progress and. reform. Never tolerate injustice or corruption; always fight demagogues of all parties-never lack sympathy for the poor; always remain devoted to public welfare; never be satisfied with merely printing the news; always be drastically independent; never be afraid to attack wrong.' Joseph Pulitzer (1847-1911)

2.19 CSR is measured by following ways.

Level1: Principles of social responsibility

The level of application of these principles is institutional and is based on firms basic. Obligation as a business organization. Its value is that it defines the institutional relationship between business and society, and specifies what is expected of any business. This level of the CSR model itself is all about the relationship between business and society at large and it has three major elements:

1. Legitimacy concerns business as a social institution, and frames the analytical view of the inter-relationship of business and society.

2. Public responsibility concerns the individual firm and its processes and its outcomes within the framework of its own principles in terms of what it actually does.

3. Managerial discretion whereby managers and other organizational members are moral actors. Within every domain of corporate social responsibility, they are obliged to exercise such discretion as is available to them towards socially responsible outcomes.

Level lI; Processes of social responsibility

Corporate social responsiveness is a business's capacity to respond to social pressures. This suggests the ability of a business organization to survive through adaptation to its business environment. It must know as much as possible about this business environment, be capable of analyzing its data, and must react to the results of this analysis. But the environment of business is not static; it is a complex and ever-changing set of circumstances. This environment can be unchanged for decades, if not centuries, and then it fall apart and is reformed like a kaleidoscope with increasing rapidity. The ability to successfully scan, interpret and react to the business environment requires equally complex mechanisms.

Three elements are identified as basic elements of this level of the CSR model:

1 Business environment scanning indicates the informational gathering arm of the business and the transmission of the gathered information throughout the organization.

2 Stakeholder management. A stakeholder is defined as any group or individual who can affect or is affected by the achievement of the firm's objectives, for example: owners; suppliers; employees; customers; competitors; domestic and foreign governments; non-profit organizations;

environmental and consumer protection groups; and others. Stakeholder management refers to mapping the relationships of stakeholders. to the firm (and among each other) while finding, listening and meeting their needs, seeking to balance and meet legitimate concerns as a prerequisite of any measurement process.

3 Issues management. Having identified the motivating principles of a frames the firm and having determined the identities, relationships and power of stakeholders, the key issues that the company deals with for each of its stakeholders can be identified. Often these issues are drawn from a number of stakeholder dialogues that the company organizes with its major stakeholders.

Level III: Outcomes

The main focus of measurement is the third level of the CSR model. To determine if 'CSR makes a difference', all the stakeholders relevant to an issue or complex of issues must be included in the assessment of performance using a number of impact measures. There are, again, three main categories.

1 Internal stakeholder effects are those that affect stakeholders within the firm. An examination of these might show how a corporate code of ethics affects the day-to-day decision making of the firm with reference social responsibility. Similarly, it can concern human resources policies such as the positive or negative effects of corporate hiring and employee benefits practices.

2 External stakeholder effects concern the impact of corporate actions on persons or groups outside the firm. This might involve such things as the negative effects of a product recall, the positive effects of community-related corporate philanthropy, or assuming the natural environment as a stakeholder, the .effects of toxic waste disposal.

3 External institutional effects refer to the effects upon the larger institution of business rather than on any particular stakeholder group. Several environmental disasters made the public aware of the effect of business decisions on the general public for example. This new awareness brought about pressure for environmental regulation which then affected the entire institution of business rather than one specific firm

2.20 Development Actions inside the Company

2.20.1 A full-fledged approach

The adoption of a fully-fledged approach to CSR within a company has a number of benefits. The demonstration effect of good internal CSR policies more should not be forgotten even though these are indirect and hard to measure. CSR policies inside a company can be a lightning rod for other companies both in the location where the MNE is based as well as its overseas locations. CSR also makes good business sense in multifarious ways. For instance, consumers develop a higher degree of identification with companies that have good policies and practices.

2.20.2 Environmental and health standards

Companies which maintain environmental and health standards propagate transparent business practice protect human rights at the workplace and work against corruption are widely respected an appear as more attractive to shareholders, reduce the possibility of industrial action and maintain a working environment that leads to higher worker productivity.

2.20.3 Anti-corruption

A strong anti-corruption culture needs to be built within the organization. There through active support from the senior management. Today, anti-corruption is widely discussed both inside companies and in their dealings with the outside world. Companies, too, see the overwhelming advantages of the good governance in the countries where they work overseas and, in particular, the advantages of working with a government that is implementing anti-corruption policies. Much corruption occurs between external sources of finance and the host government. Thus it takes two parties to maintain an anti-corruption stance. The line between corruption and accepting small gifts or hospitality is sometimes blurred. On the larger stage, many companies are almost forced to pay bribes or kick-backs to win contracts. And this is not only the case in developing countries, industrialized countries have also not been blameless as we know with the Enron scandal, the Credit Lyonnais scandal affecting top government officials in France, Volkswagen in Germany and so on. Even a single dubious payment can come back and haunt a company or individual down the line, as in the case of David Mills, an international corporate lawyer who hit the headlines in the UK, through only the whiff of impropriety in one of his

business dealings with the Italian government. It not only dented his formidable reputation, impacted badly on his marriages but threatened the career of his wife, Tessa Jowell, a Secretary of State. Just as with payments to blackmailers, once started the web of deceit and intrigue can be hard to break. Thus, each company should have a set of guidelines and business principles which must be followed by all staff. This code of conduct needs to be followed at all national and Multinational offices which the company may have. Local business practices and culture must not influence or change the organization's guidelines. The system of internal communication and training has to be strengthened to keep all staff aware of the policies and principles.

2.20.4 A vision statement

Companies should create a vision statement on how the MNE can (and does) assist in development. This does not mean simply listing a number of philanthropic activities that the company intends to carry out. Development requires careful thought on how once an injection of funds has been made development initiatives can be sustainable that is continuing without the requirement for additional funds. Too often company development initiatives have been dominated by generic global initiatives that are not tailored to suit specific circumstances

2.21 Development actions outside the company

A company can do a lot to reduce national poverty. However working with national governments to work out how best the private sector can stimulate economic growth for poor people is in the interest of both the government and the company. In addition to public-private partnerships for tackling man-made or natural disasters they can also speed up reconstruction activities.

2.21.1 Raising skill levels

Improving people's skills in a myriad of ways is undoubtedly the best way to create development. Education training skill development and capacity development are all aspects of the same issue of improving human skills. MNEs with their wealth of experience in in-house

training have an enormous amount to contribute. At minimum MNEs could be involved in a national training policy to ensure that private sector needs are incorporated in government training plans. It may be surprising to some but many government training schemes in developing countries have little contact with private sector needs. MNE's an also setup perhaps in partnership with others courses and organizations to create training for sorely needed skills.

2.21.2 SMEs

Small and medium sized enterprises (SMEs) are where most new employment occurs in developing countries. MNEs have a role to play either directly through assisting SMEs to improve their management marketing technological and financial skills or indirectly through ensuring that SMEs as suppliers are not subject to complex contractual paperwork and, once hired, are paid rapidly.

2.21.3 Self-help

Helping people to help themselves is a key mantra to encourage development (or to use current jargon, sustainable development). Assisting budding entrepreneurs, or even existing ones, through mentoring can help launch new businesses, improve existing ones or even assist government departments to improve their efficiency.

2.22 Investment in Developing Countries

It is essential of course, to invest in developing countries and allowing their exports to be freely imported into the rich countries a huge and controversial issue is that will not these new imports hurt local markets in industrialized countries where those the MNEs are located and many of their staff? Once again, this is an issue that is currently being discussed vigorously in the development literature. Clearly this author's view is that the rich countries will innovate more quickly than developing countries, simply because of their higher level of skills and continue to move into brain-intensive knowledge industries. As the developing countries start to move into these markets, too, the economic growth that is being created will allow room for many and there is no particular reason for unemployment to rise drastically.

2.22.1 Link with the local community

Too many CSR is simplifying working with the local community. Clearly improving condition is in the interest of MNEs to enhance reputation and preserve harmony. Assistance to local communities can also help to improve if more purchasing power that leads to an expansion in the market size. But these actions are not as easy as they seem on the surface. Three questions that are not easily answered are, where does the role of the MNE start and stop vise-a-versa the local community? What are the key issues to be involved in? Should MNEs be involved in human rights and, if so as many think, what are the limits?

2.22.2 Philanthropy

Philanthropy has always been a big part of MNEs' actions in LDCs. But few philanthropic actions are sustainable in the sense that once the project has finished will the project and its related activities continue. The test of a "Philanthropic" project is that the intervention must be judged to a sustainable and developmental result,

2.23 Summary of possible development actions

2.23.1 inside the company

1. Develop a CSR strategy that includes an overall vision for the company's place in development. Decide what benefits and costs emanate from involvement in international initiatives such as the UN Global Compact, SA8000, and IS09000 and so on.
2. Investigate whether the company is paying a 'living wage' within the company and is paying its main suppliers properly and on time. If not, why not, and then ask what steps should be taken to move towards this.
3. Work with trade unions to ensure proper environmental and safety structures within the company.
4. Monitor and evaluate the company's anti-corruption policy on a regular basis.

2.23.2 outside the company

5. Collaborate with the government in the host country to see how the government's anti-poverty policy can be enhanced. Work with local NGOs to increase the efficiency of development initiatives.
6. Be pro-active in lending in-house training skills to a wider public.
7. Assist the creation and improvement of SMEs through the setting up of an advisory office and/or joining with other private sector or NGO partners
8. Be involved in mentoring budding entrepreneurs.
9. Invest so as to support the development objectives of the host country.
10. Ensure community or philanthropic company initiatives are sustainable in the development sense.

2.24 CSR in Developing Countries

CSR is really about ensuring that the company can grow on sustainable basis, while ensuring fairness to all stakeholders. (N. R. Murthy, Chairman, Infosys)

2.24.1 Introduction

In this topic the center of attention is on developing countries themselves and the question being broadly examined is what are home-grown companies in developing countries actually doing on CSR and development? This is now heroic task. First work on the Planetary Bargain nearly in 10 years ago, one section on CSR in developing countries and it was relatively easy to find specific developing country references. What developing countries were doing on CSR and found that these were mainly philanthropic interventions.

The quick reply to the question above is that quite a lot is being done and, therefore, today the question has many more CSR activities to address. This task is helped by the burgeoning number of regionally focused web-sites and newsletters devoted to CSR across the world from China, the, Philippines and India to Brazil. There is, in addition, a growing academic data literature on CSR in developing countries as interest in the whole field has exploded. On the other hand, what CSR means across different countries, what it means to companies in those countries and the general public varies across the world. To address the question posed the focused on what consider the Key issues while providing a global spread. Further given the rising power and

influence of just three countries, Brazil, China and India countries those also encompass nearly half of the world's population.

2.24.2 Trends in CSR in Developing Countries

Results from empirical analyses vary somewhat. There are those who find major differences of the treatment of CSR in developing countries, those who find some differences and those who find very little difference. For instance, according to an EIU survey in 2005, approximately 40 per cent of American and European respondents to the survey said that the main reasons for emphasizing CSR included the need to improve community relations and to deflect pressure from regulators, whereas, in Asia, where companies are less sensitive to community relations and where regulators are less powerful, only 33 per cent of respondents took this view.

In an article addressing the hypotheses that CSR in Asia is not homo - genous but varies among countries' and that the 'variation is explained by stages of development', Chapple and Moon studied website reporting by 50 companies in seven Asian countries: India, Indonesia, Malaysia, the Philippines, South Korea, Singapore and Thailand. The article concluded that CSR does vary considerably among Asian countries but that this variation 'is not explained by development but by factors in the respective national business systems. It 'also concludes, unsurprisingly, that multinational companies are more likely to adopt CSR than those operating solely in their home country and that the profile of their CSR tends to reflect the profile of the country of operation rather than the country of origin.

In another study, Jeremy Baskin found that CSR (he dropped the term 'social' and called it CR) in developing countries (especially South Africa, Brazil, India and parts of Eastern Europe) is more developed than is commonly thought, sometimes exceeding standards of some high-income countries} Also examining corporate websites and annual reports of 127 leading companies in 21 emerging markets, Baskin found that there was 'not a vast. Difference in the approach to corporate responsibility between leading companies in high-income OECD countries and their emerging market peers' However, he found that three things stood out when looking in detail at the data on each company and country. (The Economist Intelligence Unit 2005.'Wendy Chapple and Jeremy Moon 2005. Jeremy Baskin 2005).

2.25 Corporate Social Responsibility in India

Corporate Social Responsibility is not a new term in India. Far back in 1965, the then Prime Minister of India, Lal Bhahadur Shastri, presided over a national meeting. This meeting emphasized on business responsibilities towards itself, its customers, workers, shareholders, the community and every enterprise, irrespective of it being a small or large one, if they wish to enjoy the confidence and respect of the community and the consumer; and actively discharge their responsibilities in all directions, instead of operating in one or two groups such as shareholders or workers at the expense of the community and the consumers.

Business must be just and humane, as well as efficient and dynamic. Business cannot succeed in a society that fails. Corporate Social Responsibility is being considered as an imperative for carrying on business in the society rather than as a charity. While Corporate Social Responsibility is relevant for business in all societies, it is particularly significant for developing countries like India, where limited resources for meeting the ever growing aspirations and diversity of a pluralistic society, make the process of sustainable development more challenging (Sanjay Kumar Panda, 2008)[10].

The international CSR movement has certainly arrived in India. According to a report by the Centre for Social Markets for the International Finance Corporation (IFC), many leading foreign MNEs and domestic titans, preeminently members of the Tata Group, have been standard-setters on core CSR issues such as labour conditions, health and safety, environmental management, corporate governance and integrity

The Tata Group is, conceivably, the modern-day counterpart of the 19th- century Victorian industrialists and Quaker social reformers such as the Lever Brothers and Cadbury family, who established company towns such as Port Sunlight and Bourneville in the UK. Indian families such as Tata and Godrej have a significant industry presence and reputation for social responsibility. One of the Tata Group of companies, Tata Steel, is the first in the country to produce a corporate sustainability report and it administers the only industry town in the world, Jamshedpur, which has received the ISO14001 environmental quality certification.

Other companies have followed Tata's lead, such as Infosys, Ballarpur Industries Limited, Paharpur Business Park, Ford India, Samsung India Electronics and Cadbury's India. They have all produced environmental and social reports.

In recent years, too, some large and increasingly image- and market conscious Indian companies have started signing up to voluntary international CSR initiatives. The UN Global Compact is a good example. There are now some 87 Indian companies which have signed up to 'the Global Compact's nine principles on human rights, labour and the environment. Nevertheless, in India, as elsewhere, the IFC report above notes that the verification of corporate commitment to voluntary efforts is still a long way off.

There is some progress. The above-mentioned IFC report stated that the Confederation of Indian Industry (CII) India's Carter, largest industry body has taken a lead in promoting CSR among its membership. It has adopted a set of Social Principles with UNDP India and has appointed CSR officers in its regional offices. This has set a positive example to other industry bodies in India such as FICCI (Federation of Indian Chambers of Commerce and Industry), which have also held CSR- related events.

In 2001 a survey sent by-mail by the Centre for Social Markets (CSM) to a cross-section of Indian businesses began by asking whether the terms 'Corporate Social and Environmental Responsibility' or 'Corporate Citizenship' meant anything to the respondent. If so, what relevance did they have for the respondent's company? Of those that replied, one in eight stated that CSR meant little to them. CSR was most commonly partial understood as a commitment or obligation to society. A total of 56 percent of those who responded to this question made a link between community responsibilities and corporate citizenship.

The second survey question focused on the social responsibility of Indian companies. Respondents were asked to explain what they saw as the social responsibility of their company. They were also questioned on whether their company was living up to its responsibilities, and whether route. They felt more social and business awareness of social responsibility was needed.

A total of 39 per cent of respondents referred to their social responsibilities as the creation of employment, developing proper promotional and training opportunities, and ensuring good working conditions. Approximately half of the survey respondents stated that they have a responsibility to help with social problems in India. On stakeholders, customers were clearly considered to be the most important followed by employees, shareholders and investors (banks) in that order. The community got a medium ranking, and unions and regulators were ranked as the stakeholders of least is the importance. The state was referred to by over a quarter of respondents as and it an obstacle to successful business. Problems included unclear, unpractical

and poorly monitored regulations, poor infrastructure, a complicated tax system, and too much bureaucracy. There were also references made to cleaning up the corporate governance structure and clamping down on corruption.

Finally, survey respondents were asked which companies they considered to be models in their sector both in India and internationally. Infosys, Tata and Wipro were mentioned several times as models. (CSM 2001' Maur Sheil 2003).

2.26 Future Trends in CSR

The increasing influence of industrialization and globalization, the business world is becoming more visible in society. Society is expecting that the professionals running industries would honor the trust that society reposes on them to make life more comfortable and improve the quality of existence. Therefore, efforts will continue to move beyond weak endorsements of CSR to in depth understanding of how it affects corporate business practices. The dilemma of whether the business should cater to the interest of shareholders or all stakeholders will resolve itself as the gains from a stakeholder approach would become more tangible and measurable. In the present scenario, progress in the environment segment would be quicker than that the social segment because there is general consensus about the environment degradation and an urgent needs to rectify it. Besides, the impact of environment exploitation is impacting every country, big or small, developing or developed and it is probably a little easier to achieve acceptance in this sphere than in the social sphere, as the core, unique history and culture of each nation plays a major role in social factors. For example, certain very sensitive issues related to the ethos of a community or religious beliefs would require patience and understanding, whereas if a nation is not economically advanced, then prioritization of CSR practices based on urgency and importance would be required. Thus, globalization would play an important role in implementing CSR in the social sector. In keeping with the above observation, we find that sustainability reporting Ines as a key component of CSR implementation, measurement, and, would report in organizations. Of course, there is a rising trend to broaden the scope of sustainability reporting to include socio-economic aspects, but still eroded more needs to be achieved in this area. Many companies are now joining the international reporting initiatives and are either developing in-house or hiring specialized services to measure and report on sustainability.

With the increasing promotion and popularity of the stakeholder concept there is a very conscious move among business entities to involve stakeholders more closely in business affairs. There is a proactive move to engage stakeholders in issues of mutual concern. A process of give and take is being established, based on shared dialogue. Very often, stakeholders are able to provide more innovative solutions to social issues, as they have better insight into their issues and concerns. Actually, this kind of participation would reduce the feeling of hurt when a business has to do a trade-off between the demands of various stakeholders, as decisions are more transparent and shared. Companies can reap the benefits of establishing trust of their brands among the future consumers by helping to increase the purchasing power of a community and creating a space in the minds of young consumers, who later would become loyal customers or what today is defined as 'brand junkies' (diehard fans of a brand) by marketing professionals. This kind of collaboration would create team efforts, which would result in more useful products and services with enhanced environmental and social properties.

Just as the collective bargaining power of employees is represented in the trade union movement and consumer grievances are addressed by consumer forums and courts, so also we may soon see the emergence of stakeholder councils and similar associations to voice their opinion at the decision-making. Level of an industry. This would require the development of specific tools and Processes to resolve conflicts among the different demands that the growing number of stakeholders would put forth. During such happenings, a company may feel helpless, but the engagement of all stakeholders would show what is right and the practice of this right would become a part of the company's strategy. According to some critics, this kind of close association may reduce the effectiveness of stakeholder engagement as check and balance on the company activities. Therefore, a constant vigil must be kept.

The demand of the stakeholders for timely, comprehensive, and accurate information would become a right of the stakeholders and they would have to be treated fairly and honorably if the business community wants to earn their profits from the community. The spread of modern technology and information would become the strength of the future stakeholders as they would be able to gather more information, and disseminate the same among a larger audience much more effectively and quickly. Thus, the impact of their voice would be more far-reaching. This idea that CSR is related to the core business would lead companies to evaluate their own competencies more seriously. CSR would become the mandate of the entire organization.

Therefore, the evaluation process would have to measure resource utilization, methodologies adopted and short- and long-term impacts of a corporation. This will become a source market research and risk reduction and will help to build a company's reputation and brand. : As technology continues to make the world conceptually smaller, the actions and decisions of leaders are becoming immediately available for evaluation. This increases the importance of an effective field of educational practice to develop the life-long learning of leaders. Similarly, the elements of social responsibility, access, and human rights have never been so closely aligned between education and business as they are today. The successful multinational company of the future will not only depend upon a level of knowledge development, skills, and education among their employees, but also on accepting cultural diversity and creating a homogeneous recognized set of social and human values. This latter factor is necessary to ensure the dedication and loyalty of the employee and consumer toward optimizing future innovation and success.

The following factors would play a very major role.

1. For the future world of business, CSR would lead to increasing focus on priorities. It will impact the nature of decision-making related to competition, the development of sustainability related innovations, and the emergence of new, more successful, business models.

2. CSR would emerge as a lucrative investment from which returns are *expected*. The return on investment (ROI) of CSR would become an important measure for business practices.

3. To implement sustainability, optimizing available resources would require closer scrutiny. Therefore, not duplicating but strengthening and supplementing existing services would be the future trend. Sourcing activities will integrate environmental concerns more rigorously.

4. There will be more involvement of various institutions like the government, NGOs, and the media in monitoring activities to ensure that initiatives really deliver the desired outcomes.

5. CSR would become an important and inseparable part of corporate governance. Reporting performance in an open and transparent way, so that all members of a community can enjoy progress and identify areas for further action will be demanded from future corporations. Thus, new corporate governance structures to develop new models of economic

sustainability would be used to deliver CSR. Pressure from a new breed of socially responsible stakeholders will increase the pressure on businesses to behave in an ethical way.

6. Organizations have to design a long-term perspective, which encompasses their commitment to both internal and external stakeholders. This would have to reflect, in a new emphasis on decent working conditions in a context a source of protecting human rights, safe and just supply chain rationalization, reduction in carbon footprint, better work-life balance of employees, and innovative methods of developing holistic growth patterns.

7. There will be a new emphasis on social and community development initiatives. Contributing to poverty alleviation and poverty related concerns like community health initiatives, hygiene, nutrition, and education will be seen as an important part of the wider agenda for business entities that will increasingly have to measure their community impacts.

8. The role and status of CSR managers will be better recognized by the corporate world. The need is the development of and an increase in professional courses on CSR. Better quality education on CSR will help to increase the understanding and dissemination of what CSR is and the value of having a CSR function within the organization. A growth in certification and qualifications around CSR will help to enhance both their professionalism and the credibility of CSR managers.

9. In a customer driven economy, companies would have to reinvent themselves. CSR can help in the process by managing risks, help to avoid related to scandals, and help companies to gain a unique selling position.

10. In short, the journey has begun and it is not a short-term bubble that would lose its attractiveness. In fact, with every passing day, CSR will receive higher prominence and would become mandatory for companies.

CSR has become a global phenomenon that makes use of innovative approaches for solving social, environmental, and economic problems with the aim to increase the benefits for society, in general, and for the stakeholders of organizations, in particular.

The above factors clearly bring out the ideology of a shared growth. Human development has to take into account availability of equal opportunities for all. This would have to include the demands of all sections of society and the use of knowledge, skills, and expertise of the different sections to find solutions to the demands.

a. It will become embedded. There is no doubt that CSR will become embedded in a company's culture and organizational profile to such an extent that it will not be noticed, explicitly, any more. There is also little doubt that the phrase CSR will disappear but the sentiments behind it will be in place. The area of business and society will continue to be one of great debate, and the corporation will certainly change its form. I would hazard a guess that the private sector will still flourish as far as the next 50 years ahead but its power will be very much controlled as our own personal liberties also, unfortunately, become more controlled.

b. No need for an exit strategy. There will be no need for a CSR exit strategy simply because business will only survive if they can show, and be the evaluated to show, a clear social responsibility in their continued treatment of their stakeholders. An exit strategy will not be required simply because social responsibility will just be part and parcel of normal business practices.

c. Major inroads in developing countries. CSR will continue to make, in roads into developing countries, particularly through the main suppliers to the large corporations in the developed world, but also because the developing country people will not tolerate corporations that have no connection with local cultures and aspirations.

d. SMES will have CSR. CSR, Will extend to small to medium sized enterprise (SMEs) through rapid assessment and implementation tools. Companies cannot ignore global concerns.

e. Companies will grapple with the big issues simply because they see failure as being bad for business. Under-development, labour exploitation, curbs on migration, global warming, trade barriers, and global terrorism are all major challenges for governments and corporations.

f. UN and third sector cooperation. As companies cannot easily shape the macro agenda there will be increased cooperation between corporations, the UN and its agencies as well as NGOs, the so-called 'third sector.

2.27 The deference between CSR and philanthropy

Michael Porter Wrote Corporate philanthropy or corporate social responsibility is becoming an ever more important field for business. Today's companies ought to invest in corporate social responsibility as part of their business strategy to become more competitive. Michael Porter has got it wrong. When even an internationally respected management guru mentions philanthropy and corporate social responsibility as being the same, it is hardly surprising that business leaders, academics and politicians confuse them. CSR is not the same as corporate philanthropy that CSR IS a system-wide concept that touches all the stakeholders of a corporation. CSR does not concentrate on only one stakeholder but philanthropy; 'the practice of performing charitable or benevolent actions' does, in general. Most, if not all, philanthropy is devoted to items that governments should be doing health grants to developing countries, help to the handicapped, and drugs for HIV/AIDS for example, and their failure should not be the preserve of corporations. However since government is one of the stakeholder of a corporation. There is nothing to stop corporations offering there management and technical skills to government to improve or introduce programmers to help vulnerable groups, Corporations exist to make profits. There is nothing wrong with that, only the way profits are made is the concern of CSR practitioners. Philanthropy does little or nothing to help companies make profits, while all CSR activity is linked to improving a company's bottom line.

2.28 CSR is sustainable

CSR is sustainable in actions become part and parcel of the way in which a company carries out its business. Its links to the bottom line of company must be clearly laid out because, if it does not contribute to the bottom line, it will eventually be rejected by hard-nosed directors and shareholders. Philanthropy has an inclination to be whimsical. It simply depends on the whims of the company directors at a particular time. Many NGOs receive their funds from corporations and carry out excellent work. Others, of course, willingly admit that the major stimulus to funding and membership is 'outing of corporations' which is sometimes more potent than helping corporate to fix things, but nevertheless often serves the public, interest Rather like the advertisements for Heineken beer, most NGOs involved in development carry out programmers that other programmers (mainly government ones) can't reach. But NGO interventions are based

on a scatter-gun approach and are spotty. They can intervene wherever they like. Governments, on the other hand, have to intervene everywhere or nowhere. It is better, much better, for a corporation (including non-profit ones such as NGO's) to assist a government in making its contributions either nationally, or internationally, more efficient and appropriate. This then ensures widespread and even coverage.

As the above mentioned Economist article stated, there are some useful social investment actions that have been carried out by more far sighted organizations

 The Rockefeller Foundation found a cure for yellow fever, the Gates Foundation has donated billions to tackle the health problems of the world's poor and Carnegie built thousands of public libraries. However this long-term investment ethos,

(Rob Reich, the Economist, 25 Feb 2006)

 2.29 CSR and Sponsorship

Corporate sponsorship is different from corporate philanthropy. Sponsorship is a business tool used by companies as part of their communication, advertising or PR budgets to associate the corporation's products and services with dynamic images for their customers' consumption. Sponsorship usually requires a service, or action, in return for financial support, so this, Vienna, frequently has clear marketing benefits and is therefore directly linked to a company's bottom line.

References

[1]Frederick, W.C. (1960), 'The Growing Concern over Business Responsibility,' California Management Review, summer, vol. 2, issue no. 4, p. 60.

[2]Friedman M., (1970), September 13, The social responsibility of business is to increase its profits. New York Times Magazine, pp. 32-33, 122, 124, 126.

[3]Joseph W. McGuire stated, (1971), Business Society, Vol.38No.3, Sept 1999, 268-295, 1999 Sage Publication, Inc.

[4]Carroll A. B., (1979), a three-dimensional conceptual model of corporate performance. The Academy of Management Review. 4. (4). October. 497-505.

[5] Michael Hopkins, (2003), The Planetary Bargain-CSR Matters, London, Earth-scan, UK Minister for Corporate Social Responsibility,

[6]Carroll A. B., (1999), corporate social responsibility: Evolution of a definitional construct, Business & Society, 38. 268-295.

[7] Drucker P F., (1984), The new meaning of corporate social responsibility, California Management Review, 26, (2) winter, p. 53-63.

[8] Sir Geoffrey Chandler, personal communications April 2005. T. Donaldson and P. Werhane (1999) *Ethical Issues in Business: A Philosophical Approach,* New Jersey, Prentice Hall, pp8-11.

[9]Clarkson, M.B.E. (1995), 'A stakeholder framework for analyzing and evaluating corporate social performance', Academy of Management Review, vol. 20, issue no. 1, 1995, pp. 92-117.

[10]Frederick, W.C. (1994), 'The Growing Concern over Business Responsibility,' California Management Review, summer, vol. 2, issue no. 4, p. 60.

[11] Chakraborty, S.K. (1995), *Human Values for Managers,* Oxford University Press, New Dehli, p.161.

[12] Zadek, Simon (2001), Third Generation Corporate Citizenship", the Foreign Policy Center, London.

[13] Preston ,Land J. Post (1975),Private Management and Public Policy, Prentice Hall, New Jersey , p.9.

[14] Bowen H. R., (1953), Social responsibilities of the businessman. Harper & Brothers. New York: United States of America.

[15] Davis K; R., Blomstrom, (1975), Business and society: environment and responsibility, New York: Mc Graw-Hill ISBN 0070155240

[16] Porter M.E., & Kramer M.R., (2006), Strategy and society: The link between competitive advantage and corporate social responsibility. Harvard Business Review, 84 (12): 78-92.

[17] Friedman M., (1970), September 13, the social responsibility of business is to increase its profits. New York Times Magazine, pp. 32-33, 122, 124, 126.

[18] Sidney H. Jones, (1971), "Reporting Corporate Social Responsibility Activities," Paper presented at the Final Management Association National Conference, October 8.

[19] Fulmer (1971) Business Society, Vol.38No.3, Sept 1999, 268-295, 1999 Sage Publication, Inc.

[20] Peter F. Drucker (1973), Management: Tasks, Responsibilities, Publication, and perfect bound.

[21] Davis Keith, (1975), "Five Propositions for Social Responsibility", Business Horizons, June, pp.19-24.

[22] Sethi S. P., (1975), Dimensions of corporate social performance: an analytical framework. California Management Review. 17. (3). Spring. 58-64.

[23] Ewing David, (1976), "Who wants Corporate Democracy?" Harvard Business Review, September – October, p. 147.

[24] Carroll A. B., (1979), a three-dimensional conceptual model of corporate performance. The Academy of Management Review. 4. (4). October. 497-505.

[25] P.R. Sengupta (1988), JOURNAL GEOLOGICAL SOCIETY OF INDIA, Vol.76, October 2010, pp.403-413

[26] Wood Donna J., (1991), "Corporate Social Performance Revisited", Academy of Management Review, Vol. 16, No.4, Pp. 691-718.

[27] Carroll A. B., (1991), the pyramid of corporate social responsibility: Toward the moral management of organizational stakeholders. Business Horizons, 34 (4), 3 8

[28] Fritz, W. 1996. Market orientation and corporate success: findings from Germany. European Journal of Marketing. 30. (8). 59-74.

[29] McWilliams & Siegel (2000), The Oxford handbook of CSR. Oxford: Oxford University Press.

[30] Lockwood, N. (2004). Corporate social responsibility: HR leadership role. HR Magazine. 49(2).

[31]Bigg Tom and Halina Ward, (2004), "Linking Corporate Social Responsibility", Business Ethics Quarterly, Volume 15, Issue 2. ISSN 1052-150X. pp. 299-317.

[32] Michael Hopkins, (2004), "Corporate Social Responsibility: An Issues Paper", International Labor Organization.

[33] Remington, (2005). Remission: What's in a name? American Journal of Psychiatry, 162, 2393-2394.

[34] Kotler, Philip, Lee, Nancy (2005), Corporate Social Responsibility: Doing the Most Good for Your Company and Your Cause, Best practices from Hewlett-Packard, Ben & Jerry's, and other leading companies, John Wiley & Sons, Inc., New Jersey, USA.

[35] Dr. Manmohan Singh, Hon'ble Prime Minister of India addressing CII's National Conference and Annual Session, 24th May, 2007, New Delhi.

[36] Agarwal N.M., (2007), "Human issues and challenges in Indian Software Industry", Working Paper, Indian Institute of Management Bangalore.

[37] Sirota Survey Intelligence (2007) Guildford, Surrey, UK - 1 May, 2007.

[38] Murray A., (2008), "The economy, business: will social responsibility harm business?" The Wall Street Journal, May 18.

[39] Reich 2007 African Journal of Business Management Vol. 4(4), pp. 382-389, April 2010.

[40] Bayly, Charles (1983), Rulers, Townsmen and Bazaars-North Indian Society in the Age of British Expansion 1770-1870, Cambridge University Press, Cambridge

[41] Edmonds, P. Charles III and Hand H. John (1976), 'What are the Real Long Run Objectives of Business?' Business Horizon, 19 December, pp. 75-81.

CHAPTER - 3

Corporate Social Responsibility

In

Information &Technology Industries

The current chapter deals with CSR in I.T Industries in India with historical view to the present condition

3.1 Post-Independent India

The post-independence Indian government decided to establish a democratic and secular structure to tackle the issues pertaining to its society, economy, security, foreign relations, and overall development to emerge as a respectable nation in the world to deal with its unique problems of diversity the gap between the haves and have not's in society and to set up the basic industries and build the infrastructure, various models were chosen.

3.1.1 Models Chosen to Revive the Economy

India emerged out of its colonial status with a destroyed economy, and the major challenge before the leaders was to reconstruct the country's economy. India started with the 'license-permit raj', which was intended to protect the nascent Indian industries against competition from the mature an industries of the developed world. Unfortunately, the Indian industry failed to take advantage and the regulatory processes bred nepotism and bureaucratic corruption. The 'mixed economy' model, based on public ownership of all necessary and infrastructural amenities and private ownership of the other sectors, was chosen as the economic structure. Both the innovations did not deliver the required results and India suffered from major fiscal imbalance, inflationary pressure, and also balance of payment crisis. It was in 1991, when the government decided to open up the economy, that India entered an era of liberalization, privatization, and globalization (LPG).

3.1.2 Appearance of the Private Sector

State intervention and control over economic activities have reduced remarkably and this has given a boost to the private sector in India. The services sector has recorded maximum benefit from this liberal face of economic reforms. Information technology enabled services (ITES), communication, and banking and insurance have reaped enormous profits. GDP has increased from a meager 1.4 per cent for the period after independence till 1991, when the economy liberalized, to almost 7.5 to 8 percent at present However, this growth has not been an inclusive growth and the disparity in the socio-economic sphere is still glaring. The infrastructure sector is a major impediment to investment. The restrictive labour and product related laws hamper the

proper utilization of the strength of our economy. India has a sizeable population of well educated youth who can actually add to the economic growth process but they need to be employed efficiently and effectively. The public sector in India has been administered on a socialistic pattern to ensure sharing of wealth. However, the regulatory and governance processes have led to their stagnation and they have become symbols of loss and misappropriation of public money. In contrast, the private sector has emerged as a better governed entity using resources well. The tax structure of India also needs to be reviewed to attract foreign direct investment (FDI). Finding the fine balance between the capitalist models versus the socialist model is the only way to the expected economic prosperity. Obviously, this needs a sound base of regulation related to governance issues The Government of India has tried to address this issue through de-regulation of the market. India has consciously moved towards a market economy. Direct taxes have been reduced and the financial markets have been revived with major growth oriented changes in the banking sector.

As explained in the section on corporate governance, this was the time when bodies like the Securities and Exchange Board of India (SEBI), the Confederation of Indian Industry (CII), and the Company Law Board provided the necessary impetus to better supervision and regulation. Entry barriers of foreign investments were reduced and there were also currency reforms, which encouraged economic growth. According to the OECD report, all these reforms led to a rise of 24 per cent in exports and imports in the GDP. Inflows of Fill increased to 2 per cent of GDP from less than 0.1 per cent of GDP in 1990. There was a massive increase in output, with the potential growth rate of the economy estimated to be around 8.5 per cent per year in 2006. GDP per capita is now rising by 7.5 per cent annually in spite of the World wide economic recession. India is today recognized as the third largest economy in the world (after the US and China, and just ahead of Japan) The current expansion, which started in 2003, has not led to an imbalance between supply and demand, despite annual GDP growth reaching 9 per cent in 2006 (Organization for Economic Co-operation and Development, Policy Brief, Economic Survey of India, 2007).

3.2 India's Fundamental advantage

India's abundant talent and low cost are sustainable over the long term. With a young demographic profile, where over 3.5 million graduates and postgraduates are added annually to the talent base, no other country offers a similar mix and scale of human resources. While some gaps in talent suitability exist, they are being addressed through strong provider level initiatives and industry led programmes. India enjoys a cost advantage of around 60-70 percent as compared to source markets. Additional productivity improvements and the development of tier cities as future delivery centers, is expected to enhance India's cost competitiveness.

3.3 Information Technology Industry in India

Today, Information technology industry is flourishing at an incredible pace. The IT industry in India has today become a growth engine for the economy, contributing substantially to increases in the GDP, urban employment and exports, to achieve the vision of a "young and resilient" India. While the environmental impact of the Information Technology industry is relatively minor, its societal impact is very significant. It is interesting to note that the success of the industry has come without regulation, and has been enabled by the government staying out of the way, while facilitating some of the services needed to support the industry (the Software Technology Parks of India is a good example). The industry must push sustainability in practice on a voluntary basis so that it becomes a concerted effort and practices such as triple bottom line reporting become voluntary actions by corporate. Information Technology could help the government solve a number of its operational problems, bringing in transparency and accountability, but these initiatives have to be voluntary in nature, and managed professionally. Until a few years ago corporate in the Information Technology Sector stayed away from direct interaction with the government, but that is changing now. Given the impact the Information Technology industry has on society, it is entitled to pro-active aggressive support from the government, protecting its assets such that corporate can continue to serve the society well, and help in progress, in a sustainable fashion.

3.4 Indian I.T. Sector Structure and Market Share

The Indian information technology industry has played a key role in putting India on the global map. According to the National Association of Software and Service Companies (NASSCOM), the apex body for software services in India, the revenue of the information technology sector has risen from 1.2 per cent of the gross domestic product (GDP) in FY 1997-98 to 5.8 per cent in FY 2008-09. India's IT growth in the world is primarily dominated by IT software and services such as Custom Application development and Maintenance (CADM), System Integration, IT Consulting, Application Management, Infrastructure Management Services, Software testing, Service-oriented architecture and Web services. Indian IT-BPO sector grew by 12 per cent in FY 2009 to reach US$ 71.7 billion in aggregate revenue (including hardware). Of this, the software and services segment accounted for US$ 59.6 billion. IT-BPO exports (including hardware exports) grew by 16 per cent from US$ 40.9 billion in FY 2007-08 to US$ 47.3 billion in FY 2008-09. (NASSCOM Report 2008). Moreover, according to a study by Springboard Research, the Indian IT services market is estimated to remain the fastest growing in the Asia-Pacific region of 18.6 percent. Despite the uncertainty in the global economy, the top three IT majors Infosys, TCS and Wipro have seen revenue growth from all important sources of income from the North American and European regions, in the financial services and from application Maintenance and Development (ADM) offerings between fiscal years 2008 and 2009.

3.5 Information Technology Scenario in India

Information technology essentially refers to the digital processing, storage and communication of information of all kinds. The information technology can potentially be used in every sector of the economy. The true impact of information technology on growth and productivity continues to be a matter of debate, even in the United States which has been the leader and largest adopter of information technology. However, there is no doubt that the information technology sector has been a dynamic one in many developed countries, and India has stood out as a developing country despite the country's relatively low level of income and development. Although India has the largest number of people working in the software industry and has the highest rate of growth of revenue, the revenue per employee is the lowest (Arora 1999)[1]. India's achievement in information technology at present has enviable record of accomplishment. What started as a pure resource pool for fulfilling programming demands of other countries has now changed substantially in scope. Over the years, the term 'information technology' has become more widespread and now encompasses several sectors of the economy and has created several opportunities. Yet, there are some common threads, lessons and success factors have identified from the past success in pure software development.

3.6 Role of Information Technology in Economic Development

The truly revolutionary aspect of modern information technology is believed to be the possibility it offers to unbundled information from its physical carrier. This means that the economics of information can be separated from the economics of things. The 'information superhighway' is, as Negroponte (1995) has defined it, "about the global movement of weightless bits at the speed of light". Quah (2001) argues that it is this increasing weightlessness or dematerialization of production that is characteristic of modern economics. By this he means that an increasingly greater fraction of gross domestic product comes to reside in economic goods with little or no physical manifestation. Economic value is embedded more and more in intangible goods than in Physical objects. This process of dematerialization derives from the increasing output share of all services in general and from the growing importance of information technology in particular.

3.7 Share of Information Technology output to (GDP)

India's experience with growth of the information and communication technology (ICT) sectors, especially the information technology component, has attracted attention for a number of reasons. The pace of growth has been rapid, from a low base, tallying with the dynamism seen as typical of the industry. Thus, according to data provided by Dataquest, over the 17 years period 1991-92 to 2008-09, the annual compound rate of growth of output was 37.4 per cent. That is, output was doubling every 2.2 years. The net result has been that rose from 0.38 per cent in 1991-1992 to 5.80 in 2008-09. It is evident from Table 3.1

Year	Output Growth(%)
1991-1992	0.38
1995-1996	1.08
1997-1998	1.20
1999-2000	1.80
2000-2001	2.08
2001-2002	3.00
2007-2008	5.50
2008-2009	5.80

Source: Dataquest, http://www.gartner.com

Table 3.1 the ratio of gross information technology sector output to GDP.

3.8 Gross Revenue from Information Technology Sector

Information Technology (IT) industry in India is one of the fastest growing industries. Indian IT industry has built up valuable brand equity for itself in the global markets. IT industry in India comprises of software industry and information technology enabled services (ITES), which also includes business process outsourcing (BPO) industry. India is considered as a pioneer in software development and a favorite destination for IT-enabled services. The origin of IT industry in India can be traced to 1974, when the mainframe manufacturer, asked its India sales agent, Tata Consultancy Services (TCS), to export programmers for installing system software for a U.S. client.

The IT has industry originated under unfavorable conditions. Local markets were absent and government policy toward private enterprise was hostile. The industry was begun by Bombay-based conglomerates which entered the business by supplying programmers to global IT firms located overseas.

During that time Indian economy was state-controlled and the state remained hostile to the software industry through the 1970s. Import tariffs were high (135% on hardware and 100% on software) and software was not considered an "industry", so that exporters were ineligible for bank finance.

Government policy towards IT sector changed when Rajiv Gandhi became Prime Minister in 1984. His New Computer Policy (NCP-1984) consisted of a package of reduced import tariffs on hardware and software (reduced to 60%), recognition of software exports as a **"De-licensed Industry"**, i.e., henceforth eligible for bank finance and freed from license-permit raj, permission for foreign firms to set up wholly-owned, export-dedicated units and a project to set up a chain of software parks that would offer infrastructure at below-market costs. These policies laid the foundation for the

Today, Indian IT companies such as Tata Consultancy Services (TCS), Wipro, Infosys, HCL, and Intel are renowned in the global market for their IT prowess.
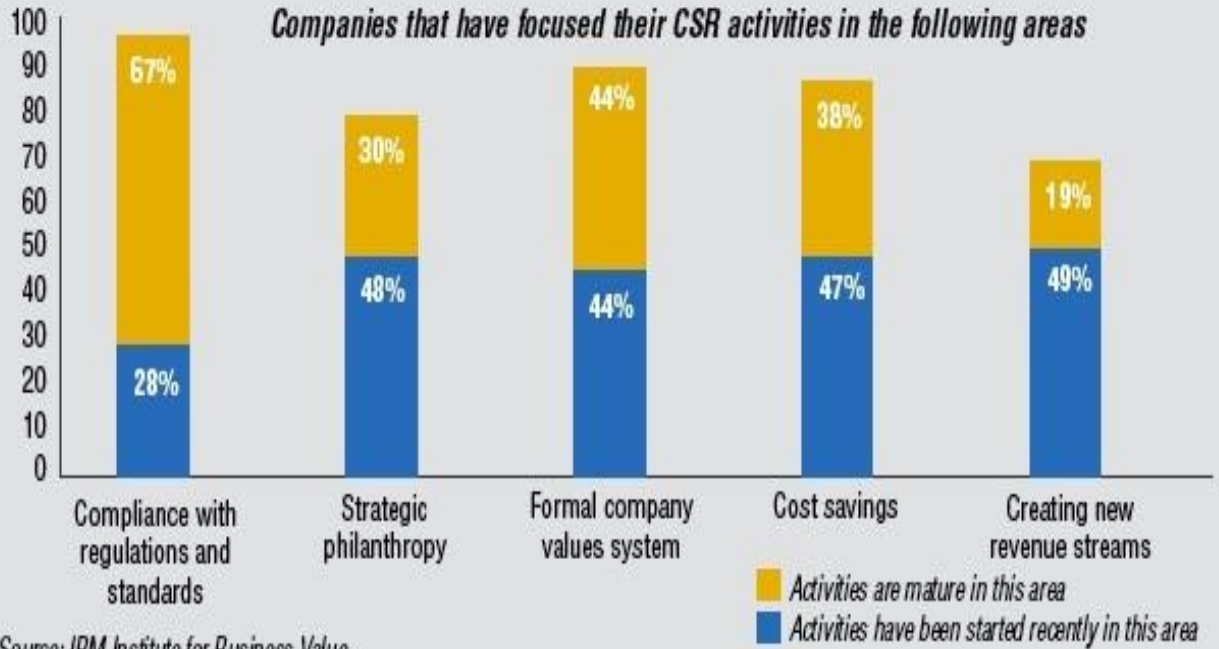
Figure 3.1: I.T Companies CSR activities

3.9 Highlights of Indian I.T Industry

1. ICT sector GDP increased from Euro 15.8 billion in 2000-01 Euro 45.18 billion in 2007-08 with CAGR of 21.3%

2. Contribution of the ICT sector to GDP increased from 3.4% to 5.9%

3. Share of ICT manufacturing sector to GDP remains more or less Constant with about 0.35%

4. Share of ICT services sector to total GDP increased from 3.05% to 5.52% (Euro 14 .15 billion to Euro 41.8 billion)

5. Annual growth rate of ICT services between 23% and 6%

6. IT services exports increased from Euro 5.93 billion (2003-04) to Euro 20.20 billion (2008-09)

7. Contribution of exports in total ICT sector has increased from 64.5% in 2004-05 to 66.1% in 2008-09

3.10 NASSCOM - The Apex Body of Indian I.T. Industry

National Association of Software and Service Companies (NASSCOM) is an apex industry association in India. The member companies of NASSCOM are in the business of software development, software services, Internet, e-commerce and IT-enabled services. It was established in 1988 as a 'not-for-profit' organization. It represents 95 per cent of the total revenues of the information technology, software and services industry. It has played a vital role in catalyzing the growth of the information technology industry in India. It is credited with having positioned the Indian information technology industry overseas markets as one that stands for an impeccable cost value proposition. It has actively networked with policy makers, industry players, technologies and academicians to propel the growth in the Indian information technology sector. It acts as a single reference point for overseas companies or investors for setting up the operations or alliances in the ICT sector for investments.

Profile of Member Companies
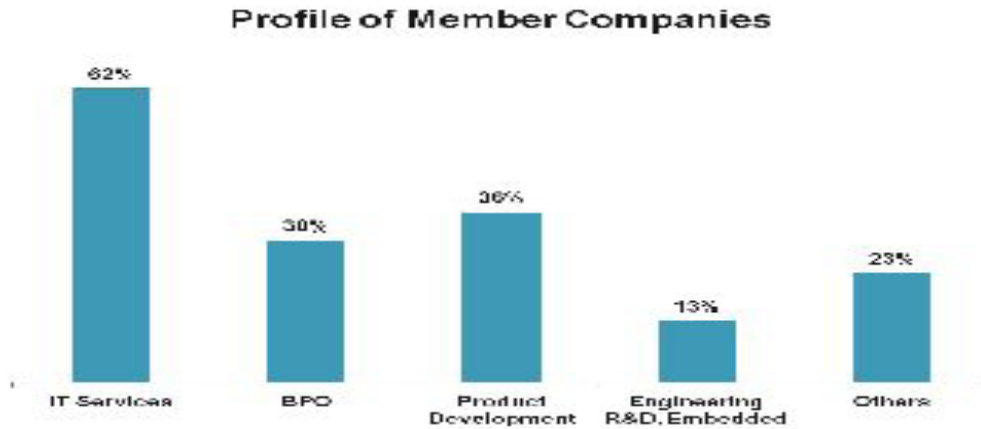
Fig.3.2 profile of member companies

3.11Department of Information Technology

The Department of Information Technology was created during November 2003.The Department was created with a view to promote the use of Information Technology (IT) and act as a promoter or facilitator in the field of Information Technology in the state and build an IT interface with the rest of the country and the world.

With a view to introduce flexibility and dynamism and to incorporate IT tools for imparting technical education, the technical education sector was transferred and merged with the department of IT on 1st October 2004.

The vision of the Department is to make the State a destination for investors both within and outside the country and to initiate the people of the State to take advantage of this technology through e-Governance and providing IT-enabled services to the State which shall aim at facilitating in providing a SMART (Simple, Manageable, Approachable, Responsive and Transparent) Government to the people.

Functions and Duties

The department of Information Technology has been set up with the following function and duties:

1. Formulation of IT policy.
2. Secretariat of the IT council and the state level coordination committee for IT applications.
3. Planning of different IT related programme.
4. Coordination of all IT projects in the government.
5. Appraisal of new technologies and prescribing uniform standards.
6. Prioritization of departmental IT programmes.
7. Technical support to government departments.
8. Pro-active promotion of IT.
9. Participation/organization of IT events.
10. Development and management of portal/website of Nagaland.
11. Publication of promotional material
12. IT-enabled services.
13. Bandwidth management and planning internet access.
14. Management of all major networks in government.
15. Geographical information system.
16. IT and IT-enabled education.
17. E-governance.
18. Citizen-centric projects of E-governance.
19. Focal point of IT related investment.

3.12 Ministry of Corporate Affairs

3.12.1 Fundamental Principle

Each business entity should formulate a CSR policy to guide its strategic planning and provide a roadmap for its CSR initiatives, which should be an integral part of the overall business policy and aligned with its business goals. The policy should be framed with the participation of various level executives and should be approved by the Board. The CSR policy should normally cover the following core elements.

Core Elements.

3.12.2 Care for all Stakeholders

The companies should respect the interests of, and be responsive towards all stakeholders, including shareholders, employees, customers, suppliers, project- affected people, society at large, etc., and create value for all of them. They should develop a mechanism to actively engage with all stakeholders, inform them of

Inherent risks, and mitigate them where they occur.

3.12.3 Ethical functioning

Their governance systems should be underpinned by ethics, transparency and accountability. They should not engage in business practices that are abusive, unfair, corrupt or anti-competitive.

3.12.4 Respect for workers' rights and welfare

Companies should provide a workplace environment that is safe, hygienic, and human, and which upholds the dignity of the employees. They should provide all employees with access to training and development of necessary skills for career advancement, on an equal and non-discriminatory basis. They should uphold the freedom of association and effective recognition of the right to collective bargaining of labour, have an effective grievance redressal system, should not employ child or forced labour, and provide and maintain equality of opportunities without any discrimination on any grounds in recruitment and during employment.

3.12.5 Respect for human rights

Companies should respect human rights for all and avoid complicity with human rights abuses by them or by a third party.

3.12.6 Respect for environment

Companies should take measures to check and prevent pollution recycle, manage and reduce waste, should manage natural resources in a sustainable manner, and ensure optimal use of resources like land and water, should proactively respond, to the challenges of climate change by adopting cleaner production methods, promoting efficient use of energy, and environment friendly technologies.

3.12.7 Activities for social and inclusive development

Depending upon their core competency and business interest, companies should undertake activities for economic and social development of communities and geographical areas, particularly in the vicinity of their operations. These could include education, skill-building for livelihood of people, health, cultural and social welfare, particularly targeting the disadvantaged sections of society.

3.12.8 Implementation Guidance

1. The CSR policy of the business entity should provide for an implementation strategy, which should include identification of projects/activities, setting measurable physical targets with timeframes, organizational mechanism and responsibilities, time schedules, and monitoring. Companies may partner with local authorities, business associations, and civil society non-government organizations. They may influence the supply chain for CSR initiative and motivate employees for voluntary effort for social development. They may evolve a system of need assessment and impact assessment while undertaking CSR activities in a particular area. Independent evaluation may also be undertaken for selected projects/activities from time to time.

2. Companies should allocate specific amount in their budgets for CSR activities. This amount may be related to profits after tax, cost of planned CSR activities, or any other suitable parameter.

3. To share experiences and network with other organizations, the company should engage with well-established and recognized programmes/platforms, which encourages Responsible business

practices and CSR activates. This would help companies to improve on their CSR strategies and effectively project the image of being socially responsible.

4. The companies should disseminate information on CSR policy, activities, and progress in a structured manner to all their stakeholders and the public at large through their website, annual reports, and other communication media.

Source: Corporate Social Responsibility Voluntary Guidelines 2009, published by the ministry of corporate affairs, Government of India, New Delhi.

3.12.9 Introduction to the Guidelines

The Guidelines are not prescriptive in nature, but are based on practices and precepts that take into account the realities of Indian business and Society as well as global trends and best practices adapted to the Indian context. It Urges businesses to embrace the "triple bottom-line" approach whereby it's financial Performance can be harmonized with the expectations of society, the environment and the many stakeholders it interfaces with in a sustainable manner. The adoption of these National Voluntary Guidelines will improve the ability of businesses to enhance their competitive strengths, improve their reputations, and increase their ability to attract and retain talent and manage their relations with investors and society at large. These Guidelines have been drafted in a way that makes them easy to comprehend and implement.

The Guidelines have been articulated in the form of nine (9) Principles with the core elements to actualize each of the principles. A reading of each Principle, with its Attendant Core Elements, should provide a very clear basis for putting that Principle into practice. To assist implementation, a section has also been included on Developing Management Systems and Processes for responsible business, which indicates that businesses can adopt to self-steer and regulate their journey towards becoming sustainable and responsible businesses. The Processes focus on changes in leadership and the leadership structure in the organization, the integration of the Principle and Core Elements into the very business purpose of the organization and ensuring that engagement with stakeholders happens on a consistent, continuous basis.

While a broad list of Indicators has been provided to enable businesses to monitor their own implementation process, these are not exhaustive, but sufficiently Representative to give a clear idea of the direction that businesses have to take in the implementation of these Guidelines.

3.12.10 Principles and Core Elements

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

1. Businesses should develop governance structures, procedures and practices that ensure ethical conduct at all levels; and promote the adoption of this principle across its value chain.

2. Businesses should communicate transparently and assure access to information about their decisions that impact relevant stakeholders.

3. Businesses should not engage in practices that are abusive, corrupt, or with unhealthy competition.

4. Businesses should truthfully discharge their responsibility on financial and other mandatory disclosures.

5. Businesses should report on the status of their adoption of these Guidelines as suggested in the reporting framework in this document.

6. Businesses should avoid complicity with the actions of any third party that violates any of the principles contained in these Guidelines.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. Businesses should assure safety and optimal resource use over the life-cycle of the product from design to disposal and ensure that everyone connected with it designers, producers, value chain members, customers and recyclers are Aware of their responsibilities.

2. Businesses should raise the consumer's awareness of their rights through education, product labeling, appropriate and helpful marketing communication, full details of contents and composition and promotion of safe usage and disposal of their products and services.

3. In designing the product, businesses should ensure that the manufacturing processes and technologies required to produce it are resource efficient and sustainable.

4. Businesses should regularly review and improve upon the process of new technology development, deployment and commercialization, incorporating the Social, ethical and environmental considerations.

5. Businesses should recognize and respect the rights of people who may be owners of traditional knowledge, and other forms of intellectual property.

6. Businesses should recognize that over-consumption results in unsustainable exploitation of our planet's resources, and should therefore promote sustainable consumption, including recycling of resources.

Principle 3: Businesses should promote the wellbeing of all employees.

1. Businesses should respect the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance redressal mechanisms.

2. Businesses should provide and maintain equal opportunities at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, religion, disability or sexual orientation.

3. Businesses should not use child labour, forced labour or any form of involuntary labour, paid or unpaid.

4. Businesses should take cognizance of the work-life balance of its employees, especially that of women.

5. Businesses should provide facilities for the wellbeing of its employees including those with special needs. They should ensure timely payment of fair living wages to meet basic needs and economic security of the employees.

6. Businesses should provide a workplace environment that is safe, hygienic humane, and which upholds the dignity of the employees. Business should communicate this provision to their employees and train them on a regular basis.

7. Businesses should ensure continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis. They should promote employee morale and career development through enlightened human resource interventions.

8. Businesses should create systems and practices to ensure harassment free workplace where employees feel safe and secure in discharging their responsibilities.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Businesses should systematically identify their stakeholders, understand their concerns, define purpose and scope of engagement, and commit to engaging with them.

2. Businesses should acknowledge, assume responsibility and be transparent about the impact of their policies, decisions, product & services and associated operations on the stakeholders.

3. Businesses should give special attention to stakeholders in areas that are underdeveloped.

4. Businesses should resolve differences with stakeholders in a just, fair and equitable manner

Principle 5: Businesses should respect and promote human rights.

1. Businesses should understand the human rights content of the Constitution of India, national laws and policies and the content of International Bill of Human Rights. Businesses should appreciate that human rights are inherent, universal, indivisible and interdependent in nature.

2. Businesses should integrate respect for human rights in management systems, in particular through assessing and managing human rights impacts of operations, and ensuring all individuals impacted by the business have access to grievance mechanisms.

3. Businesses should recognize and respect the human rights of all relevant stakeholders and groups within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups.

4. Businesses should, within their sphere of influence, promote the awareness and realization of human rights across their value chain.

5. Businesses should not be complicit with human rights abuses by a third party.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Businesses should utilize natural and manmade resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste.

2. Businesses should take measures to check and prevent pollution. They should assess the environmental damage and bear the cost of pollution abatement with due regard to public interest.

3. Businesses should ensure that benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably.

4. Businesses should continuously seek to improve their environmental performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy 5. Businesses should develop Environment

Management Systems (EMS) and contingency plans and processes that help them in preventing, mitigating and controlling environmental damages and disasters, which may be caused due to their operations or that of a member of its value chain.

6. Businesses should report their environmental performance, including the assessment of potential environmental risks associated with their operations, to the stakeholders in a fair and transparent manner.

7. Businesses should proactively persuade and support its value chain to adopt this principle

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Businesses, while pursuing policy advocacy, must ensure that their advocacy positions are consistent with the Principles and Core Elements contained in these Guidelines.

2. To the extent possible, businesses should utilize the trade and industry chambers and associations and other such collective platforms to undertake such policy advocacy.

Principle 8: Businesses should support inclusive growth and equitable development.

1. Businesses, while serving the needs of their customers, should take into account the overall well-being of the customers and that of society.

2. Businesses should ensure that they do not restrict the freedom of choice and free competition in any manner while designing, promoting and selling their products.

3. Businesses should disclose all information truthfully and factually, through labeling and other means, including the risks to the individual, to society and to the planet from the use of the products, so that the customers can exercise their freedom to consume in a responsible manner. Where required, businesses should also educate their customers on the safe and responsible usage of their products and services.

4. Businesses should promote and advertise their products in ways that do not mislead or confuse the consumers or violate any of the principles in these Guidelines.

5. Businesses should exercise due care and caution while providing goods and services that result in over exploitation of natural resources or lead to excessive conspicuous consumption.

6. Businesses should provide adequate grievance handling mechanisms to address customer concerns and feedback.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

3.13 Newspaper Article

3.13.1 The new Companies Bill CSR activity

By Rica Bhattacharyya, ET Bureau, 3 May, 2013

The new Companies Bill, passed in the Lok Sabha in December, made it mandatory for firms to report on how much they spend on CSR every year.

MUMBAI: The ministry of corporate affairs is developing a reporting framework for corporate social responsibility (CSR), which could potentially be a game-changer for CSR in India, sources close to the development told ET.

The government is formulating guidelines to classify what activity can be qualified as CSR and what expenditure can be counted as CSR spend, even as companies prepare to comply with a new guideline that encourages them to spend 2% of their net profits on such causes.

The new Companies Bill, passed in the Lok Sabha in December, made it mandatory for firms to report on how much they spend on CSR every year. If companies spend less than 2% of their average net profit over the last three years, they are required to explain the reasons. India is the first nation in the world to frame such legislation.

If companies in the BSE 100 were to comply with this fully, their combined CSR spend could total up to about Rs 5,800 corer.

The ministry is developing guidelines and reporting framework for companies to implement and report their CSR initiatives as per Clause 135 of the Companies Bill, 2012. The Indian Institute of Corporate Affairs is the nodal agency spearheading this effort along with the MCA. The final guidelines are expected to be announced after the Bill gets passed in the Rajya Sabha, according to sources. The government expects it to get passed in the second half of the Budget session.

These guidelines will include an extended Schedule-7 of the Companies Bill including more activities that qualify as CSR spends. Some of these activities in the pipeline include promotion of sports and games, promotion of art and culture, welfare measures for differently disabled and adoption of villages, among others. The guidelines also include the types of organizations: trusts, societies, etc, that are eligible consumers of CSR capital, sources said.

Investment in startup incubation centers has already been certified as a valid CSR activity, as announced by FM P Chidambaram, during his budget speech this year. Email queries sent to the

MCA and IICA did not to elicit response. Firms like NextGen, which help companies in sustainability, are working closely with the government in developing the enabling ecosystem for implementation of the CSR norms of the Companies Bill, 2012.

Once this start many lot of development can be expected in the society as Rica B.

3.13.2 Company's law set to mandate 2% CSR spend

By Sidhartha, TNN Feb 10, 2011

NEW DELHI: India Inc should brace to set aside a specified portion of its profit on corporate social responsibility (CSR).The Ministry of company affairs (MCA), which is finalizing the new Companies Bill, has accepted a Parliamentary Standing Committee's recommendation on the issue. The standing committee on finance headed by former finance minister Yashwant Sinha has proposed that companies with a turnover of Rs 1,000 crore or net profit of Rs 5 crore or more earmark 2% of their net profit for the preceding three years on CSR.

3.13.3 Corporate Social Responsibility in India: A long way to go Written by: Enakshi Sengupta 13 Jun 2012

The concept of Corporate Social Responsibility (CSR) is not new in India. It emerged from the '*Vedic period*'' when history was not recorded in India. In that period, Kings had an obligation towards society and merchants displayed their own business responsibility by building places of worship, education, inns and wells**.** Although the core function of business was to create wealth for society and was based on an economic structure, the business community with their rulers believed in the philosophy of "Sarva loka hitam" which means ''the well-being of all stakeholders.

Indian society is witnessing a market in rapid transition, characterized by a growing degree of liberalization, privatization and globalization. The acceptance of social responsibility is redirecting Indians to their cherished values and teachings of their ancestors and their religious scriptures in the field of business. There are different ways through which a firm can exert positive social change in society and collaborate with partners who have the explicit power to trigger such change. Changes that led to power and authority are being transferred from government to the private sector. With the growing power and authority vested with the

corporations, corporations are now answerable for a wider range of issues and are held responsible for their actions to a multiple level of stakeholders.

Firms should have in-depth understanding of the circumstances that lead them to pursue various CSR activities and implement those activities that demonstrate a convergence between the firm's economic objectives and the social objectives of society. *Beckmann and colleagues point out* that CSR is becoming more explicit and argues that this shift entails those firms can no longer practice a "silent strategy" and is gradually being replaced by a more visible approach to CSR activities. The requirements for how corporations communicate their CSR activities are however large. CSR communication is gaining its importance, and there is an increasing awareness and interest in the challenges and practices of communicating CSR.

The National Voluntary Guidelines 2011 released by the Ministry of Corporate Affairs, India was set up as part of the multi-stakeholder platform on CSR making it mandatory for companies to disclose their *CSR projects.*

"In a bid to turn companies' management decisions more transparent, the corporate affairs ministry may mandate more disclosures in their annual financial statements and the reports of boards of directors. The manner in which companies carried out their Corporate Social Responsibility (CSR) activities during the year will become part of the annual mandatory disclosure." *(International Bar Association, CSR e-bulletin, October, 2011)*.To find out how well this mandate of disclosing CSR activities is accepted by Indian companies the author chose to study 23 companies belonging to private sector companies in Kolkata, India. These companies operate mainly in the manufacturing or heavy engineering sector. The nature of their business may often results in polluting the atmosphere or displacement of inhabitants. The websites of the companies was studied in detail and other relevant documents found online.

A Gap Analysis tool in the form of a score card was developed by the author along with her colleague having 46 criteria which highlighted areas such as stakeholder engagement, performance and compliance, management systems and procedure, scope and boundaries of CSR reporting, targets and achievements and assurance of the report writing. Scores were given in the denomination of '1' or '0' depending upon the information available.

Street vendors in Madurai, Tamil Nadu, India © ruffin_ready

Most of the companies revealed a very low CSR score, the average being 6-7 out of 46. The declaration made in the websites on CSR was inadequate and did not reveal much about the CSR health of the company. Most of the activities were altruistic in nature without generating any value creation towards the bottom line growth of the companies. None of these companies have embedded CSR in their core business strategy.

They are yet to realize the role of stakeholders for their business and often choose to ignore them in communicating their CSR activities. The websites are outdated and the information available is often a couple of years old. The booklet depicting CSR activities in a few companies were not written under any global guidelines and resemble picture albums glorifying un-coordinated philanthropic activities.

In order to make their CSR activities more strategic in nature companies are required to embed CSR in their core business strategy and to use the framework laid down by Ministry of Corporate Affairs, Govt. Of India, National Voluntary Guidelines 2011 or the framework suggested by Global Reporting Initiatives (GRI) to disclose their CSR activities through a well written Sustainability Report.

The research provides further scope of assessing the cultural dimensions of corporations engaging in CSR, their definition of CSR, their motives for engaging in CSR and how they plan to communicate CSR to their stakeholders in the future

3.14 Sustainability Relation Act Rule of Government of India

Some of the Acts and Rules of the Government of India (sustainability-related) are listed below for ready reference and understanding the spread and depth of the CSR concept.

Sr. No.	Rules And Acts.
A	Environment (Protection) Act (1986) (amended in 1991) & Environment (Protection) Rules
B	Environment (Sitting for Industrial Projects) Rules, 1999 ;
C	Coastal Regulation Zone Notification (1991, as amended)
D	The Scheme on Labeling of Environment-friendly Products (1991)
E	Eco-sensitive Zones Notifications (especially the notifications on Matheran, Mahabaleshwar-Panchgani, Dhahanu Taluka, Murud-Janjira, and in general about other notifications)
F	Environment Impact Assessment Notification
G	Hazardous Waste (Management & Handling) Rules 1989 and amendments
H	The Batteries (Management & Handling) Rules (2001)
I	The recycled plastic manufacture and usage rules
J	Prohibition of Azo Dyes
K	The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules 1996
L	The Manufacture, Storage, and Import of Hazardous Chemicals Rules 1989 (amended in 2000)
M	The Municipal Solid Waste (Management & Handling) Rules 2000
N	The Bio-medical Waste (Management & Handling) Rules, 1998 (amended in 2003)
O	The Rules for the Manufacture, use, Import, Export, and Storage of Hazardous Micro-organism, Genetically Engineered Organisms or Cells (1989)
P	Noise Pollution (Regulation and Control) Rules (2000), as amended
Q	The Ozone Depleting Substances (Regulation and Control) Rules, 2000
R	The Water (Prevention and Control of Pollution) Act, 1974 (amended in 1988) & Rules under the Act
S	The water(prevention and control of pollution) Act 1974 (amended in 2003) &

	Rules under the Act ,
T	The Air (Prevention and Control of Pollution) Act, 1981 (amended in 1987), Rules under the Act and important notifications under the Act,
U	The Public Liability Insurance Act, 1991, The Public Liability Insurance Rules, 1991, and notifications under the Act
V	National Environment Appellate Authority Act, 1997 (National Green Tribunal Bill, 2009)
W	National Environment Tribunal Act, 1995
X	The Prevention of Cruelty to Animals Act, 1960, Rules and notifications under the Act
Y	The Wildlife (Protection) Act, 1960 (amended in 2002); The Indian Wildlife (Protection) Act 1972, amended in 1993. Rules and notifications under these act
Z	The Indian Forest Act, 1927, The Forest (Conservation) Act, 1980 (amended in 1988), Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006, Rules and notifications under the above Acts
AA	Biological Diversity Act, 2002 and Biological Diversity Rules, 2004
AB	The Factories Act and the Factories Rules of Various States
AC	The Explosives Act and the Explosives Rules
AD	The Petroleum Act and the Petroleum Rules
AE	Static and Mobile Pressure Vessels Rules
AF	Gas Cylinders Rules
AG	Inflammable Substances Rules
AH	Companies Act, etc.

Table 3.2 Rules and Acts, Source: The list has been compiled by Prof. L. Ramakrishnan-Distinguished Professor and Head in search Centre of Sustainability Management (I-COSM)

3.15 Managing E-waste

Waste management has become a critical part of CSR programs across the IT industry. E-waste is one of the biggest hazards faced by the average Indian corporate. With the rapid growth of the IT industry globally in recent years, the consequent environmental implications have to be considered. A side-effect of the IT revolution is the generation of e-waste, a colloquial term for electronic products that have become obsolete or reached their end of life. Hazards arise due to the improper recycling and disposal processes used. E-waste is a mounting concern; 20 million devices become obsolete every year.

Over the years, e-waste leads to chemical and metal leaching finally resulting in groundwater contamination. Mercury, for example, will leach when certain electronic devices such as circuit breakers are destroyed.

3.16 Integrating CSR in Organizations: Guidelines to Effective Change

The question that now arises is what standards are available to put CSR into practice. Does the implementation of sustainable behavior by a company depend solely on the whims and fancies of the management or can a company follow processes that would help it to implement CSR? The three mechanisms- ISO 260.00, Triple Bottom Line (TBL), and Triple Loop Learning (TLL)-of p incorporating CSR by a company are given below. However, as we analyze them, we will see that each system has its own strengths and weaknesses.

3.17.1 ISO 26000 highlights the 7 principles of social responsibility

1. Accountability
2. Transparency
3. Ethical behavior
4. Respect for stakeholder interests
5. Respect for the rule of law
6. Respect for international norms of behavior
7. Respect for human rights

3.17.2 Core subjects of social responsibility

ISO 26000 addresses 7 core subjects of social responsibility as shown in the graphic below:

Figure 3.3. 7 core subjects of social responsibility

Source.International Organization forStandardization ISO Central Secretariat 1, ch. de la Voie-CreuseCP56CH-1211 Geneva20 Switzerland

3.17.3 ISO and CSR

ISO is the International Organization for Standardization. It is the world's largest developer and publisher of International Standards. The term 'ISO', is derived from the Greek *isos,* meaning 'equal'. Whatever the country, whatever the language, the short form of the organization's name is always ISO.

One hundred and sixty-three countries are members of ISO. Membership is given to one member per country and the Central Secretariat is located in Geneva, Switzerland, which coordinates the system. ISO is a non-governmental organization that connects the public and private sectors, This is achieved through its public sector and private sector membership: on the one hand, many of its member institutes are part of the governmental structure of their country or are mandated ,by the. Government. On the other hand, other members have their roots uniquely in the private sector, having been set up by, '" national partnerships of industry associations.

There for ISO is able. To build a consensus on solutions that meet both the requirements of business and the broader needs of society Some of the well-known standards are ISO 9001 that deals with quality, ISO 22000 relates to food safety management systems, ISO 14001 is a standard for the environmental management of businesses, and other similar standards have been created. The international body decided to launch the development of an International Standard providing guidelines for social responsibility (SR) by promoting ISO 26000.

3.17.4 ISO 26000

ISO standardization does not, as a rule, pre-determine which particular type of organization may use its standards or other deliverables. As a result, ISO social responsibility deliverables are referred to without organizational specification, Keeping in mind the inter-relationship between economic, environmental, , and social aspects the characteristics and underlying principles of social responsibility according to ISO include the following:

1. Assumes compliance with all applicable laws and regulations (as a minimum)
2. Includes voluntary commitments that address economic, environmental, and social aspects not addressed in laws and regulations. Inclusiveness, communication, and engagement with affected or and interested parties involving dialogue on expectations and activities
3. Accountability
4. Transparency
5. Ethical behavior

Flexibility to reflect diversity and needs Part of sustainability or Sustainable development Social responsibility specifically includes issues such as:

Human rights (Universal Declaration of Human Rights, ILO core Conventions)

Workplace and employee aspects (including occupational health and safety)

Unfair business practices including bribery, corruption, and anti-competitive practices (all organisations) in Organizational governance Environmental aspects Marketplace and consumer aspects Community aspects Social development aspects.

ISO has decided to launch the development of an international standard providing guidelines for social responsibility. It has chosen Swedish Standards

Institute (SIS) and Brazilia Association of Technical Standards (ABNT) to provide joint leadership of the ISO Working Group on Social Responsibility of (WG SR). The WG SR has been given the task of drafting an international standard for social responsibility that will be published in 2010 as ISO 26000 he and will be voluntary to use. It will not include requirements and will thus not be a certification standard.

lS0 26000 is supposed to provide harmonized, globally relevant guidance, based on international consensus among expert representatives of the main stakeholder groups, and so encourage the implementation of best practice in social responsibility worldwide.

There is a range of many different opinions as to the right approach, ranging from strict legislation at one end to complete freedom at the other. ISO claims that it is looking for a golden middle way that promotes respect and responsibility, based on known reference documents without stifling creativity and development.

The standard will aim to encourage voluntary commitment to social responsibility and will lead to common guidance on concepts, definitions, and methods of evaluation. The need for organizations in both public and private sectors to behave in a socially responsible way is becoming a generalized requirement of society. It is shared by the stakeholder groups that are participating in the WG SR to develop ISO 26000: industry, government, labour, consumers, non-governmental organizations, and others, in addition to geographical and. gender-based balance.

3.17.5 About the Standard

According to the new work item proposal, the standard should assist organizations in addressing their social responsibilities while respecting cultural, societal, environmental, and legal differences and, economic development conditions; provide practical guidance related to operational zing social responsibility, identifying and engaging with stakeholders, and enhancing credibility of reports and claims made about social responsibility; emphasize performance results and improvement; increase confidence and satisfaction in organizations among their customers and other stakeholders be consistent with and not in conflict with existing documents,

International treaties and conventions, and existing ISO standards not be intended to reduce government's authority to address the social responsibility' of organizations; promote common terminology in the social responsibility field; and broaden awareness of social responsibility.

The ISO 26000 standard offers a framework through its proposal for CSR but does not provide any incentive for organizations to put the scheme into action. Every ISO standard has a certification process that encourages a company to achieve it as a brand of quality. Unfortunately, the CSR standard is propagated as a voluntary commitment and therefore may not be practiced.

Thus, though it proposes an international standard for social responsibility, it may only remain a wish list, as organizations can provide various excuses for not putting the standard into practice. The other risk is unscrupulous organizations may use ISO 26000 as a smoke screen to enhance their image without really being accountable for socially responsible activities, since there is no certification process, and therefore checking fraudulent use would be difficult, if not impossible.

3.17.5 Triple Bottom Line

This is another popular mechanism that was considered a practical method for implementing CSR. The phrase was coined by John Elkington in 1994. It was later expanded and articulated in his 1998 book, Cannibals with Forks:

Elkington was the co-founder and chairperson of Sustainability Limited, which was founded in 1987 and is headquartered in London, with offices in US and Europe, and also has a number of partnership networks in other parts of the world, especially in emerging economies like China, India, Brazil, and South Africa. It is an international business consultancy dealing with principles of sustainable development or what is called 'performance with purpose'. TBL accounting attempts to describe the social and environmental impact of an organization's activities, in a measurable way, to its economic performance in order to show improvement or to make evaluation more in-depth.TBL is a form of reporting that takes into account the impact a business has in terms of social and environmental values, along with financial returns. TBL has its own synonyms in Triple-E (economy, environment, equity) or 3P (people, planet, profit), which are penetrating the traditional language of business. The 3P is explained below.

3.17.6 People

The concept looks at the human aspect of business not just as a human resource but as human capital. This is not only about fair employment opportunities but also about giving back to society in the form of social investment. Therefore, it goes beyond providing just a fair day's pay for a fair day's work; it entails returning to the community through sponsorships, donations, and investments for common good and welfare. This reinvestment can usually be factored in business operating expenses, as it. Would give long-term benefits to the organization by building a strong reputation and trust in society.

3.17.7 Planet

This is natural capital or the environmental issues that need immediate attention if long-term sustainability is the aim. A business will strive to minimize its ecological impact in all areas-from sourcing raw materials to production processes including administration, to marketing of its products and services. It is a 'cradle-to-grave' approach and in some cases 'cradle-to-cradle' approach i.e., taking some responsibility for goods after they have been sold. For example, offering a recycling or take-back programme. A TBL business will also refrain from the production of toxic items, even as effluents or waste products.

3.17.8 Profit

This brings to the forefront the ways and methods of earning profit and not just making profit. The argument is that the means are as important as the ends. Profit should be earned honestly in harmony with the other two principles of people and planet. In today's global and virtual business perspectives, the supply chain and outsourcing processes also need to be scrutinized under the TBL principle.

3.17.9 Importance

There are currently few standards for measuring these other impacts. However, the importance of the concept lies in the fact that at least it raises the issue that an organization cannot accomplish economic growth responsibly and. holistically without embracing the vast multitude of no financial impacts of its activities. Considering the growing influence of the business world and the wide spread of its tentacles, one cannot remain immune to the responsibility of business in

all spheres of business activities, TBL tries to capture the myriad of influences of business through three parameters and that is where it faces problems in the eyes of critics.

3.17.10 The I S O 26000 OF Corporate Social Responsibility

Figure 1 — The seven core subjects at a glance

Figure 3.4 The Seven core subjects at a glance

Figure 3.5 Social Responsibility ISO 26000 Guidelines

SCHEMATIC OVERVIEW OF ISO 26000

ISO 26000 SOCIAL RESPONSIBILITY

Clause 1

Scope

Guidance to all types of organizations, regardless of their size or location

Clause 2

Terms and definitions

Definition of key terms

Clause 3

Understanding social responsibility

History and characteristics; relationship between social responsibility and sustainable development

Clause 4

Principles of social responsibility

• Accountability
• Transparency
• Ethical behaviour
• Respect for stakeholder interests
• Respect for the rule of law
• Respect for international norms of behaviour
• Respect for human rights

Clause 5

Two fundamental practices of social responsibility

Recognizing social responsibility ⟷ Stakeholder identification and engagement

Clause 6

Social responsibility core subjects

Organizational governance

Human rights | Labour practices | The environment | Fair operating practices | Consumer issues | Community involvement and development

Related actions and expectations

Clause 7

Integrating social responsibility throughout an organization

The relationship of an organization's characteristics to social responsibility

Understanding the social responsibility of the organization

Practices for integrating social responsibility thoughout an organization

Communication on social responsibility

Voluntary initiatives for social responsibility

Reviewing and improving an organization's actions and practices related to social responsibility

Enhancing credibility regarding social responsibility

Bibliography: Authoritative sources and additional guidance

Annex: Examples of voluntary initiatives and tools for social responsibility

Maximizing an organization's contribution to **Sustainable development**

Figure 3.6 Schematic overview of ISO 26000

3.17.11 ISO 26000 Standard

Guidance on Corporate Social Responsibility adopting the principles of ISO 26000 Guidance on Social Responsibility clearly demonstrates the positive actions taken by your organization to contribute towards sustainable development.

Every organization needs to instigate actions aimed at making the world a better place. The ISO 26000 Standard published in 2010 provides guidance on the underlying principles of social responsibility and ways to integrate socially responsible behavior into organizational strategies, systems, practices and processes. By looking at an organization's behavior, the ISO 26000 Standard evaluates to what extent the organization acts transparently and ethically and:

- Contributes to sustainable development, including the health and welfare of society
- Takes into account the needs and expectations of stakeholders
- Is compliant with applicable laws and consistent with international norms
- Integrates and implements these behaviors throughout the organization

Our performance assessment is suitable for all organizations in both public and private sectors, in developed and developing countries, as well as in economies in transition. It works as a tool to identify your organization's performance level at the time of the assessment. It will help you operate in the socially responsible manner that society increasingly demands.

3.18 Software Industry in India

Electronics & IT Production Profile (Rs. Bn)
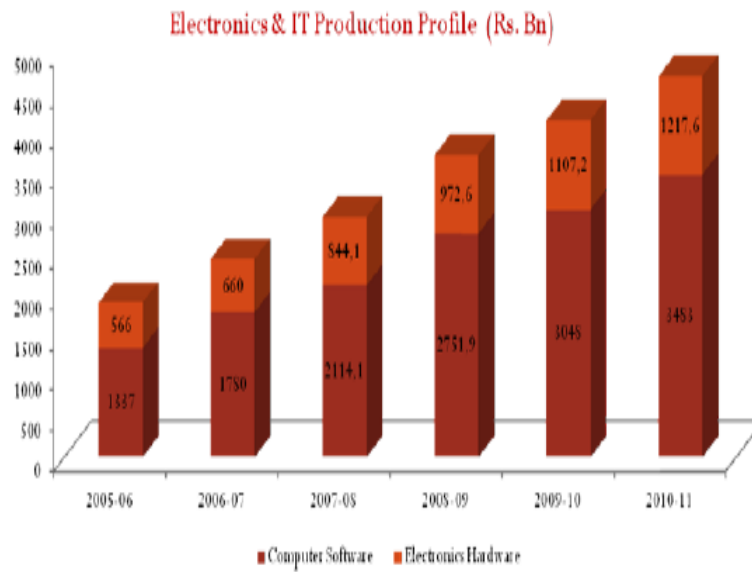
Source: Department of IT, Ministry of Communication and IT

Figure 3.7 Electronics & IT Production Profile

The computer software and services industry was worth Rs. 337 billion Euro 24.7 billion) in 2005/06 and it is estimated to increase to Rs. 3483.30 billion (Euro 55 billion) in 2010/11.

3.19.1 Top 20 IT Firms In Terms Of Revenue

Company	Employees	Revenue (million Rs.) 2007–08	Export	Domestic
Tata Consultancy Services (TCS)	126,150	212,150	93	7
Wipro Technologies	108,071	168,840	76	24
Infosys Technologies	104,850	155,310	99	1
HP India	31,656	154,540	18	82
IBM	76,000	101,010	58	42
Cognizant Technology Solutions	48,000	63,100	100	
Ingram Micro	1,200	86,200		100
HCL Technologies	51,979	62,000	93	7
HCL Infosystems	6,077	50,580		100
Redington India	1,700	62,800		100
Cisco India	4,850	58,370	92	8
Oracle India	24, 000	58,080		
Intel India	2,500	43,100	90	10
Accenture	40,000	38,000	93	7
SAP India	5,424	32,600	79	21
Dell India	13,000	32,000		100
Tech Mahindra	24,318	36,370	98	2
Microsoft India	5,300	32,630	90	10
MphasiS	33,810	18,810	100	
Patni Computer Systems	14,479	25,690	99	1

Table 3.3 Top 20 IT Firms In Terms Of Revenue

IT companies like TCS and Wipro have developed software to help teachers and children in schools across India to further the cause of education. The adult literacy software has been a significant factor in reducing illiteracy in remote communities. Banks and insurance companies are targeting migrant laborers and street vendors to help them through micro-credits and related schemes.

In June 2008, a survey was carried out by TNS India (a research organization) and the Times Foundation with the aim of providing an understanding of the role of corporations in CSR. The findings revealed that over 90 % of all major Indian organizations surveyed were involved in CSR initiatives. In fact, the private sector was more involved in CSR activities than the public

and government sectors. The leading areas that corporations were involved in were livelihood promotion, education, health, environment, and women's empowerment. Most of CSR ventures were done as internal projects while a small proportion were as direct financial support to voluntary organizations or communities.

3.20 CSR of leading IT companies

3.20.1 Infosys Sustainability Solution

Infosys-the Indian IT industry icon-also helps in creating a sustainability framework in businesses catering to healthcare, banking, power, energy and utilities, logistics, and retail sector through the Infosys Sustainability Solution, which helps organizational to deploy a sustainability reporting framework. Like other rating frameworks, this also helps companies to capture data on energy efficiency, water conservation, product performance, economic performance, human resource and labour efficiency, and safety performance. The above mentioned rating frameworks show the varied components and methodologies followed by various agencies and institutions. Thus, many companies are setting up their own matrix for tracking the CSR activities that are more relevant to their own business practices. Two examples, one of an indigenous Indian company and the other of a multinational company, have been given below to show how intricately the matrixes need to be formulated. This naturally requires a high level of conviction from the management of the companies. Both the featured companies (Tata and Philips) are world renowned brands and enjoy unparalleled trust from stakeholders and therefore have an excellent balance sheet showing sustainable profits.

3.20.2 Infosys Technologies Limited

Infosys Technologies of India has shown the path towards transformational change by becoming the victor of the environment rather than the victim. When the rest of Indian entrepreneurs were complaining of red tape, poor infrastructure, lack of support, and other constraints in the Indian political and socio-economic environment, Narayan Murthy, the visionary, conceived Infosys in 1981 and today it is a world renowned company. He believed in sharing the wealth earned by the company with all the stakeholders and it is visible in their activities, ranging from the employee stock ownership plan (ESOP), facilities provided to employees, customer service, sheltering of

schools, and other support for education of the underprivileged, etc., thus covering CSR at all levels-inner, intermediate, and outer. It was voted as India's best-managed company for six years in a row, between 1996 and 2001, by the Asia Money Poll. In 2003, Infosys Technologies co-founder and chairman, N.R. Narayana Murthy, won the Ernst & Young World Entrepreneur of the year award. Judges of the award praised his 'intellectually, philosophically, ethically and spiritually driven entrepreneurship' and his company's 'outstanding financial performance and global impact in a dynamic and volatile industry'. Infosys won the prestigious 'Global Most Admired Knowledge Enterprises (MAKE)' Award in 2004. It won the award for the second time in a row, and remains the only Indian company ever to have been named for this award. Many more such cc awards have substantiated its value orientation. The employee challenges are the addressed through what it terms 'PRIDE' (Process Repository Infosys for Driving Excellence),

1. Development environment at another. As a result of this, 'Infosys will reap the benefit of an army of employees that works the same way, gains in process in efficiency and productivity, and higher quality.

2. Ingrained in the soul of Infosys is a drive to awaken in our employees, ac- customers, investors and other stakeholders, as well as the larger society, a spirit of m responsibility to ourselves, the environment, our civic systems, and the governments.

3. In the regions where we work and contribute, and to the future of the generations

4. The efforts of Infosys to continuously add value to the business environment be can be seen when in July 2007, Infosys co-chairman Nandan Nilekani co-chaired a report,

5. Director and Chief Executive, Refining and Marketing, British Petroleum, to identify three specific ways in which global companies can fulfill this role through 'expanding the space' in which they operate. The report clearly points out that that the market economy has been the driver of unprecedented growth and should not be replaced but working of the market economy certainly needs a revisit to embrace a more.

6. Holistic growth. Today, the market economy has to address the unsustainable outcomes like climate change, persistent poverty, and abuse of human rights that I have emerged as a result of earlier business practices. The report stresses that the purpose of tomorrow's global company is 'to provide ever better goods and services

7. In a way that is profitable, ethical and respects the environment, individuals, and the communities in which it operates'. (Fernando2006)

Infosys is actively involved in various community development programs. Infosys promoted, in 1996, the Infosys Foundation as a not-for-profit trust to which it contributes up to 1%PAT every year. Additionally, the Education and Research Department (E&R) at Infosys also works with employee volunteers on community development projects. Infosys leadership has set examples in the area of corporate citizenship and has involved itself actively in key national bodies. They have taken initiatives to work in the areas of Research and Education, Community Service, Rural Reach Programme Employment, Welfare activities undertaken by the Infosys Foundation, Healthcare for the poor, Education and Arts & Culture.

Infosys Foundation has worked to support the underprivileged in society and enrich their lives. Promoted by Infosys Technologies Limited, the Foundation began its work in Karnataka, India, gradually extending its activities to the states of Tamil Nadu, Andhra Pradesh, Maharashtra, Orissa and Punjab. Making high quality healthcare the norm is an ongoing challenge. Since its inception, the Foundation has initiated several activities that benefit the rural and urban poor. Apart from constructing hospital wards, donating hi-tech equipment and organizing health camps, the Foundation also distributes medicines to economically-weaker sections in remote areas. Whether it is organizing an annual mela that empowers destitute women or building orphanages that give children a better life, the Foundation's activities address the needs of society's most neglected. The Foundation has organized unique annual melas in different parts of the country, including Bangalore and Sedam in Karnataka, and Chennai in Tamil Nadu, to distribute sewing machines to destitute women and help them earn a livelihood. The Foundation also offers an edge to deprived and rural students, through its activities in what is one of the largest rural education programs in the country; the foundation has donated 10,200 sets of books in Karnataka alone, and in Andhra Pradesh, Karnataka, Orissa and Kerala, under its Library for Every Rural School project. Through this program, the Foundation has set up more than 10,150 libraries in rural government schools. A minimum of 200 books, depending on the strength of the school, is provided. The Foundation has helped revive the art of the weavers of Pochampalli village in Andhra PradeshIt helps organize cultural programs to promote artists in rural areas of Karnataka and Andhra Pradesh. It traces and honors artistes from different parts of India. It

organizes programs like puppet shows and other cultural events to encourage artistes and performers in rural areas of Karnataka and Andhra Pradesh.

3.20.2 Tata Group & Tata Consultancy Services

To bring TCS Associates and their families closer and encourage hidden aspirations and talents like Quiz Workshop on theater, Yoga, Origami, Flower arrangement, Chocolate making etc. Socially relevant activities and endeavors.

Advanced Computer Training Center For Visually Impaired

Courses catering to industry requirement, Employment Opportunities, Recruited more than 30 differently disabled people in Infrastructure service management, BPO Processes, Learning and development coordinator, Human Resource Manager, Global Helpdesk, Accessibility testing.

Social Initiatives: Working with differently disabled people and employment opportunity for differently disabled people aiding under privileged children helping rural community.HIV/AIDS sensitization.

Rural Development Initiatives: Wazapur-A village in Maharashtra provide Water supply working on Illiteracy and Women empowerment awareness in health and hygiene Trained in embroidery stitching and other textile craftwork Inaugurated Gram Vikas Abhiyaan Kendra in Education Mid day meal scheme for Balwadi Kids Computer literacy program a state of the art science lab.

Thalassemia Drive: In a partnership with Red Cross, TCS embarks on periodic blood donation drives towards the treatment of Thalassemia.

Hiv/Aids Awareness Program: The focus of the initiative is to treat HIV as a social issue and commemorating world AIDS Day. Also Online quiz for creating more awareness, removing myths and misconception through articles are conducted. In India there are an existent but small number of companies which practice CSR. This engagement of the Indian economy concentrate seminally 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,

3.20.3 Intel Technology India Pvt Ltd

Launched in 2002, the Intel 'Involved in the Community' program started as a small-scale informal employee initiative, which focused on activities such as tree planting and blood donation drives. By 2004, Intel Involved was fully incorporated into the company's corporate culture through the development of team volunteering activities, with programs focusing in the areas of education, technology inclusion and health. Some of the key initiatives include: Centre for Economic Empowerment of Intellectually Challenged (CEEIC) - In conjunction with AMBA, a local NGO, Intel provides the intellectually-challenged community with training to learn computer skills. The Centre then helps procure employment from various companies for the participants, empowering them to earn a regular income. This initiative has now grown to 15 centers HIV/AIDS Awareness Program Intel has established a program for raising awareness levels on HIV/AIDS to high prevalence areas in the community. In partnership with NGOs, voluntary counseling and testing agencies, the HIV/AIDS peer education program has reached out to 15,000 adolescents in Bangalore. Also Intel believes that climate change is a serious economic, social and environmental challenge. Activities include celebrating Global Earth Day, World Environment Day and the Environment Research Contest. Over the last five years, Intel employees have planted and nurtured more than 6,000 trees in and around Bangalore while the "Intel for a Better Bannerghatta" project resulted in a plastic and litter-free biological park and also created a learning space for the local community with the setup of information kiosks. Meanwhile, a Solid Waste Management Program in partnership with TERI (The Energy Resources Institute) is currently underway in Annasandrapalya, Bangalore.

Intel is also involved in **'Volunteer Matching Grants Program'**. The program encourages Intel employees to invest time in identified K–12 schools and NGOs. With every 20 hours invested by Intel employees, the Intel Foundation donates US$80 to schools and NGOs. Currently more than

15 schools and NGOs are part of this program in Bangalore, Delhi and Mumbai. Employee participation has doubled over the last two years with 91 percent of employees volunteering more than 36,000 hours.

3.20.4 WIPRO

Wipro CSR Activities Firstly, Initiative of Wipro is towards education: Wipro Care, Wipro Applying Thoughts Campaign.

Secondly, its initiative is towards environment: Eco Eye

Wipro Care: Wipro Cares" strives hard to address major issues responsibly. From community relief and rehabilitation in times of disaster of education, opportunities, health, and wellness program for the needy. Make sure that our social initiatives touch every level of society that needs our help. Wipro care is the initiative by wipeouts. Wipro care contributes through two prolonged strategy learning enhancement and disaster rehabilitation.

Wipro applying thoughts in Schools: Through the applying thought in school initiative engaged in more than 1000 schools, 10,000 educators and 30 social organizations across 17 states in the country to bring about educational reform. Incisive experiments. Educational literature program and advocacy program and support new organization.

Mission 10 xs: Mission 10X aims at enhancing employability of engineering graduates by empowering faculty members. Having thus far trained over 10,000 faculty members across 20 states, the initiative intends to now reach out to over 25,000 additional engineering faculties in the near future.

Eye Oconto strike a balance with environment, formed Eco Eye a few years ago to bring all green initiatives under one banner, and to incorporate better ecological balance in every project we execute. Aims to promote, Initiatives undertaken in direction of environment saving, Inter connection of sewer line,Biogas plant, Rainwater harvesting, Eco-friendly chemical.

Disaster Rehabilitation: Wipro Care adopted Pushpavanam village in tsunami- ravaged belt of Tamil Nadu.Earlier work: Orissa- cyclone in 1999, Gujarat earthquake in 2001.

Inter Connection of Sewer Lines Situation: STP capacity is 200 KLD only, where as total sewage collection at CDC-2 around 260 KLD. Inter connection of CDC-2 & 5 STP's.ECO-SOLUTION: Pipe interconnection, ECO-IMPACT: treated water usage.

Biogas Plant Large amount of solid waste generated on daily basis at Wipro's Electronic City Campus. Manage solid waste. Bio- Methanation, plant large amount of biogas generated, good quality manure, and sludge treated eco- friendly manner.

Rain Water Harvesting: water flooding causes damage to main motor able road, to tap and harness the rain water, collection of water, filtering, softening and then STP treatment, reduction in ground water depletion.

Eco-Friendly Chemical: Chemicals to have eco-friendly properties. Use of non-pollutants, biodegradable reduced exposure to harmful chemicals.

3.20.5 Patni Computers

National Special Economic Zone Circumstances wants to voluntarily come up with a Roadmap to repay or share some of our prosperity to needy and genuine Indian masses show society or Bureaucracy (Silent Demon) by large Reciprocating Benefits to the INDIAN masses Fundamental Rule to Survive in Indian Environment is to give. Built Green Facility it will solve purpose (Social Commitments) in International Arena Unfortunately Indian Environment is different. Forms of Contribution: Contribution By Time Devotion Contribution Through Materials Contribution Through Money Contributions Through IDEAS or Practical Knowledge Transition India Comes in Third World Country or Developing Nation. Though a rich in natural resources we never be a developed nation where every individual have basic resources to conquer his/her dreams. Reason is many like Poverty, Corruption, and Terrorism etc.

Receivers Active and Passive Achieving 30:70 ratio: Active Receivers Needs help from Individuals (Corporate) in beginning but would be converted into Business resources must have 30% share of total contribution. Passive Receivers we cannot derive any direct business benefits but we shall fulfill social commitments through it must be restricted to 70% of total contribution. Now time has come to explore the Active Receivers. Business consistently demands low cost but

highly efficient human resources for their Profitability. Action Points for CSR volunteers exploring young generation and share whatever pains or grievances they have. It is proved that Genuine Information crisis would have more impact than any other crisis like financial or material crisis. Starting point would be to Spread Genuine information's and uplift and direct youth of our country to better and prosperous Livelihood. For this visit Government Funded Schools, colleges, Local Coaching institutes, even can involve Top Shot Religious Institutions like Jama Masjid, Birla Mandir, St Steven Church and Bangla Sahib Gurudwara.

1.21   IT industry in Globe

3.21.1 Microsoft Inc

Microsoft has never been very popular because, as The Economist noted, rulers of the 'quality more than the quantity of its critics' Internet users, who sled tend to have higher than average educational levels, are continually furs room traded with Microsoft because of its dominance of the way most personal   computers are run. Nevertheless, Microsoft is concerned with development. For instance, it fane launched a technology skills partnership for unemployed textile workers in Portugal in conjunction with the Technological Centre for the Textile and Clothing Industries of Portugal. The Technology, Innovation and art Initiative programme will provide unemployed workers in Portugal's textiles industry with new skills and qualifications to improve their long- term employment prospects. Supported by Microsoft through its Unlimited that Potential programmed, it aims to train at least 3000 unemployed people in I.T to the sector, which is being significantly affected by increasing global company such petition. Both partners in the programme, together with the Institute do such Emperor Professional, will also work with local companies and unions to help trainees find jobs or start new businesses. The venture has been welcomed by the European Commissioner for Employment, Social, Affairs and Equal Opportunities, Dr Vladimir Spidla, who hailed it as an 'important contribution' to the European Jobs and Growth Partnership Initiative launched by the EC last year. Remarkable, too, has been the goodwill generated by Microsoft's pipe founder, Bill Gates, through the Gates Foundation. Bill Gates has, to date, label donated $258 million to battle against malaria. The fact that neither the ICCU rich countries nor the UN's health agency WHO, have done very much to ration curb this major killer of poor people is little short of scandalous. As Bill, For Gates noted, 'the rich

world's efforts in tackling the disease is "a disgrace"'. Client The grant was equivalent to more than three-quarters of global spending on along research into the disease in 2004. But good works can quickly be negated by crass actions that illustrate said, the dividing line between doing well for its own sake and doing good when form it is good for business. In December 2005, Microsoft acceded to a Chinese end its government request to shut down a blog carried on its MSN service. (The Economist 2005)

3.21.2 Oracle Corporation

Oracle Corporation is an American multinational computer technology corporation headquartered in Redwood City, California, The United States. The company specializes in developing and marketing computer hardware systems and enterprise software products particularly its own brands of database management systems. Oracle is the third largest software maker by revenue, after Microsoft and IBM.

The company also builds tools for database development and systems of middle tier software, enterprise resource planning software (ERP), customer relationship management software (CRM) and supply chain management (SCM) software. Larry Ellison, a co-founder of Oracle Corporation, has served as Oracle's CEO throughout its history.

Oracle Education Foundation

The Foundation makes select grants that fund evaluation, research, and special projects that support its mission. Grant proposals are accepted by invitation only. No unsolicited proposals are considered.

The Foundation is a nonprofit corporation funded by Oracle Corporation. Oracle houses the Foundation and donates the services of its worldwide staff at a value of over $8.5 million annually. In addition, Oracle provides the Foundation with free, unlimited use of its technology, which we leverage to bring you Think Quest.

The Foundation is a private foundation. A private foundation is a nongovernmental, nonprofit organization funded by a single source and established to maintain or aid social, educational, or other charitable activities serving the common welfare, primarily by operating a program or making grants. The Foundation is governed by a seven-member Board of Directors, three of whom are appointed by Oracle and four of whom are elected by the Board. The four-member

majority is comprised of outstanding individuals at the intersection of education, technology, and philanthropy.

Oracle leverages its core competencies in information technology and the Internet to support education through the Foundation and the Oracle Academy.

3.21.3 SAP AG

SAP AG is a German multinational software corporation that makes enterprise software to manage business operations and customer relations. Headquartered in Walldorf, Baden-Württemberg, Germany, with regional offices around the world, SAP is in the market of enterprise applications in terms of software and software-related service.

The company's best-known software products are its enterprise resource planning application systems and management (SAP ERP), its enterprise data warehouse product SAP Business Warehouse (SAP BW), SAP business objects software, and most recently, Sybase mobile products and in-memory computing appliance SAP HANA. SAP is one of the largest software companies in the world.

Creation of long-term values

Those companies, who act responsibly, are better at what they do. They implement the best data security. They make the fewest mistakes. They offer the fastest customer support. They design the most efficient processes that consume the fewest resources. They anticipate risks. Those who act responsibly are appreciated. Appreciation strengthens the bonds of customer and employee loyalty, and builds the most credible public image. Responsible action is therefore neither an end in itself, nor the result of an altruistic attitude.

Software AG's definition of sustainability is not limited to ecological sustainability. It refers more broadly to the creation of long-term values. Relationships to customers, technology, partnerships, investments in our company, and knowledge capital thanks to employees are all values that have existed for many years. These sustainable values benefit all stakeholders and society as a whole. With this edition of the Corporate Social Responsibility report, Software AG provides an overview of its CSR activities for the first time in the company's history.

SOFTWARE AG'S SIX CSR CRITERIA

1. A Global Company
"Knowledge is the only raw material on Earth whose availability is unlimited and doesn't dwindle with use, but rather multiplies."

2. Innovation and R&D
"Have the courage to use your own understanding."

3. Employees and Corporate Culture
"Reason is like a map: it only makes sense when it is used."

4. Business and Ethics
"Freedom is not constituted primarily of privileges, but of responsibilities."

5. Growth and Prosperity
"The path to your goal begins on the day you accept full responsibility for your actions."

6. Good Corporate Citizenship
"Facts don't disappear when you ignore them."

Figure 3.8 Software AG'S Six CSR criteria

3.22 Views of corporate leaders on CSR

Vikas Goswami, CSR Lead, Microsoft India says:

"We have understood that certain issues like providing IT training, skills, techniques and tools to create social and economic opportunities can transform communities and help common people realize their potential. Microsoft's community investment efforts are focused on increasing digital inclusion and bringing the benefits of technology and technology skills to 250 million underserved people worldwide by 2010."

Bidyut. K. Thakar Asst. Vice President & Mentor, Corporate Social Responsibility at CSC India
"The IT Industry is a sunrise industry; however it adopted CSR as one of its core missions quickly", Asst. Vice President & Mentor, Corporate Social Responsibility at CSC India.

Rahul Bedi, Director Corporate Affairs, Intel India says.

"As a socially responsible corporate citizen, Intel India is focused on enhancing lives by helping provide a fair opportunity to education and improved healthcare, as well as, undertaking various community welfare initiatives. Reflecting Intel's global objective of transforming communities through the effective use appropriate technology, Intel India is actively involved in preparing students to succeed in the global economy, spreading awareness of timely healthcare and educating communities on the responsible use of natural resources."

Over the years, as economies have transitioned and experienced different stages of growth, CSR has become an integral and important part of doing business in almost every country.

Georg Kniese, Managing Director, SAP Labs India says.

"To me, engaging in CSR activities is important to any organization irrespective of origin and category but then the importance of such engagements becomes even more critical when a new industry booms in a country and with it the society gets introduced to new opportunities as well as issues."

Lokesh Mehra, Regional Manager Corporate Responsibility for Cisco Systems South Asia says.

"Companies wanting to reach the bottom of the pyramid have to innovate and CSR no longer gets labeled as a 'do-good' but more as a core business opportunity. In short, the goal post for businesses has moved due to society's expectation from them and it is now a generic concern for the "good of all" rather than risk mitigation."

The goal post for businesses has moved due to society's expectations and it is now a generic concern for the "good of all" rather than risk mitigation.

P Ravindranath, Director Public Affairs, HP India, says
"Global Citizenship is an important part of our business, from developing energy-efficient products and managing a responsible supply chain to protecting data privacy and recycling equipment at the end of its useful life."

HP's Ravindranath says.
"We are committed to reducing the environmental impact of our operations, products and services. We design our products to be sustainable throughout their life cycles, offer product reuse and recycling solutions, and set high environmental standards in our operations and supply chain. The HP Planet Partners Hardware Return and Recycling Program offers to take back end-of-life HP computer and printing hardware products. This initiative offers customers an option to dispose and recycle of used computing equipment in a socially and environmentally responsible manner."

HP is working with an approved e-waste recycling vendor in Bangalore. "Waste management is a serious concern. An estimate says that IT in Bangalore produces almost 7,000 tones and India produces nearly 100,000 tones of 'end of life' (products to be recycled) equipment, annually. In the past one year HP has recycled 160 tones of equipment from its facilities," says Ravindranath.

Krishan Dhawan, Managing Director, Oracle India says.

"The whole initiative is known as Oracle Education Initiatives (OEI). We know that the long-term future of our business and the IT industry is reliant upon the next generation of learners and leaders. By investing in the education of today's students and partnering with governments and academic bodies, Oracle is helping students meet the challenges of the information age. Over 4, 00,000 students in Indian schools and colleges benefit from OEI today."

SAP Labs India has a huge emphasis on CSR.
SAP is dedicated to educating today's students so that they can play an active role in tomorrow's economies. On a global level, we do it through our University Alliance Programme and First Lego League programme. On a national and local level; we have customized programmes that suit and meet the local needs of the society," says Kniese of SAP.

3.23 Current Scope & Opportunities

Shifting CSR new challenges and opportunities new industries and new challenges, Although corporate social responsibility in India is and has been predominantly about practices that nourish people, community and cultural values, there has been a new shift in focus of CSR in some new industries such as Information Technology Enterprise Solutions (ITES) and Business Process Outsourcing (BPO), which have emerged from India's globalization. These industries' corporate rationality has different features than older industries, with attendant differences in their approach to CSR.

Breaking the conventional norms of the employer-employee relation, the IT sector has initiated and promoted a friendly and flat structure in corporate India. The work environment and employer-employee relations at all the leading firms is more relaxed and more flexible than the Traditional corporate culture, with first name identification, direct e-mails and performance driven packages all common.

Though a strict hierarchy is still prevalent in the old economy sectors such as manufacturing, services and finance, seniority in sectors like ITES and BPO depends on performance. For years, leading companies in India have focused on products, innovation, competition, process transformations and technology to gain a competitive edge.

However, there is a distinct realization today that while these things all are still important, the key differentiator now is people. The growth of these new industries has made it necessary and inevitable that the new people recruited were professionally trained and qualified. These new people capable, competent and professionally trained have focused on meeting professional goals, climbing the corporate ladder, managing success, responding to complex situations, redefining their role in their company and adjusting to pushes and pulls from multiple systems (Parikh 2002). People are taken to be the most critical factor in achieving high economic performance, according to executives in these industries (Accenture 2007).

"India Inc.", especially the new knowledge based businesses, now faces considerable challenges not the least of which is building and sustaining a workforce that can help it achieve high performance. While companies' core functions have competed against multi-national corporations on a level playing field, human resource management has worsened due to a lack of change and stagnancy (Accenture 2007).

In addition, as Indian companies have begun to play in a global market, they are also under global pressure to improve environmental sustainability, and to act on climate change. Managing the environmental impact of growth is increasingly under the spotlight in India. A recent World Bank report has also identified environmental sustainability as the next great challenge that India faces along in its path to development. According to the report, only half of Indian industries monitored complied with government pollution standards. And these monitoring programs do not cover many small and medium enterprises, which are less able to afford clean technology and pollution controls.

Such evolving social demands for Indian companies have led to a shift in CSR in the begun efforts to turn such challenges into opportunities. In particular, companies have focused on CSR as means of workforce development, and as a reason to become more environmentally responsible and efficient. Ansoff (1980) argues that social demands could present potential opportunities for the firms like the way that they convert external threats into opportunities by aggressive entrepreneurial management.

3.24 A Critique of CSR

Some more radical critics argue that MNEs marginalize local entrepreneurs and small-scale competitors, thereby undermining local economies and traditional employment? They argue that MNEs rarely support local entrepreneurs to generate income and jobs. For the even more critical, selling branded products to the poor is little more than an attempt by MNEs to capture the income of the poor without giving anything in return. At the other end of the spectrum, many investors and corporate executives believe that foreign direct investment will automatically benefit the host country. They argue that all jobs related to the company's activities are additional jobs created, and that technology, skills and expertise will be transferred to local workers and companies. They believe that investment by MNEs will help the country to be better integrated into the global economy and so directly or indirectly, will help to reduce poverty. They argue, there- fore, that host countries should welcome such investment, no matter how much or how little of the wealth that it generates is retained within the country. There are examples around the world of poor countries and communities that have suffered many of the negative impacts described above, while others have benefited significantly from the positive impacts. CSR does not necessarily imply more regulation and less liberalization infact a closer examination of what CSR proponents are saying will reveal that the key point is not the pursuit of profits per se but how profits are on made. Therefore, in some cases further liberalization makes sense as does de-regulation if both are carried out in a socially responsible way where we saw that proliferation of concepts has grown up relating to the area of business in a society - corporate sustainability, corporate citizenship, corporate responsibility, business responsibility, business social responsibility, business reputation, the ethical corporation.

Michael Bryane writes that within the literature focusing on CSR's role in development, 'three "schools of practice" appear to be emerging: the neo-liberal school (focused on self regulation by industry according the risks and rewards as CSR activity) The state-led school (focused on national and international regulation and corporation) and the "third way" school forced on the role of for profit and not –for –profit organizations).yet, each of these school of practice may be critique using theories application cable to the broader field of the development. Namely, the neo-liberal school fails to address the resources misallocation caused by CSR. The state-led

school fail   to address the underlying politics behind government encouraged CSR. The "third way" school fails to address the self-interest involved in CSR.

Michael continues: The CSR discourse appears to signal a new form of co-operation between government, business, and civil society in the promotion of social objectives. Yet, left out of the discourse are e introduction all the difficulties and complexities which development theory lose who wore has been debating for a century. The neo-liberal school stresses CSR" is simply the adequacy of the incentives versus insurance model yet the responsibility fails to address important resource misallocations. The state led school emphasizes the balance between co-operation versus control exercised by the state - yet ignores important contestation political power, by international organizations, national governments, and business Interests, The third sector school notes the new potential for public engagement in policy making but ignores the highly politicized and conflicting nature of that engagement, CSR is part of a larger transformation in the relations between government, business and civil society. (Michael Bryane 2003)

References

[1] Arora A. and J. Asundi, (1999), Quality certification, and the Economics of contract software development: A study of the Indian software industry, NBER working paper 7260, Cambridge MA.

CHAPTER – 4

RESERCH METHODOLOGY

4.1 Introduction

This chapter deals with details of the methodology pursued in this research. It describes the problems, scope and objectives of the study. The terms and concepts used in the study have been operationally defined. It presents the variables selected for the study. Hypotheses have been stated for empirical validation. The procedures followed in selecting the sample of respondents and the tools used for data collection have also been presented here. Finally statistical techniques used for the data analysis and limitations of the study have been discussed. Methodologically it is limited to an empirical analysis of samples selected among the I T companies and data collected through questionnaire.

4.2 Corporate Social Responsibility

Corporate Social Responsibility means the explicit commitment of corporations to a systematic consideration of the social, environmental, ethical and cultural dimensions of their operations. After the review of Corporate Social Responsibility literature, the following working definition has been developed for the purpose of this research: Corporate Social Responsibility means that firms act beyond the economic and legal imperatives and integrate social and environmental concerns in their daily business operations and in their interaction with their stakeholders on a voluntary basis. Corporate social responsibility is a concept whereby companies fulfill accountability to their stakeholders by integrating social and environmental concerns in their business operations (Tanimoto, Suzuki, 2005). Companies will necessarily have to take into account cultural differences and ethical practices when defining their CSR policies and communicating to organizational members. (Bird, Smucker, 2007). When developing these policies, firms need to include the concerns of all relevant stakeholders. This research covers Corporate Social Responsibility as a dependent variable and it is operationally defined in terms of seven factors namely: Accountability, Transparency, Ethical Behavior, Respect for Stakeholder Interests, and Respect for the rule of law, Respect for international norms of behavior and Respect for human rights.

4.3 Statistical Analysis

The data collected from different sources were computed, classified, tabulated, analyzed and interpreted. The following statistical techniques were used to analyze and interpret the tabulated data: mean percentage, standard deviation, F test, z test, chi-square test, correlation analysis, regression analysis, and one-way ANOVA.

Frequency and percentage was calculated for all the socio demographic variables of the respondents from the companies. Mean and standard deviation was worked out for dimension-wise and overall variables of corporate social responsibility.

Chi-square analysis was used to test the variation with respect to socio demographic characteristics between small, large and multinational companies of Information Technology industry. Further, the same test was used to measure the association between socio demographic variables with corporate social responsibility. One way ANOVA was done to know the statistical significance on the response between companies based on the dimensions of corporate social responsibility.
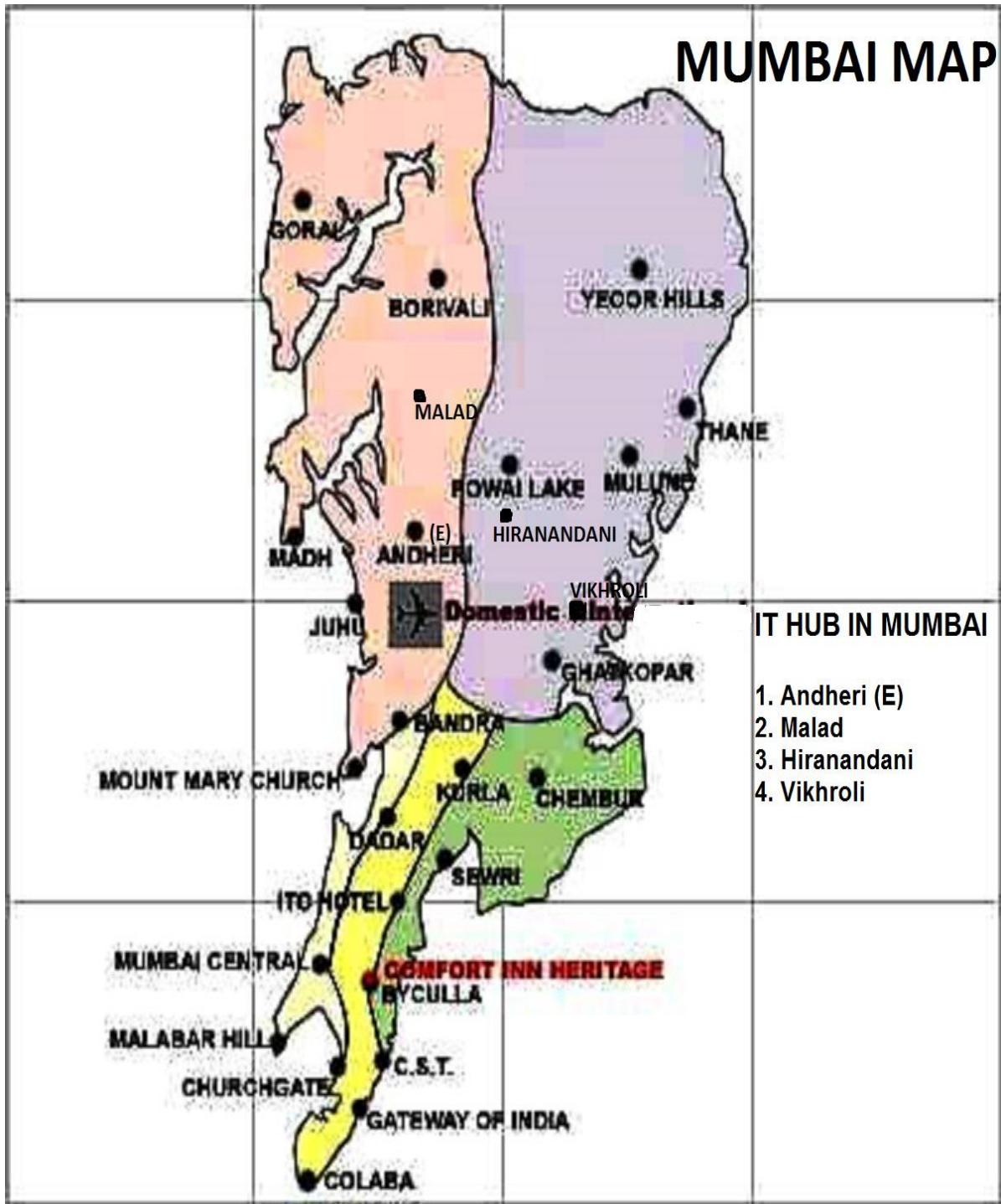
Map of Mumbai the location mention in the Map maximum I T companies operate from this area and survey conducted by researcher for the study

Figure 4.1 IT Hubs in Mumbai

Sr. No.	Type of Company	Number of companies
1	Animation & Gaming	4
2	BPO	54
3	Business	5
4	Corporates	1
5	Education & Training	5
6	Embedded	18
7	Engineering	18
8	Financial Institutions & VC	7
9	Insurance	7
10	Internet & Ecommerce	14
11	IT Services	117
12	Legal & Regulatory	4
13	Management Consultants & Certifications	5
14	Product	73
15	Professional Services	4
16	Public Sector	1
17	R&D	23
18	Real Estate & Infrastructure	5
19	Services & Solutions	5
20	Staffing	5
21	Telecom Services	2
22	Trade & Investment	1
	Total Companies	378

Table 4.1 NASCOM member companies category wise

NASCOM Data, the researcher has contacted these companies as resources of primary data of IT companies in Mumbai.

4.4 Research Methodology

Research design is an important stage in the process of conducting the "Research". Research design is nothing but scheme of work to be undertaken by a researcher at various stages. It is a systematic work of research. It acts as a guide to achieve the decided goals of a researcher step by step. The best design depends on the research questions. Decisions regarding what, when, how much, by what means etc constitute the research design. For this method the researcher has made a list of mix questionnaire (having open & closed ended questions) which is designed on the basis of guidelines provided by the faculty.

The methodology used for carrying out the report. The Types of Data Source for the present research work, primary as well as secondary data used. Research is broadly classified into two sections. Various statistical tools used to suggest and analyze the primary and secondary data. Tools of collecting Primary Data: The information collected directly from the line Managers, HR executive and Employees of the IT industry.

4.4.1 Questionnaire and Surveys

This includes range of response questions, close ended questions, providing answers to specific responses or on a numeric scale.

4.4.2 Interview

Develop the questions for interview which include open-ended questions and close ended questions after carefully eliminating misleading questions.

4.4.3 Sampling Technique

The study is conducted through using Random sampling. All these data help in formulating a comprehensive case study. All Sample units personally contacted and interviewed. Tools of analyzing Secondary Data: Various statistical tools also used to analyze the secondary data.

Document Review: Obtaining the actual forms and operating documents currently being used. Reviewing blank copies of forms and samples of duly filled in form.

Observation: Analyzing Annual Reports and Press releases, verifying the Statements made during the interviews.

Preparation of secondary data

The sources of information for the secondary data presented in this section are based on the following.

From books: Both Indian as well as foreign Publications, Libraries of various Institutions such as British Council library, Tilak Maharastra Vidyapeeth, University of Mumbai, Jamanalal Bajaj Institute of Management and Research and Tata Institute of Social Science, were extensively used.

Web Search: The information's related to regions outside are collected from internet and other Published Papers.

Various Policies: Policies related to the study area are collected from various Government publications, reference books, Journals, published data from time to time.

Research of Journals: Periodicals, Technical Materials, Electronics, Internet Search, Professional Meetings, Seminars and Discussions, Site visits.

Records: Reports, Operational Logs, Data Entry Documents, Complaints and Various Types of Forms.

`

CHAPTER - 5

DATA ANALYSIS & DATA INTERPRETATION

5.1 Overview

This chapter deals with representation, analysis of data and interpretation of results. The data collected through structured Questionnaire, from executives and has been analyzed using Karl Pearson's Correlation Coefficient, Chi Square Cross Tabulation analysis, One Way Analysis of Variance (ANOVA). These analyses have been done on each independent and dependent variable independently and in group.

The sole purpose of the study was to find relationship between Corporate Social Responsibility and company's Nature of business, ownership structure, turnover, employee strength, Corporate Governance, etc. It was also an intention of the researcher to find out the difference between the types of companies such as small, large and multinational companies with respect to Corporate Social Responsibility.

Further, Chi-square Cross tabulation was computed to find out the association between the dependent and independent variables and with socioeconomic variables such as type of structure of the company, turnover, and gender balance.

The chapter has been organized under the following sections
1. Data representation
2. Chi-Square Cross tabulation to test if the variables are statistically associated with each other significantly.
3. One way Analysis of Variance (ANOVA) to know the performance of Corporate Social Responsibility among sample companies

5.2 Data Representation

The data for the research was obtained from 49 companies including Private Limited, Public Limited and Multinational Companies with annual turnover ranging from Rs. 11Cr to Rs.500 Cr & above.

Q1. Nature of Business

Sr. No.	Type of Company	Number of companies
1	Animation & Gaming	4
2	BPO	54
3	Business	5
4	Corporates	1
5	Education & Training	5
6	Embedded	18
7	Engineering	18
8	Financial Institutions & VC	7
9	Insurance	7
10	Internet & E-Commerce	14
11	IT Services	117
12	Legal & Regulatory	4
13	Management Consultants & Certifications	5
14	Product	73
15	Professional Services	4
16	Public Sector	1
17	R&D	23
18	Real Estate & Infrastructure	5
19	Services & Solutions	5
20	Staffing	5
21	Telecom Services	2
22	Trade & Investment	1
	Total Companies	378

Table 5.1 Type of Companies in Mumbai
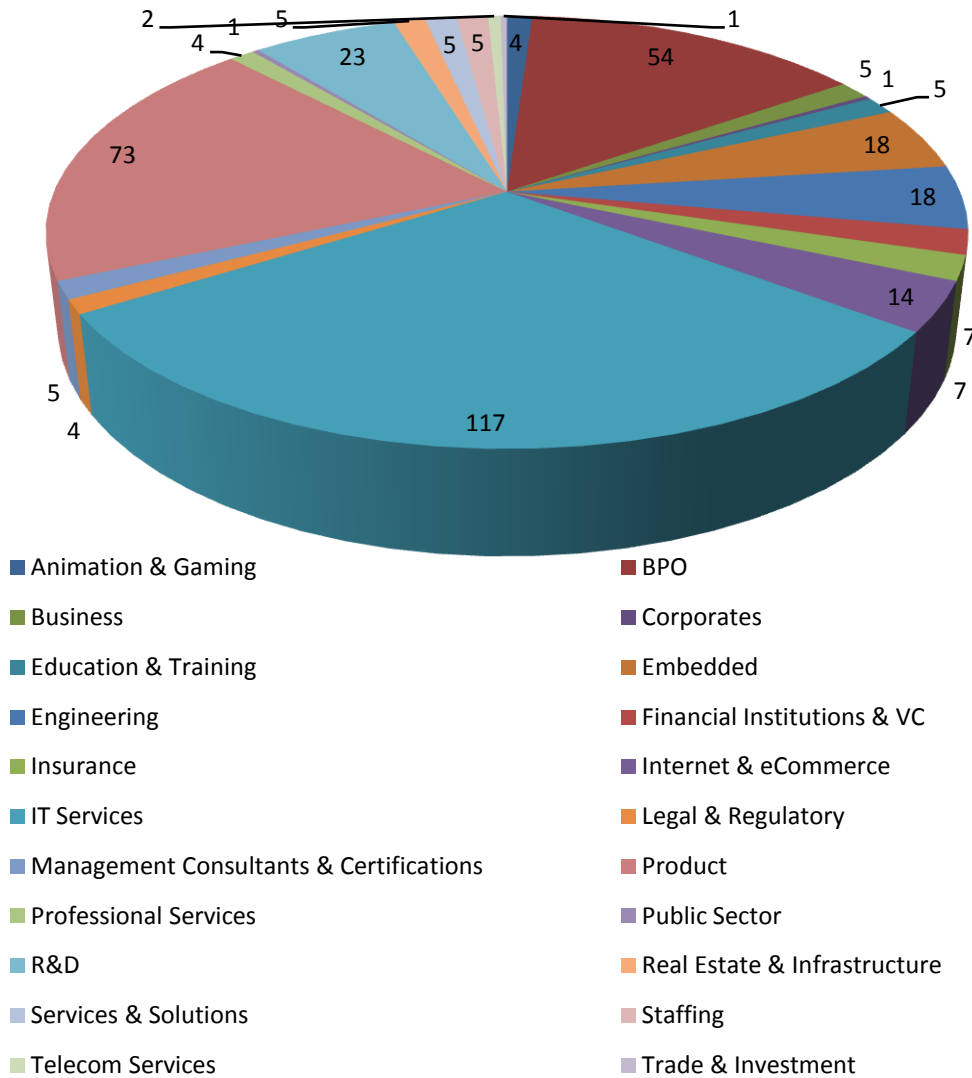
Figure 5.1 shows the classification of IT companies on the basis of type of companies.

Analysis: - 31% share cover by IT Services companies, second largest share will be taken by product base companies (19%), followed by others.

Q2. Ownership Structure

Proprietorship	Private LTD	Public LTD	MNC
5	28	8	10

Table 5.2 Ownership Structure
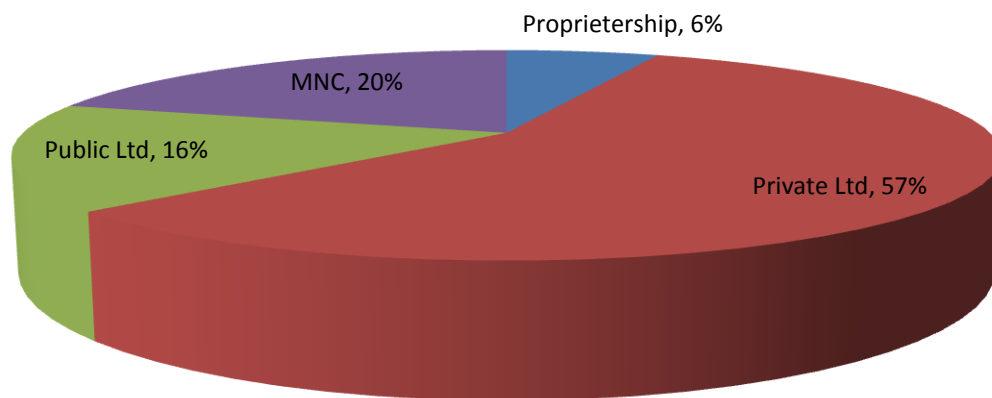
Figure 5.2 shows the classification of respondent companies on the basis of their ownership structure.

Analysis: - More than half of the responding companies belong to Private Limited ownership structure (i.e. 57%). Whereas Proprietorship types IT companies were reluctant in sharing their information about CSR and hence we have very small percentage of our respondent from Proprietorship type ownership structure. (6%).

Q3. Companies Annual Turnover

11Cr to 50 Cr	51Cr to 100Cr	101Cr to 500 Cr	500Cr & Above
9	12	12	16

Table 5.3 Companies Annual Turnover
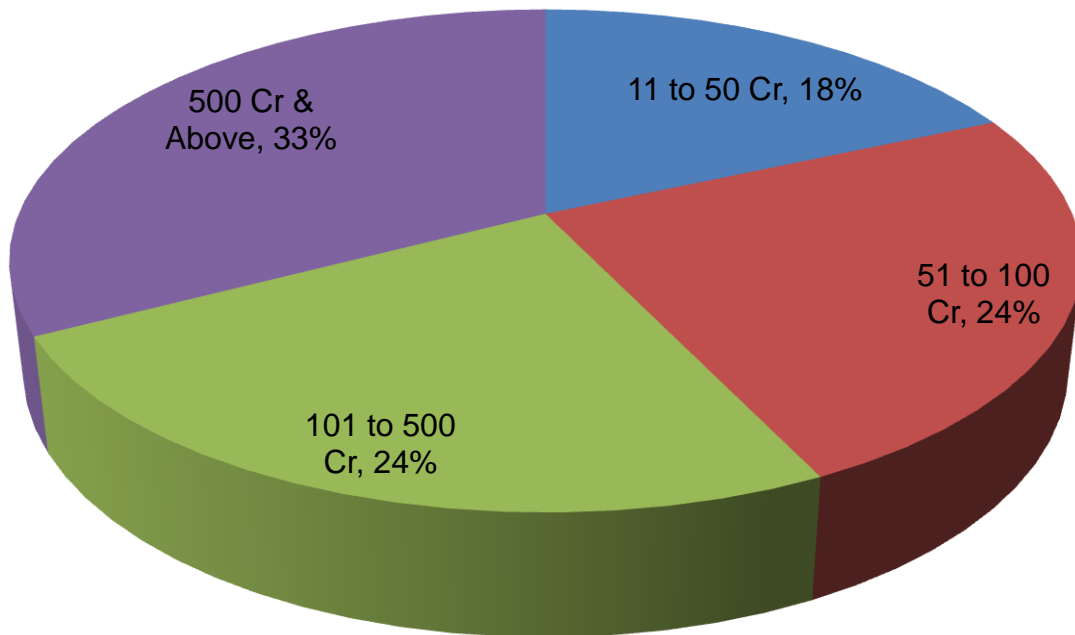
Figure 5.3 shows the classification of respondent companies on the basis of their Annual Turnover.

Analysis: - 33% of the companies have turnover 500 Cr & above, second place is share by middle level companies having turnover 51 to 100 Cr and 101 to 500 Cr, the share will be 24%.

Q4. Total no. of employees

0 to 500	501 to 10000	Above 10001
17	16	16

Table 5.4 Total no. of employees
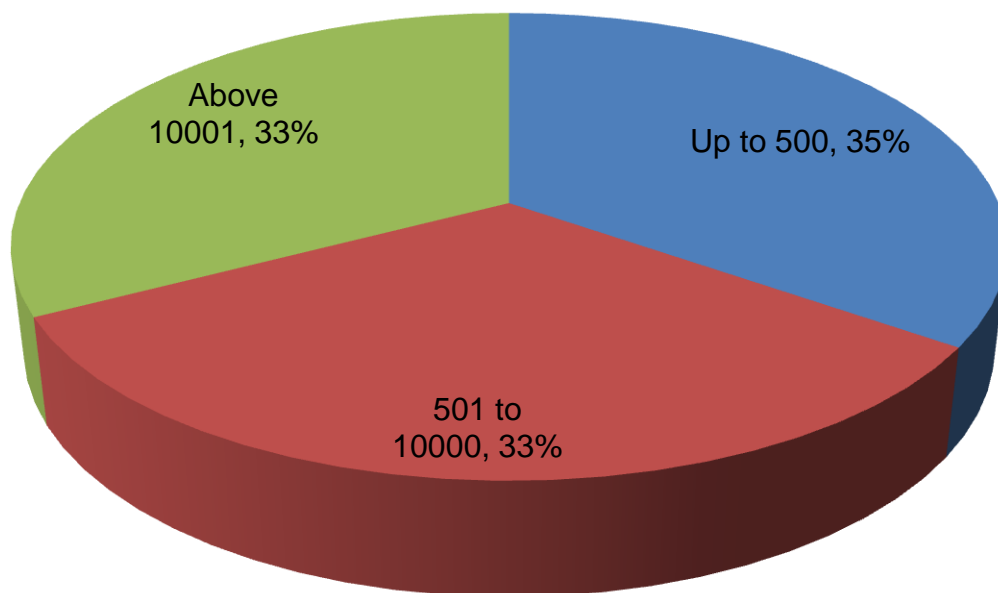
Figure 5.4. Shows the classification of respondent companies on the basis of their Employee Distribution.

Analysis: - 35% of the companies having employs up to 500. Second place share by the companies with higher number of employees (33%).

Q5. Female Percentage in Total Employee strength.

Up to 19%	20% to 29%	30% to 39%	Above 40%
4	25	16	4

Table 5.5 Female Percentage in Total Employee strength.
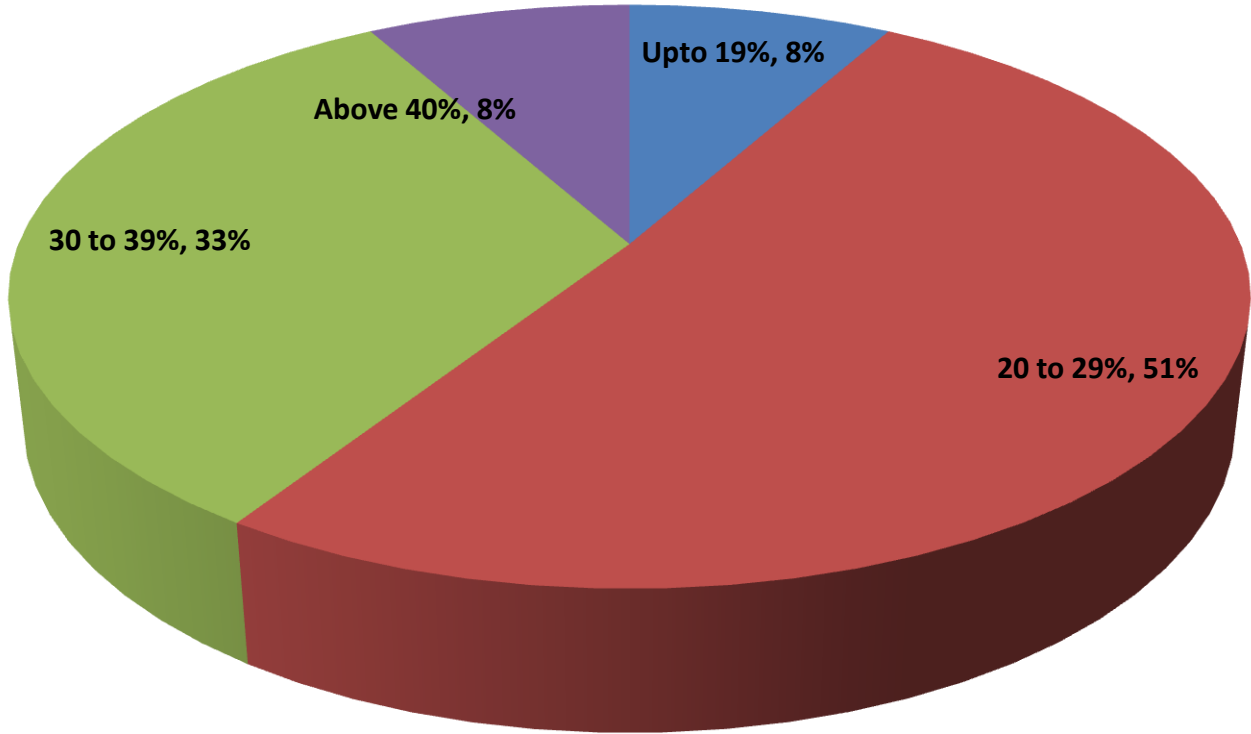
Figure 5.5. Shows the classification of respondent companies on the basis of their Female % in Total Employee strength.

Analysis: - More than half of the responding companies having more female staff in their body (51%), rest sectors follow as per figure.

Q6. Women, as the members of existing board of directors.

Question	Yes	No	Can't say
Are women, the members of existing board of directors?	9	40	0

Table 5.6 shows Women as the members of existing board of directors
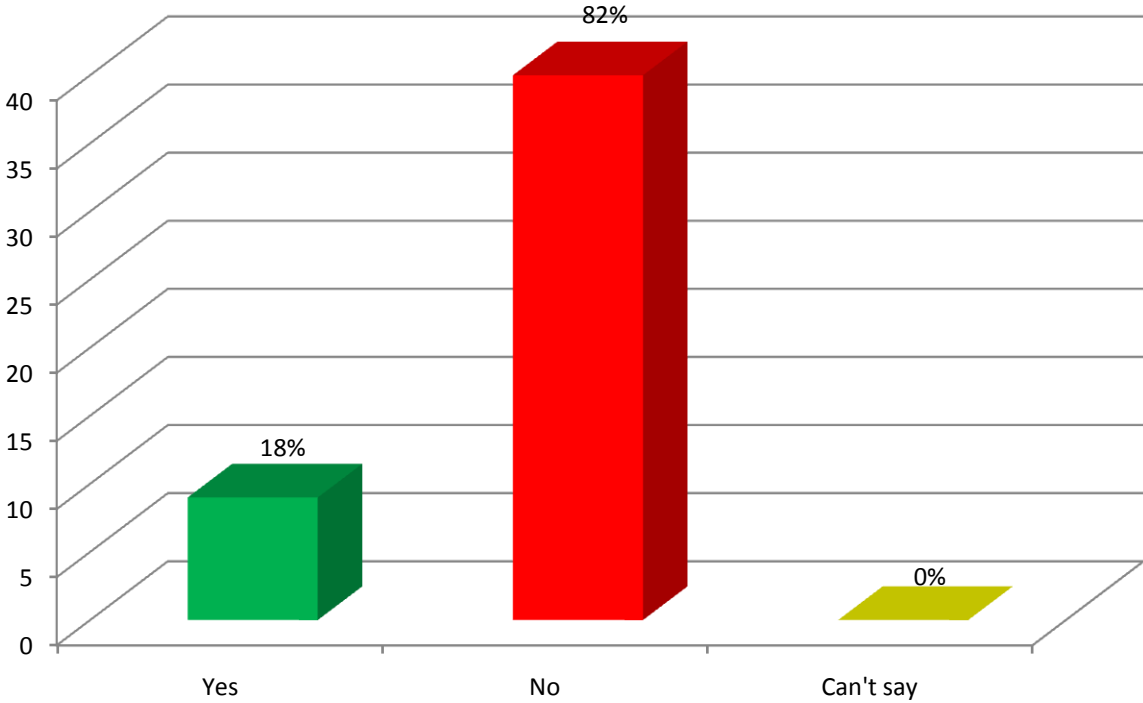
Figure.5.6. shows Women as the members of existing board of directors

Analysis: - More than 80% of the responding companies say they don't have women, as the members of existing board of directors, rest responds follows as per figure.

Q7. Does a Board committee exist for the function of CSR sustainable development / corporate citizenship?

Question	Yes	No	Can't say
Does a Board committee exist for the function of CSR sustainable development / corporate citizenship?	24	20	5

Table 5.7. Shows Board committee exists for the function of CSR sustainable development / corporate citizenship.
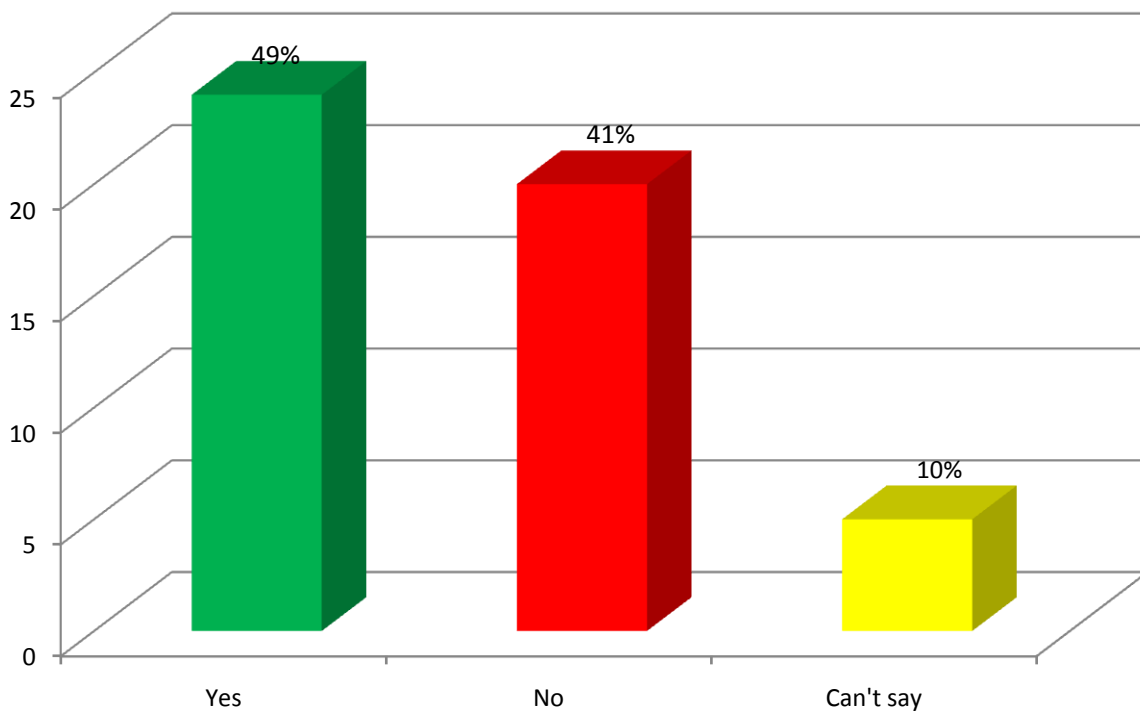
Figure.5.7. shows Board committee exists for the function of CSR sustainable development / corporate citizenship.

Analysis: - we got mix response as above figure suggest 49% responding companies have committee for CSR, & 41% don't have any committee.

Q8. Does the company have a code of ethics / policy in relation to corporate governance, dishonesty, corruption or unethical behavior?

Question	Yes	No	Can't say
Does the company have a code of ethics / policy in relation to corporate governance, dishonesty, corruption or unethical behavior?	49	0	0

Table 5.8. Shows the company have a code of ethics or policy in relation to corporate governance, dishonesty, corruption or unethical behavior
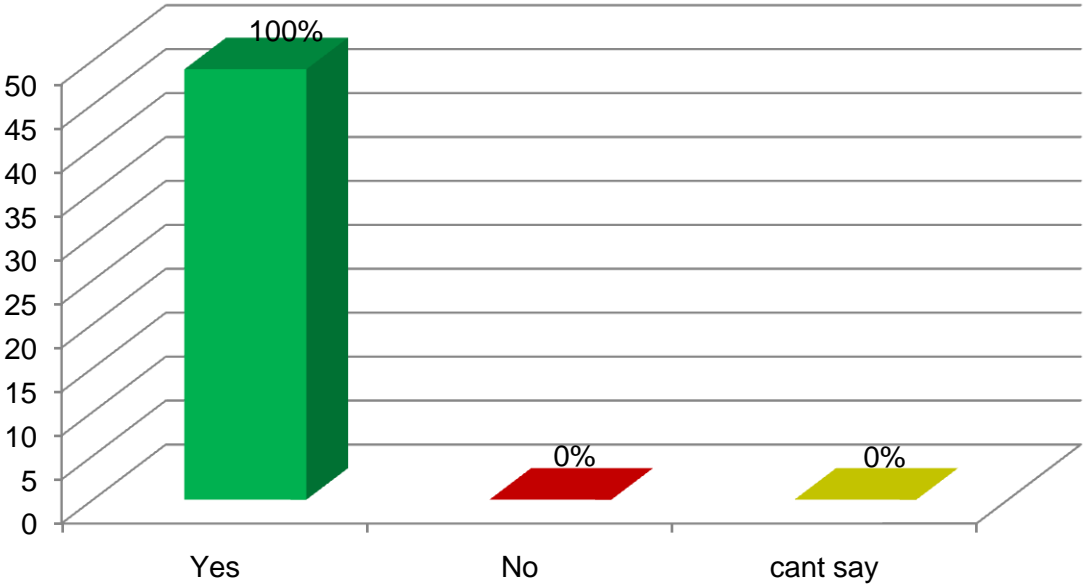
Figure.5.8. shows the company has a code of ethics or policy in relation to corporate governance, dishonesty, corruption or unethical behavior

Analysis: - Figure shows 100% response for code of ethics or policy in relation to corporate governance, dishonesty, corruption or unethical behavior.

Q9 Does the company provide training to all employees against dishonesty, corruption and unethical behavior?

Question	Yes	No	Can't say
Does the company provide training to all employees against dishonesty, corruption and unethical behavior?	15	20	14

Table 5.9. Shows the company provides training to all employees against dishonesty, corruption and unethical behavior.
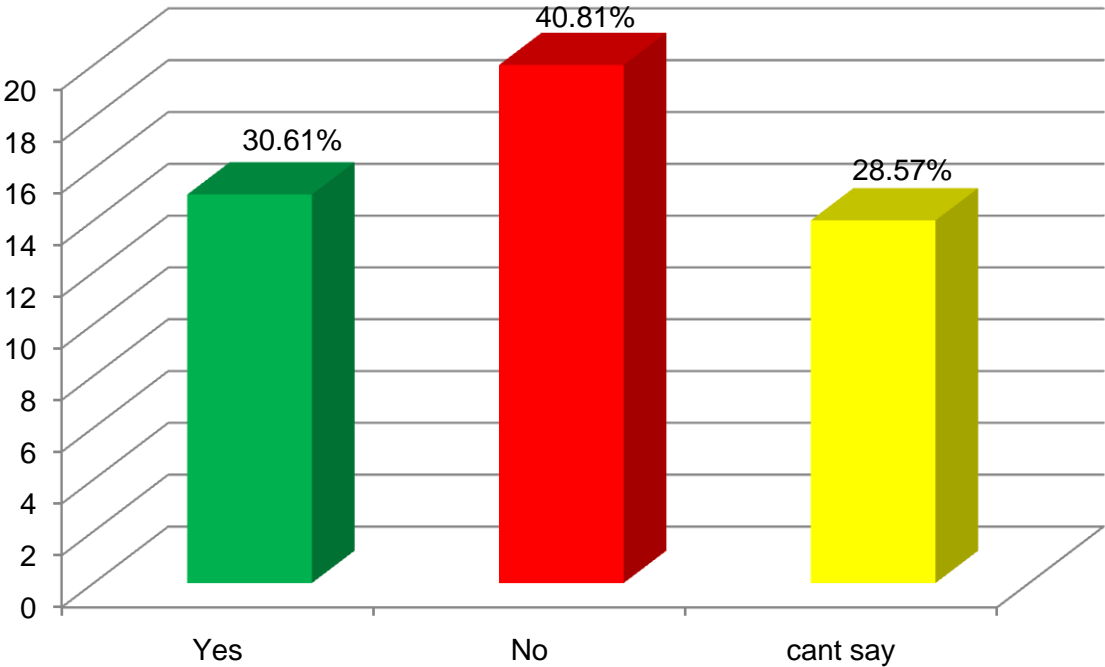
Figure. 5.9. Shows the company provides training to all employees against dishonesty, corruption and unethical behavior.

Analysis: - On the basis of research survey studies shows that only (30%) companies provide training to their employee against dishonesty, corruption and unethical behavior,

Q10. Does the company undertake a risk assessment with respect to the country's labour, human rights violation and environmental concerns?

Question	Yes	No	Can't say
Does the company undertake a risk assessment with respect to the country's labour, human rights violation and environmental concerns?	5	22	22

Table 5.10. Shows the company undertakes a risk assessment with respect to the country's labour, human rights violation and environmental concerns.
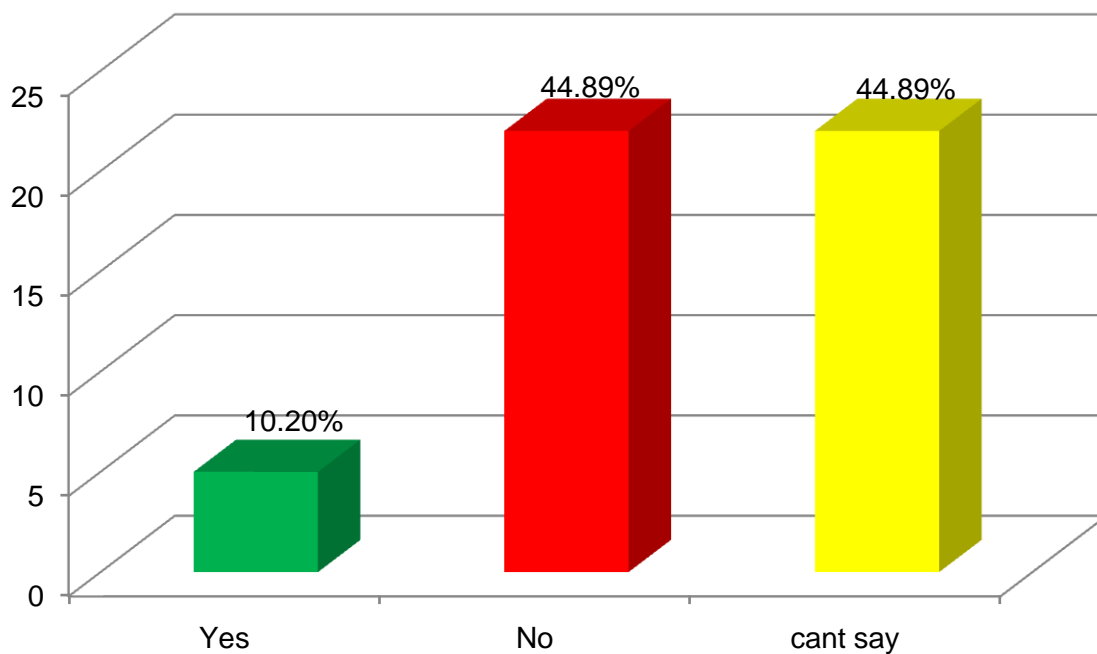
Figure. 5.10. Shows the company undertakes a risk assessment with respect to the country's labour, human rights violation and environmental concerns.

Analysis:- figure suggest that companies are less interested in Risk assessment, as only 10% of total respondent do risk assessment, rest as shown in figure.

Q11. Has the company identified emergency situations like process failures, accidents, storms, floods, or other events that pose a threat to human or the environment?

Question	Yes	No	Can't say
Has the company identified emergency situations like process failures, accidents, storms, floods, or other events that pose a threat to human or the environment?	4	26	19

Table 5.11. Shows the company identified emergency situations like process failures, accidents, storms, floods, or other events that pose a threat to human or the environment.
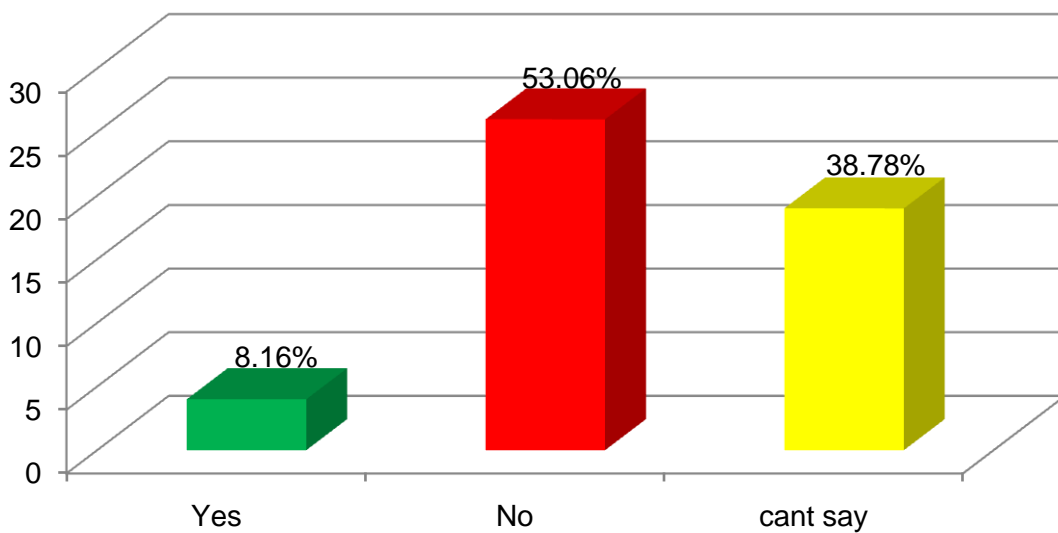
Figure. 5.11. Shows the company identified emergency situations like process failures, accidents, storms, floods, or other events that pose a threat to human or the environment.

Analysis: - figure suggest that companies are less interested in identifying emergency situations, as only 8% of total respondent reply yes, rest as shown in figure.

Q12. Has the company established a tracking system to identify and monitor staff, ethics, health, safety and environmental laws?

Question	Yes	No	Can't say
Has the company established a tracking system to identify and monitor staff, ethics, health, safety and environmental laws?	15	10	24

Table 5.12 shows the company established a tracking system to identify and monitor staff, ethics, health, safety and environmental laws.
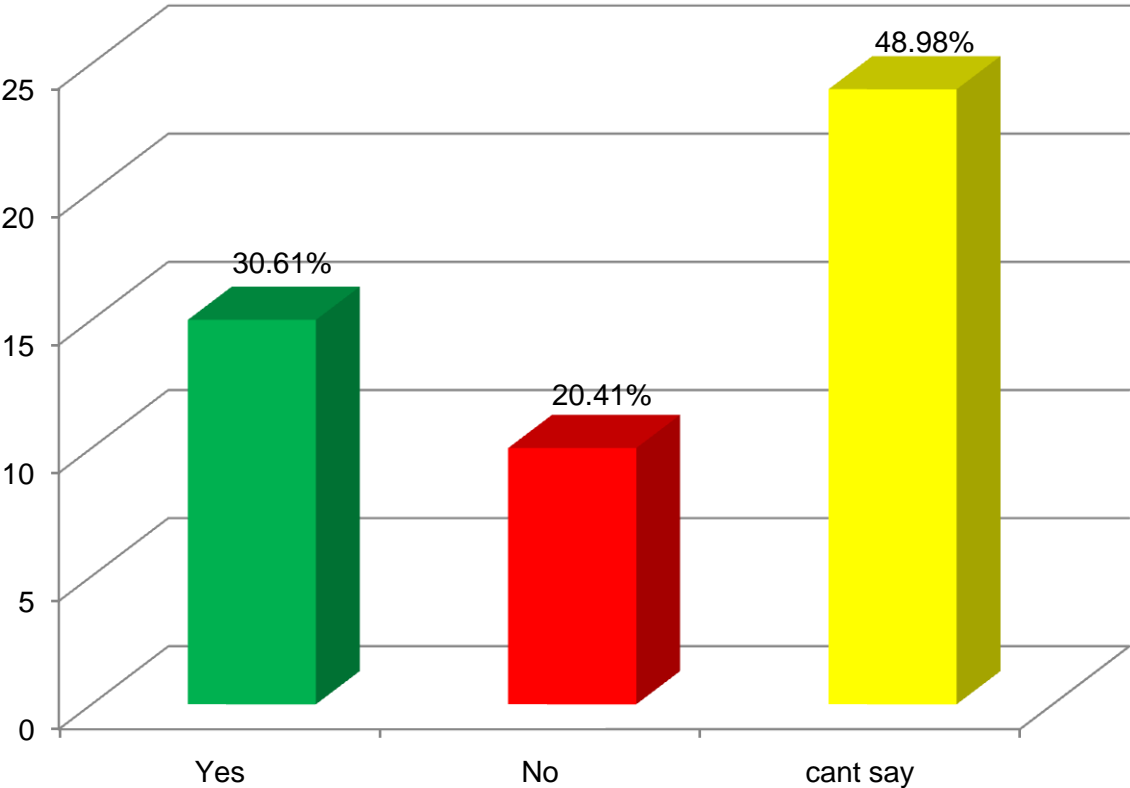
Figure. 5.12 show the company established a tracking system to identify and monitor staff, ethics, health, safety and environmental laws.

Analysis: - shows mix results as most of the companies reply was can't say (50%).

Q13. Does the company have a policy statement/ code of conduct or stated commitments?

Question	Yes	No	Can't say
Does the company have a policy statement/ code of conduct or stated commitments?	32	0	17

Table 5.13. Shows the company has a policy statement/ code of conduct or stated commitments.
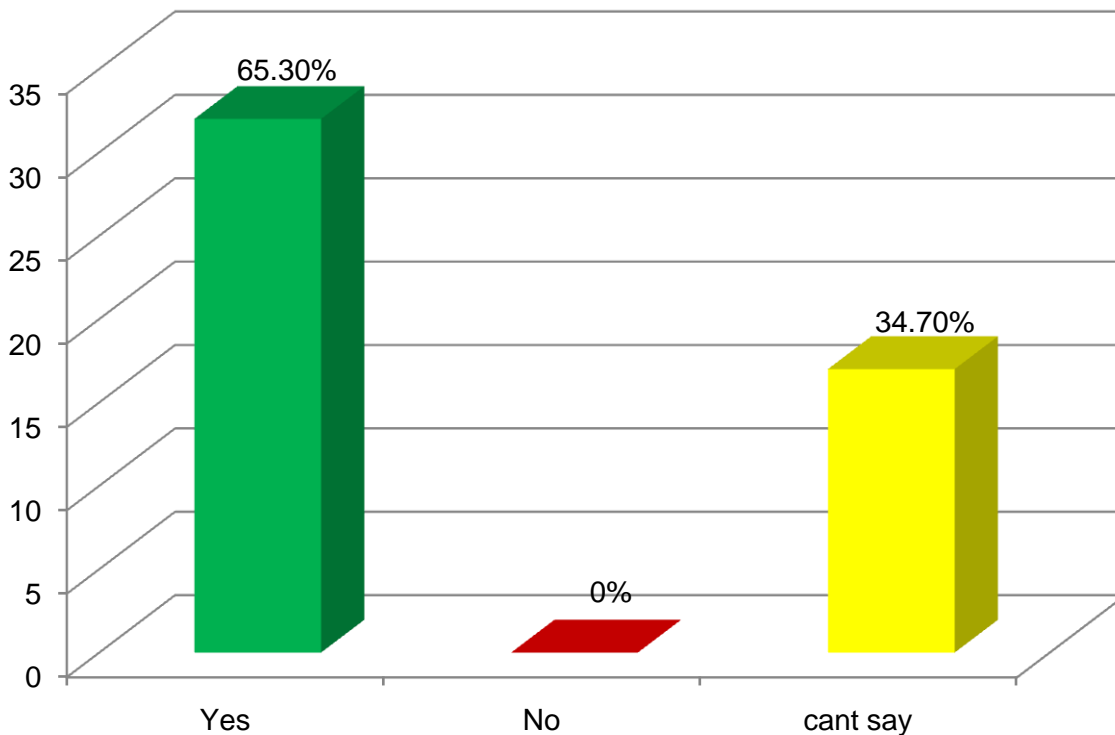
Figure. 5.13. Shows the company have a policy statement/ code of conduct or stated commitments

Analysis: - It shows that maximum no. of companies (65%) have a policy statement/ code of conduct or stated commitments

Q14. Does the company make publically available these codes of conduct, policy statements?

Question	Yes	No	Can't say
Does the company make publically available these codes of conduct, policy statements?	29	17	3

Table 5.14. Shows the company makes publically available these codes of conduct,   policy statements.
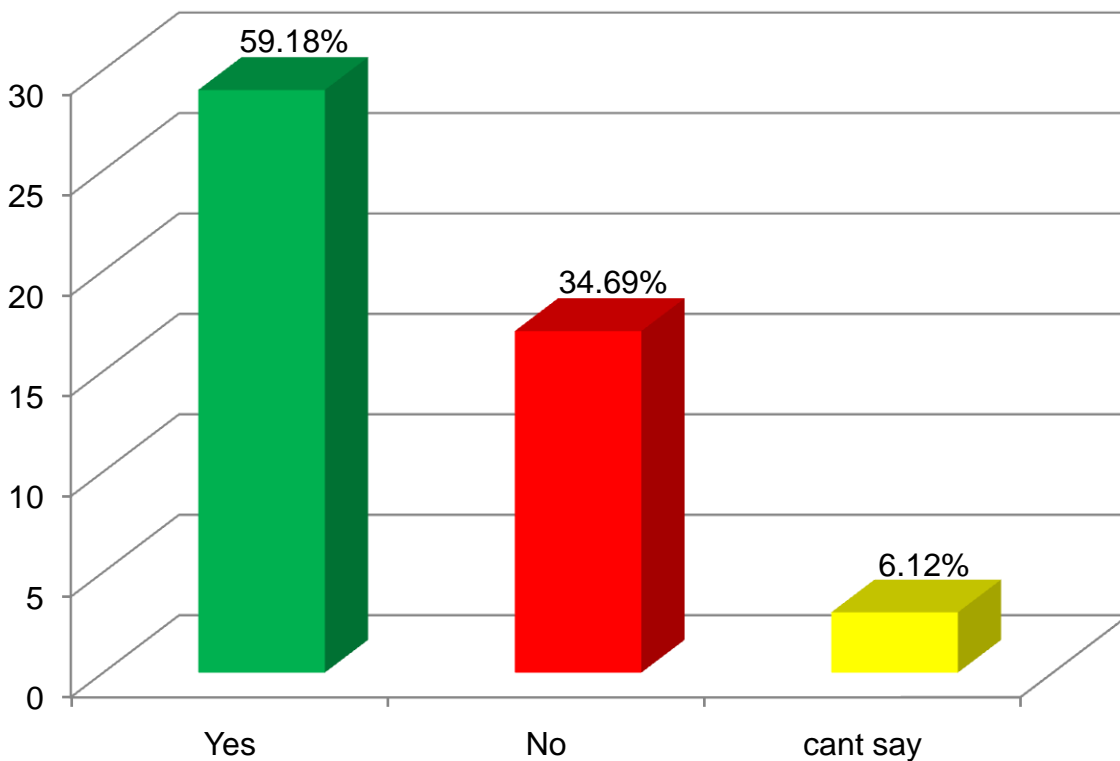
Figure. 5.14. Shows the company makes publically available these codes of conduct, policy statements.

Analysis: - More than 50% of companies make publically available these codes of conduct, policy statements

Q15. Has the company sought independent third party assurance / audit / public reports?

Question	Yes	No	Can't say
Has the company sought independent third party assurance / audit / public reports?	10	22	17

Table 5.15. Shows the company sought independent third party assurance / audit / public reports.
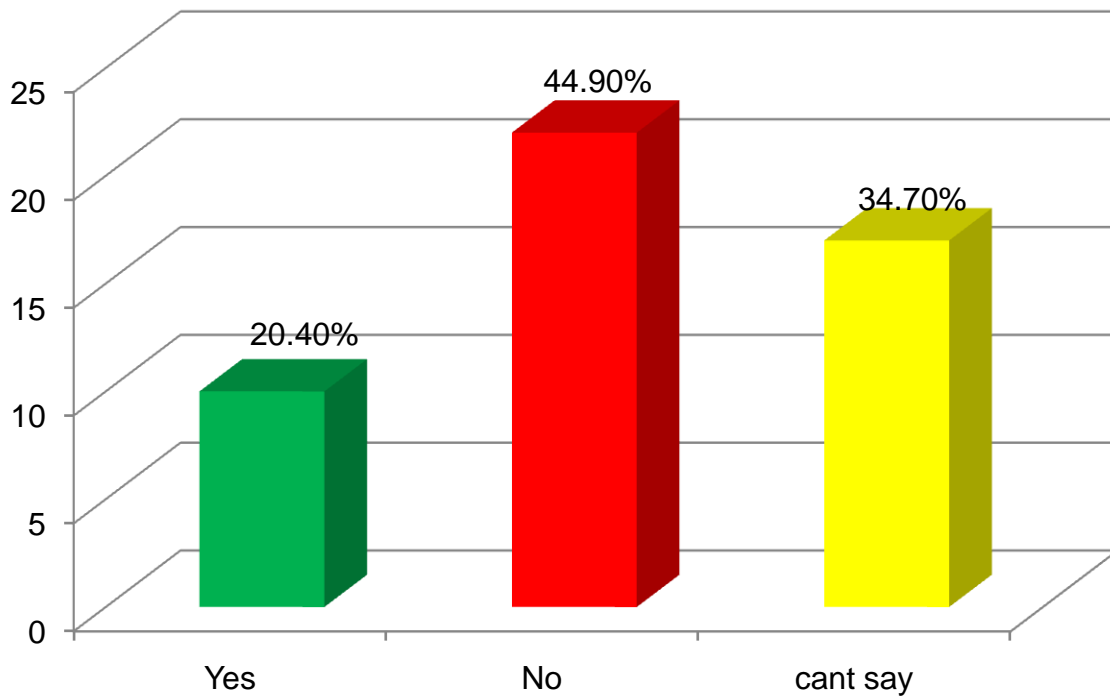
Figure. 5.15. Shows the company sought independent third party assurance / audit / public reports.

Analysis: - This shows that companies have least trust on third party assurance / audit / public reports.

Q16. Has the company allocated certain percentage of their budget annually for CSR?

Question	Yes	No	Can't say
Has the company allocated certain percentage of their budget annually for CSR?	35	10	4

Table 5.16. Shows the company allocated certain percentage of their budget   annually   for CSR.
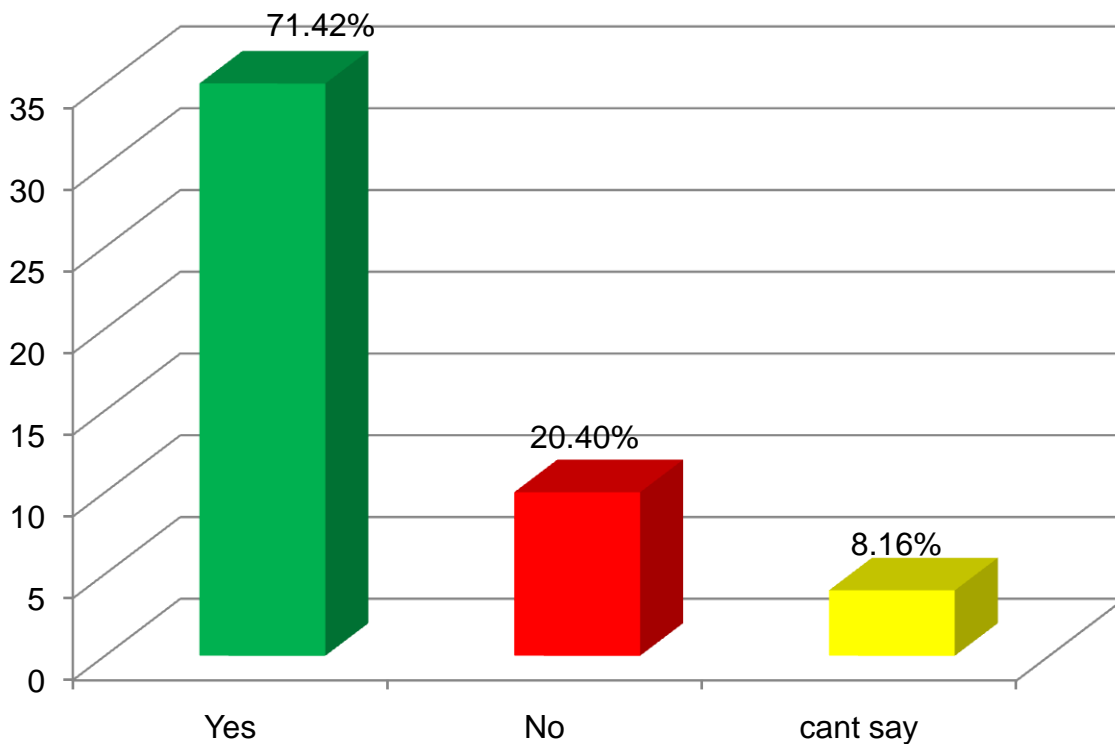
Figure. 5.16. Shows the company allocated certain percentage of their budget annually for CSR.

Analysis: - Maximum no. of companies (71%) allocates certain percentage of their budget annually for CSR.

Q17. Does the company takes Initiative for awareness and importance about CSR?

Question	Yes	No	Can't say
Initiatives taken by the company for awareness and importance about CSR?	35	8	6

Table 5.17. Shows Initiatives taken by the company for awareness and importance about CSR.
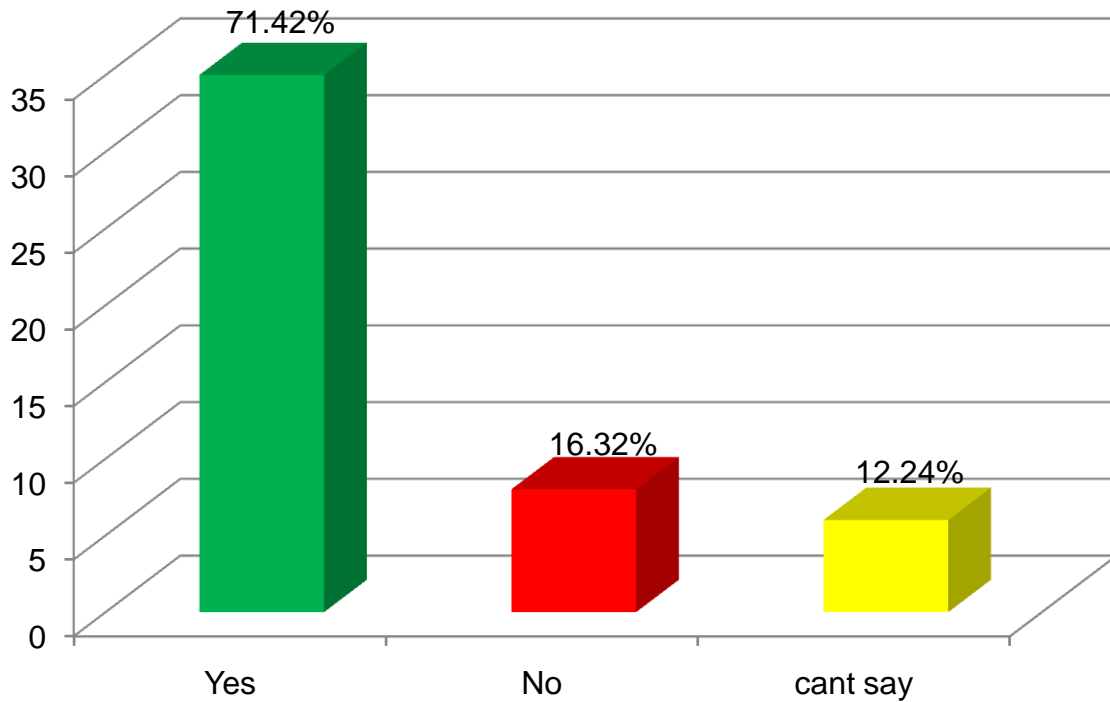
Figure. 5.17. Shows Initiatives taken by the company for awareness and importance about CSR.

Analysis: - Companies are very much active about CSR initiatives, as 71% respondents reply yes.

Q18. Does the company have Training and awareness programs?

Question	Yes	No	Can't say
Training and awareness programs.	32	7	10

Table 5.18. Shows Training and awareness programs.
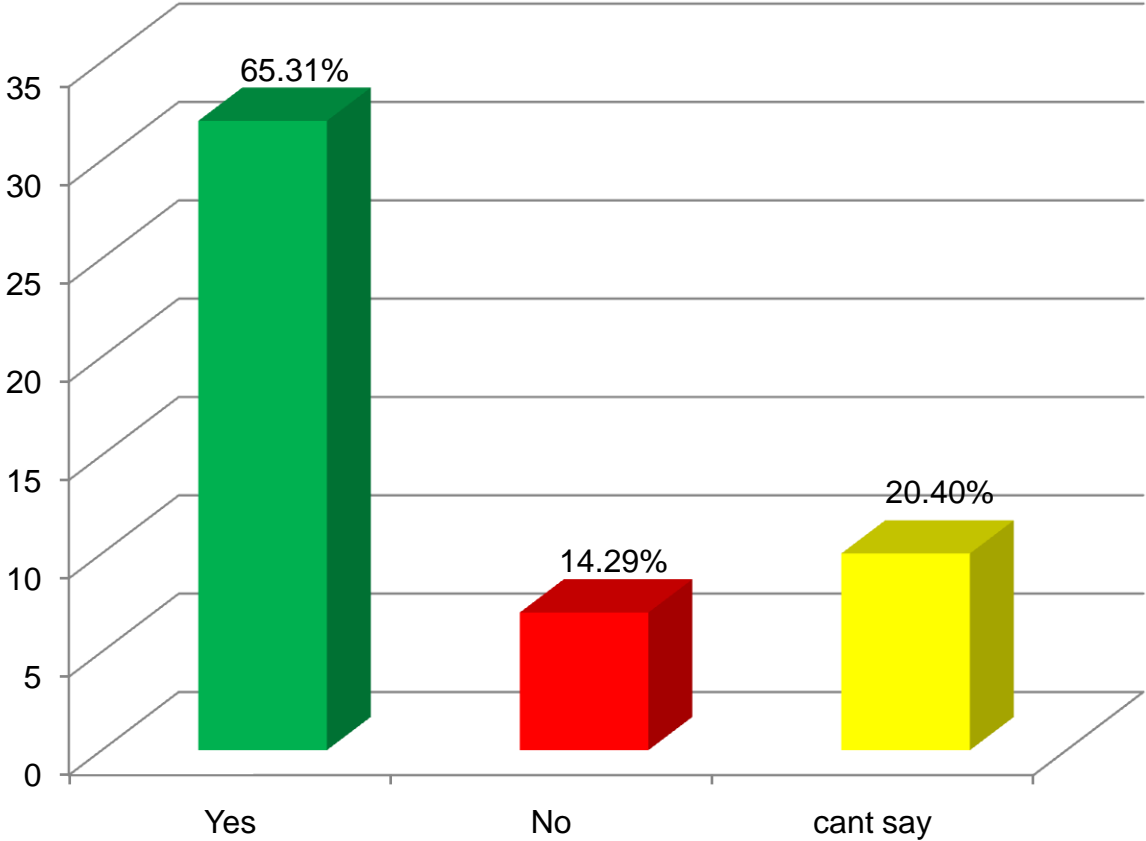
Figure. 5.18. Shows Training and awareness programs.

Analysis: - Maximum no. of companies takes part in Training and awareness programs i.e. 65% reply yes.

Q19. Does the company have Internal Communications (e.g. Bulletin boards, intranet, etc?)

Question	Yes	No	Can't say
Internal Communications (e.g. Bulletin boards, intranet, etc)	25	15	9

Table 5.19. Shows Internal Communications (e.g. Bulletin boards, intranet, etc)   circulate by company.
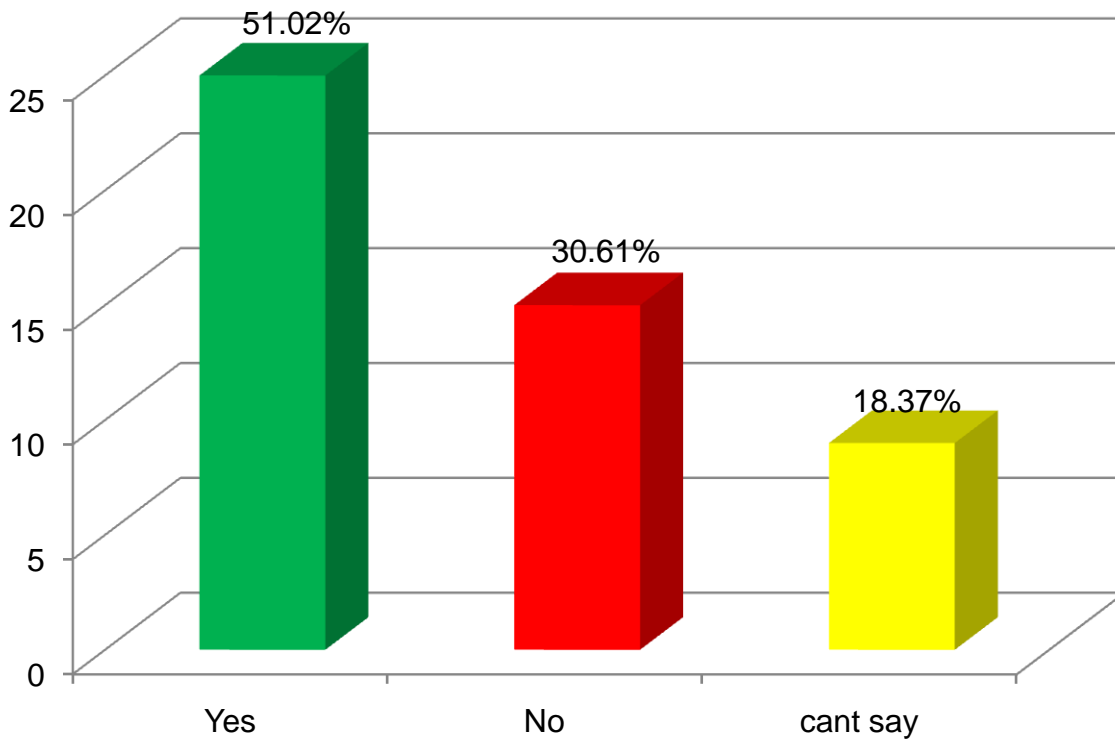
Figure. 5.19. Shows Internal Communications (e.g. Bulletin boards, intranet, etc) circulate by company

Analysis: - More than 50% companies circulate communications in the company, rest as shown in figure.

Q20. Does the company have Management briefing?

Question	Yes	No	Can't say
Management briefing.	20	25	4

Table 5.20 shows Management briefing by company.
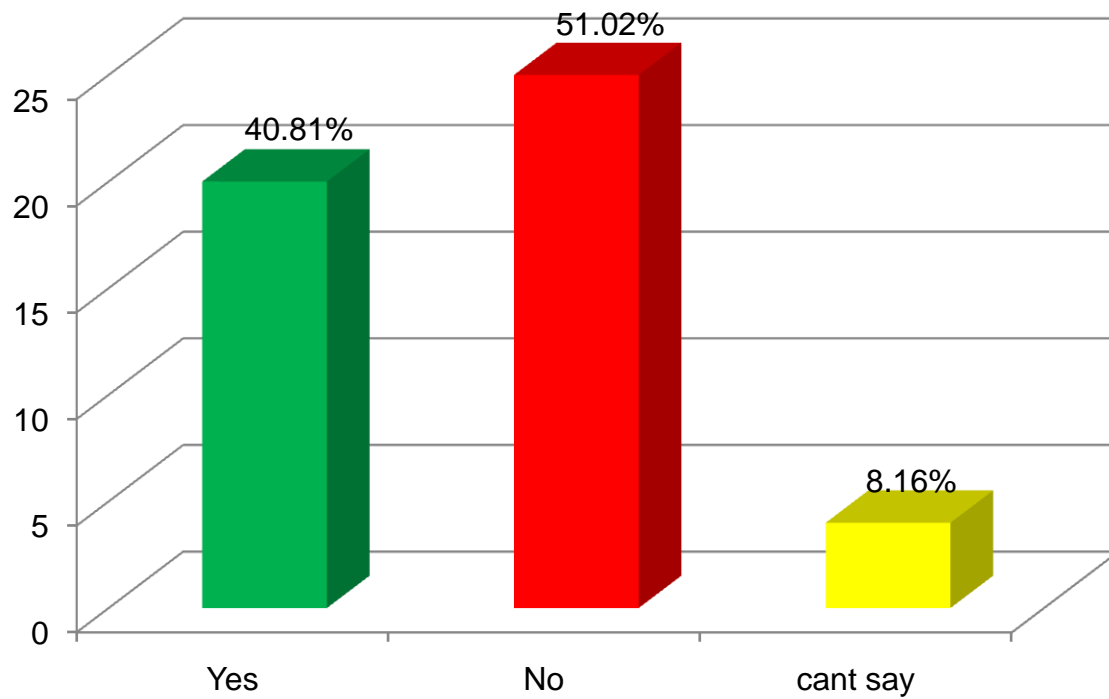
Figure. 5.20 show Management briefing by company.

Analysis: - It gives mix results as shown in figure yes & no replies are almost same.

Q21. Why is the company interested in CSR?

Competitive Environment	Community Beneficiary	Social Concern	Business Performance	Regulatory Obligations	Philanthropy	Differentiation Opportunities	Tax Benefits
25	27	28	32	37	25	10	40

Table 5.21. Shows the classification of respondent companies on the basis of why is the company interested in CSR.
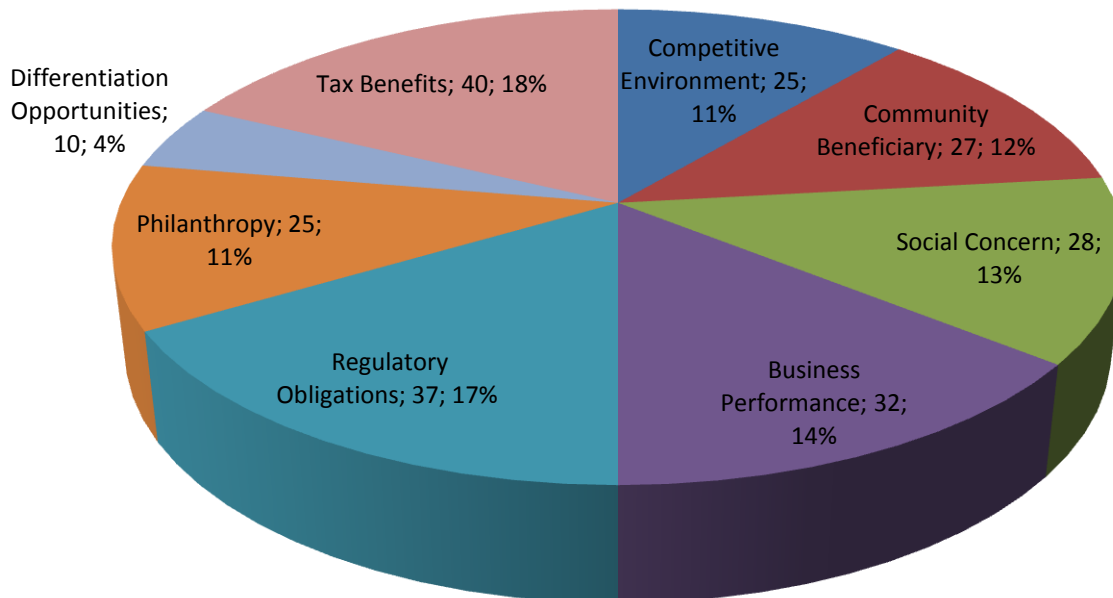
Figure 5.21. Shows the classification of respondent companies on the basis of why is the company interested in CSR.

Analysis: - It shows maximum number of companies do CSR for Tax Benefits (18%) & Regulatory obligations, rest will follow as per diagram.

Q22. Has an employee within the company, given responsibility for the CSR Activity?

Environmental Issues	Health and Safety Issues	Employee Welfare	Social Issues	Procurement Practices	Product Responsibility
5	27	45	38	17	32

Table 5.22 has an employee within the company, given responsibility for the CSR Activity
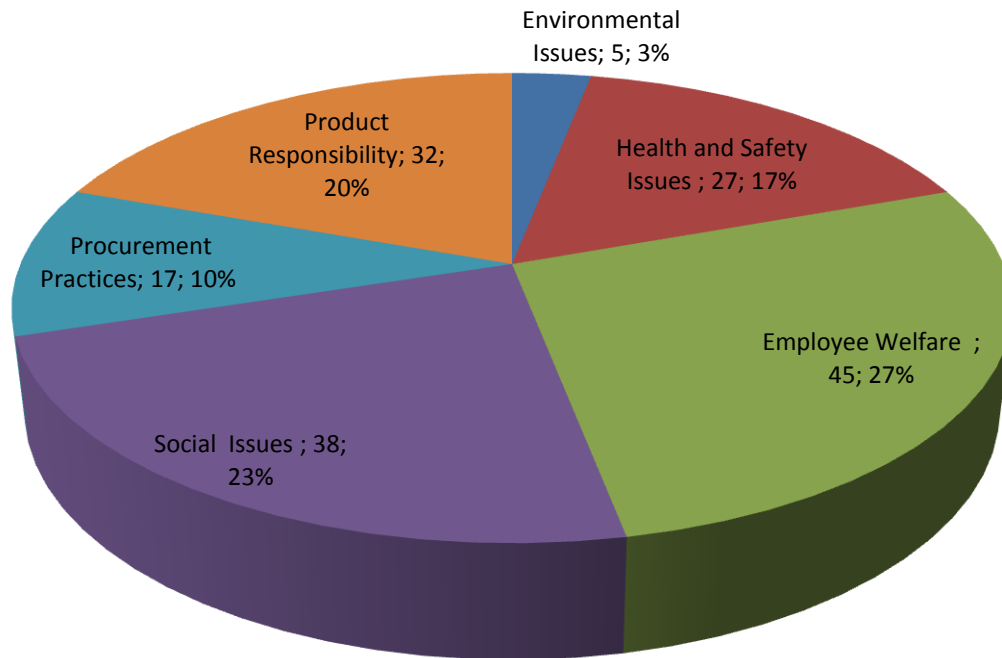
Figure 5.22. Shows the classification of respondent companies on the basis of has an employee within the company, given responsibility for the CSR Activity.

Analysis: - It shows maximum is Social issues (38%), and then Employee welfare (27%), rest follows as per diagram.

.

Q23. Does the company have CSR weeks for the following activity?

Blood Donation	Old goods giving	Joy of giving	Training Camps	Any other Activity
35	24	14	12	41

Table 5.23. The company has CSR weeks for the activity.
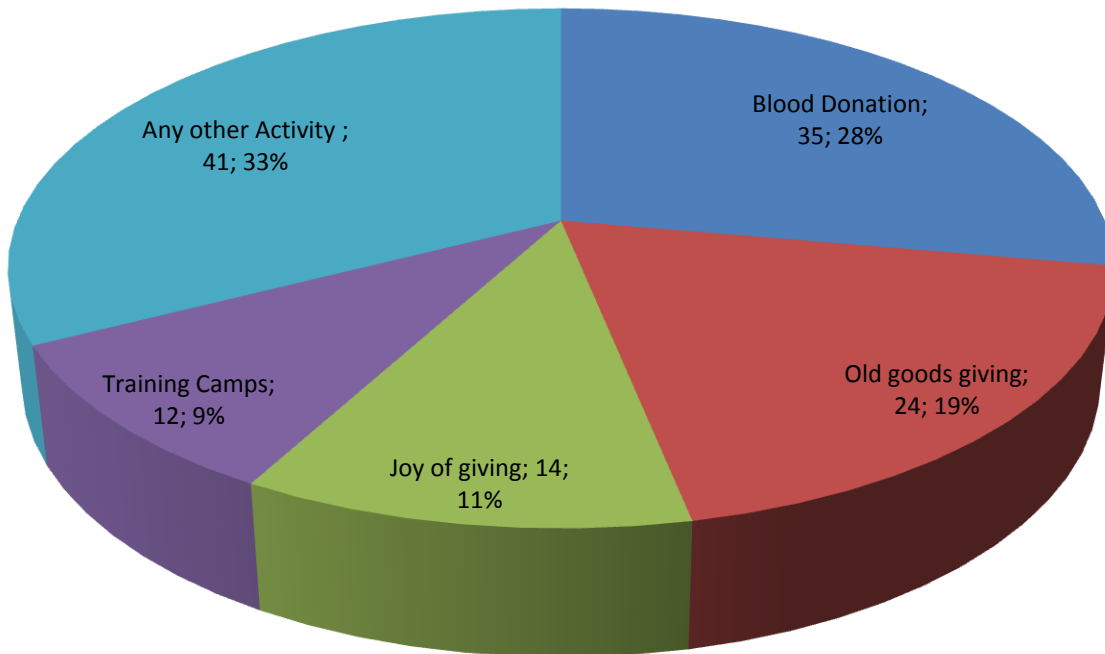
Figure 5.23. Shows the classification of respondent companies on the basis of the company have CSR weeks for the following activity.

Analysis: - It shows maximum is other activities (33%) followed by Blood donation (28%), old goods giving (19%) rest follow as per diagram.

Q24. With respect to CSR, the company belongs to which of the following group?

CSR Leaders	CSR Adopters	CSR Newcomers
35	9	5

Table 5.24. Shows With respect to CSR, the company belongs to which of the group.
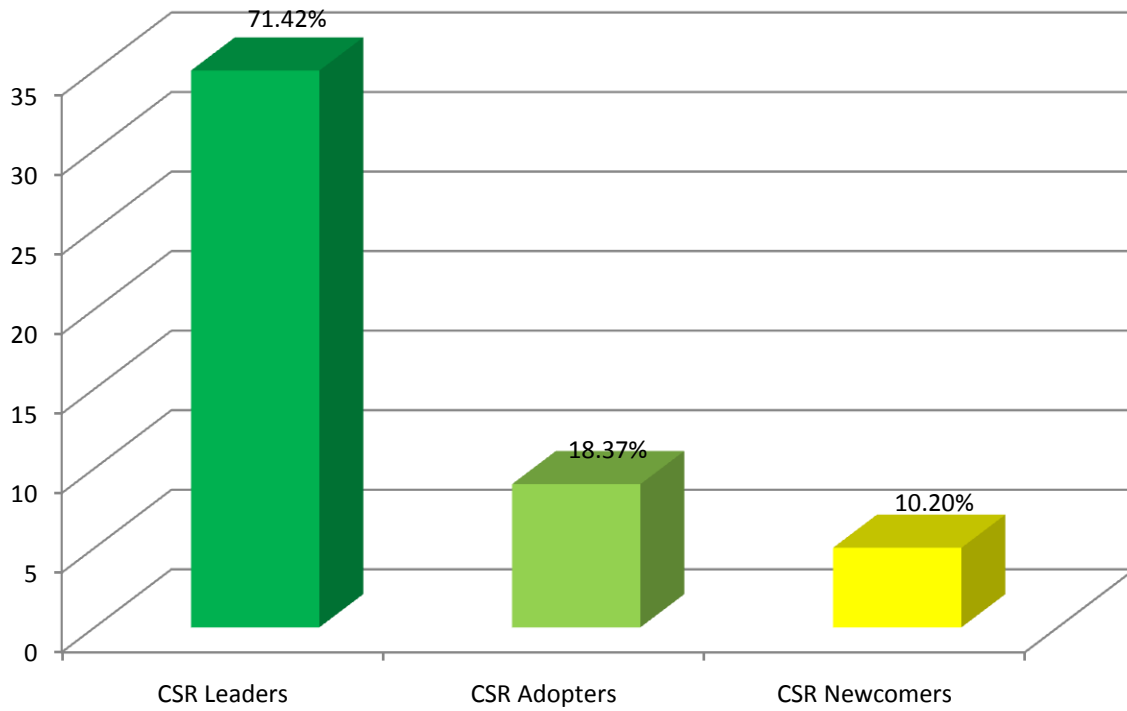
Figure.5.24. shows With respect to CSR, the company belongs to which of the group

Analysis: - It shows Maximum companies are involved in deep CSR 71%.

Q25. Is the company currently associated with any NGOs?

yes	No
38	11

Table 5.25. Shows the company currently associated with any NGOs.
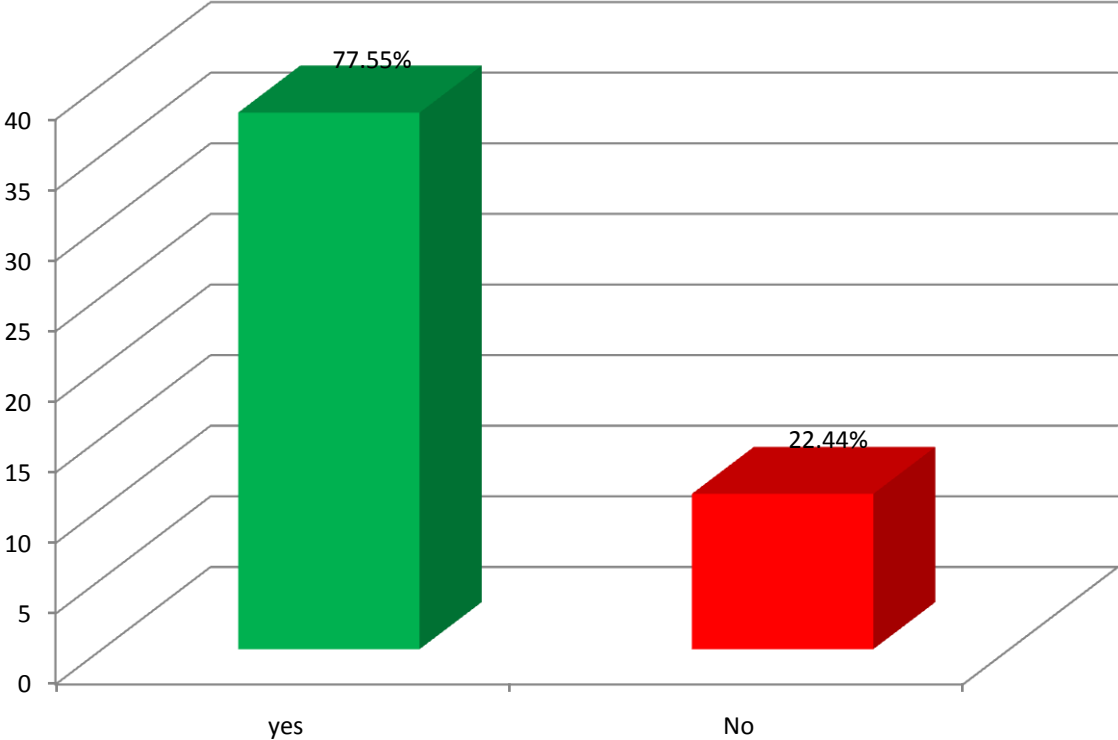
Figure.5.25. shows the company currently associated with NGOs

Analysis: - NGO's play important roles in CSR with collaboration with companies.

Q26. When designing CSR, which of the following stakeholders are considered the most?

Extents	Small	Medium	Large	Extra large
Shareholders or Investors	5	8	12	24
Local Government	4	11	7	27
National Government	25	8	4	12
Competitors	32	7	6	4
Trade Association	32	12	3	2
Environmentalists	6	5	10	28
Media	5	7	13	18
Local charity/ Civil Society / NGO	2	4	8	35
International charities / NGO	5	7	12	25
Employee	7	8	15	13
Consumers	9	13	12	15

Table 5.26. Shows when designing CSR, which of the stakeholders are considered the most.
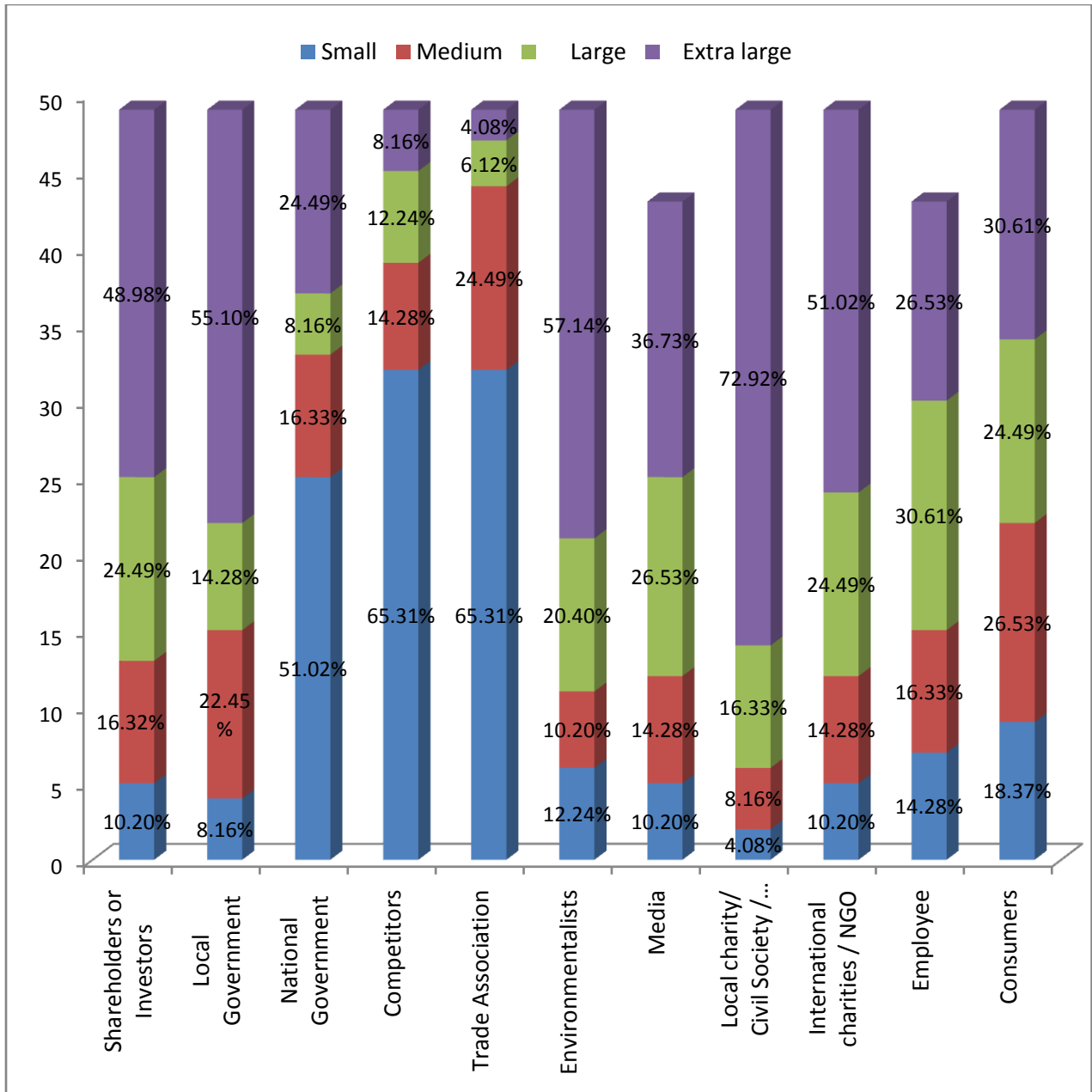
Figure.5.26. shows when designing CSR, which of the stakeholders are considered the most

Analysis: - It shows the distribution of stakeholder's consideration.

Q27. How beneficial is CSR to the following stakeholders?

Stakeholders	Very beneficial	Somewhat beneficial	Neutral	Not beneficial
Employees	5	30	14	0
Customers	8	32	9	0
Shareholders	12	24	13	0
Supplier	3	12	8	26
Community	35	8	6	0
Environment	35	8	6	0

Table 5.27. Shows How beneficial are CSR to the stakeholders.
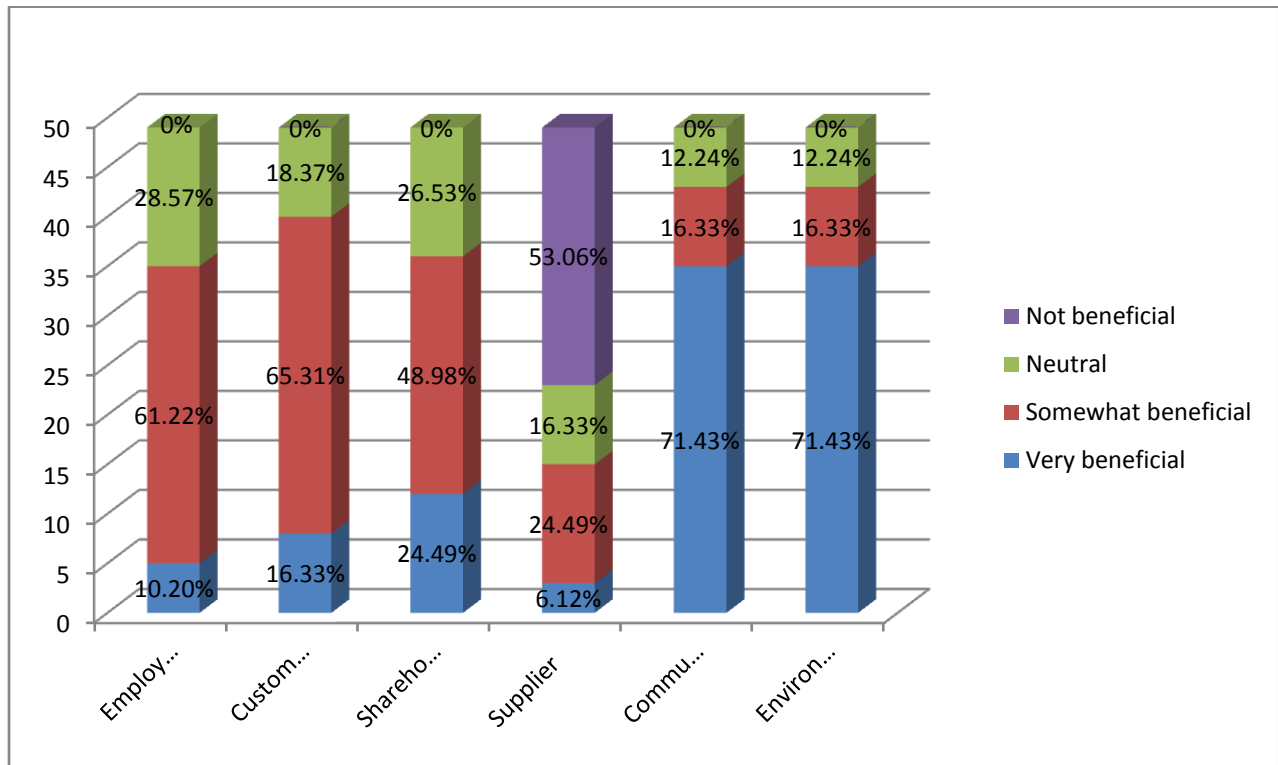
Figure. 5.27. Shows How beneficial is CSR to the stakeholders

Analysis: - Shows Analysis of benefits of CSR to Stakeholders.

Q28. Has the Company with them a health and safety management system in place?

Question	Yes	No	Don't Know
Company has a health and safety management system in place?	35	6	8

Table 5.28. Shows Company has a health and safety management system in place.
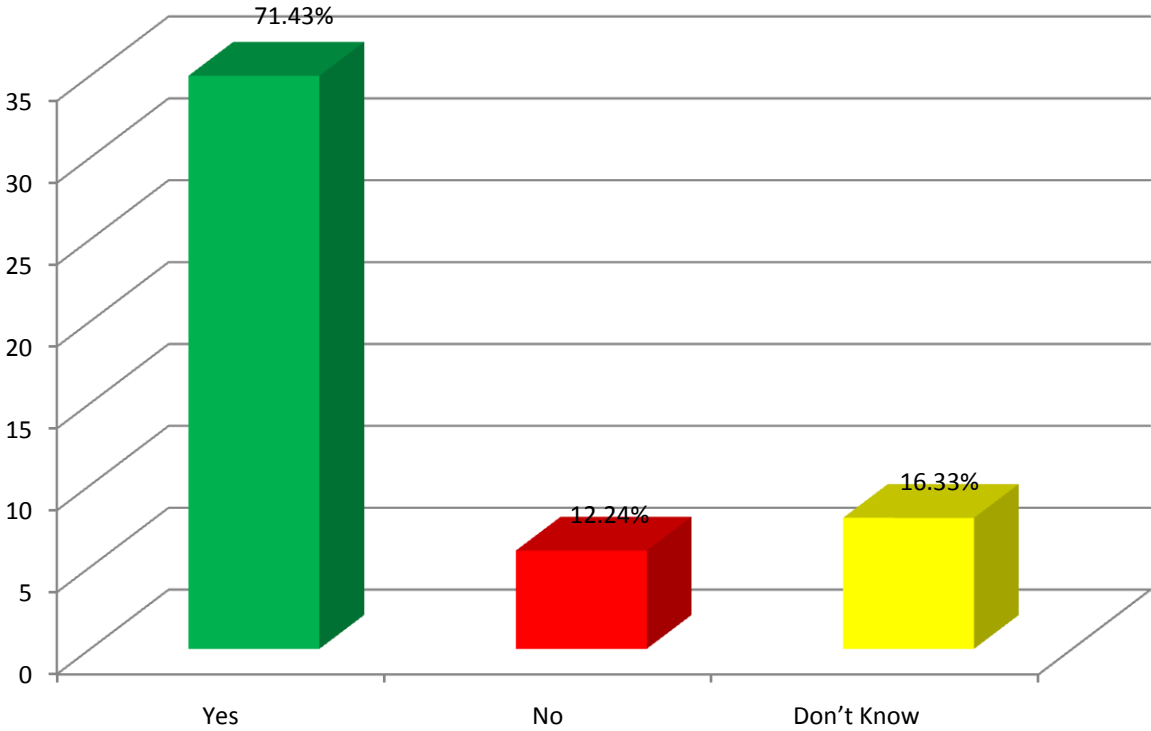
Figure.5.28. shows Company has a health and safety management system in place

Analysis: - Maximum companies give importance to health and safety management system in workplace i.e. 71%.

Q29. Did Company introduce any health education, training, counseling or prevention program to assist employees, their family's community members?

Question	Yes	No	Don't Know
Company introduced any health education, training, counseling or prevention program to assist employees, their family's community members?	25	8	16

Table 5.29. Shows Company introduced any health education, training, counseling or prevention program to assist employees, their family's community members.
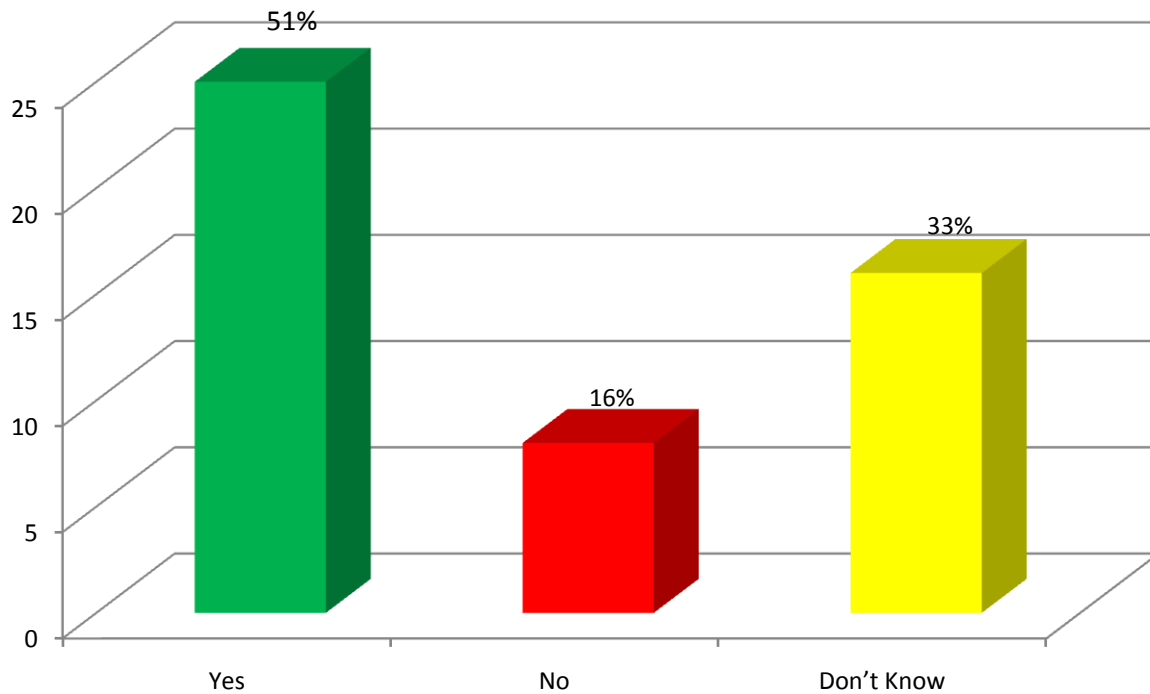
Figure.5.29. shows Company introduced any health education, training, counseling or prevention program to assist employees, their family's community members.

Analysis: - More than 50% companies involve in society for better health & education.

Q30. Does Company perform employee satisfaction surveys?

Question	Yes	No	Don't Know
Company performs employee satisfaction surveys?	35	6	8

Table 5.30. Shows Company performs employee satisfaction surveys
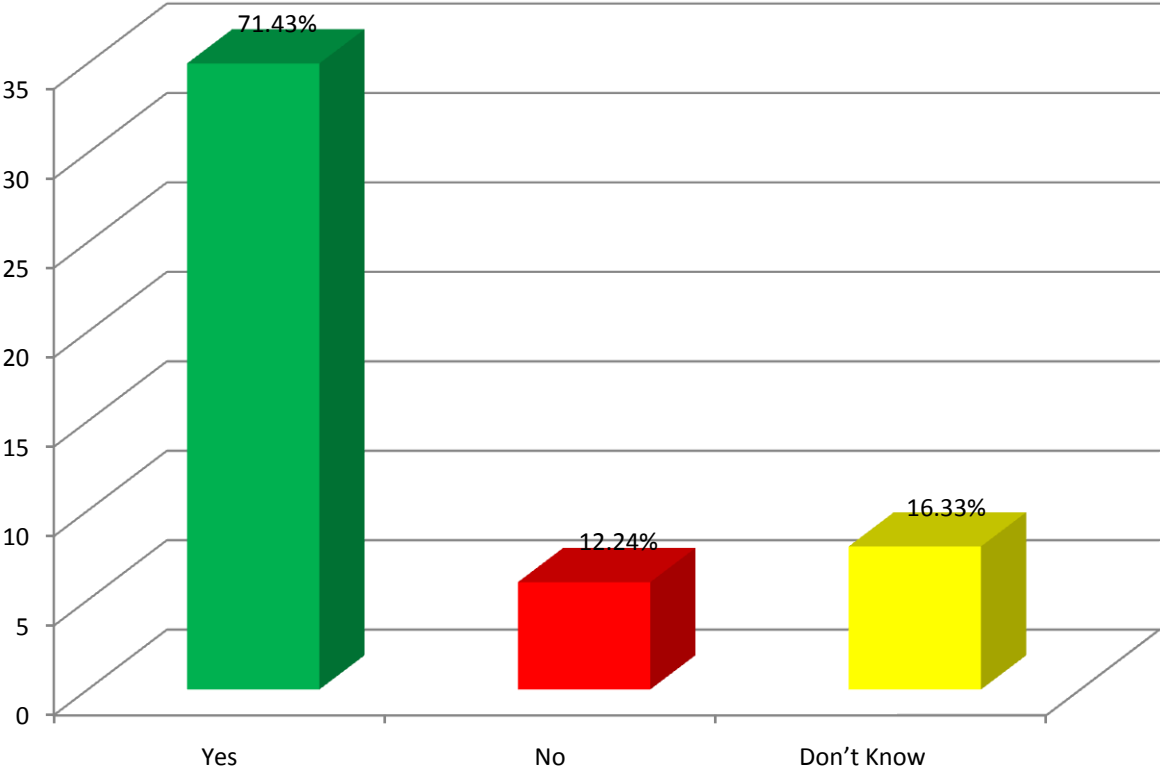
Figure. 5.30. Shows Company performs employee satisfaction surveys

Analysis: - More than 70% companies gives preference to employee satisfaction surveys

Q31. Does the Company have a standard procedure to deal with the complaints made by the employees?

Questions	Yes	No	Don't Know
Company has a procedure in relation to complaints by the employees?	32	12	5

Table 5.31. Shows Company has a procedure in relation to complaints by the employees
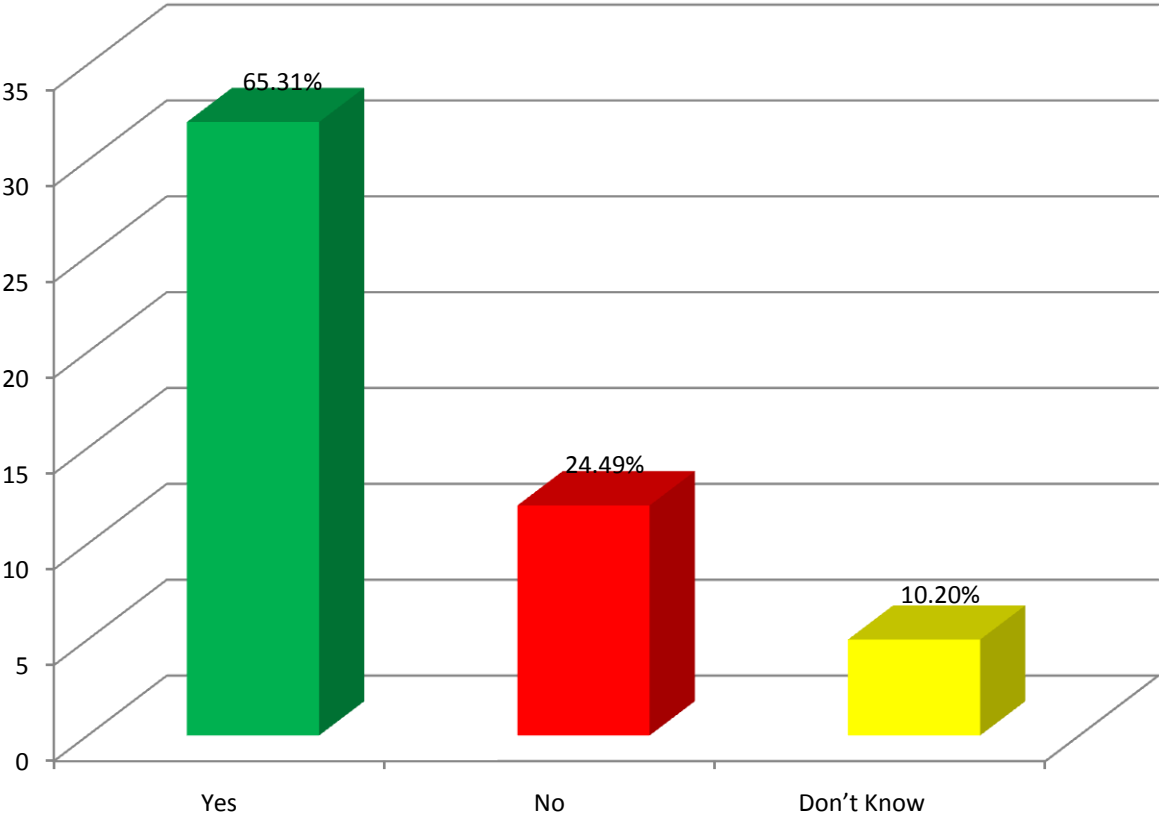
Figure. 5.31. Shows Company has a procedure in relation to complaints by the employees

Analysis: - More than 65% companies gives importance to complaints by the employees.

Q32. Does the Company have a policy for the prevention of harassment, coercion, threatening behavior, physical abuse, sexual abuse or verbal abuse towards employees?

Questions	Yes	No	Don't Know
Company has a policy for the prevention of harassment, coercion, threatening behavior, physical abuse, sexual abuse or verbal abuse towards employees?	25	18	6

Table 5.32. Shows Company has a policy for the prevention of harassment, coercion, threatening behavior, physical abuse, sexual abuse or verbal abuse towards employees.
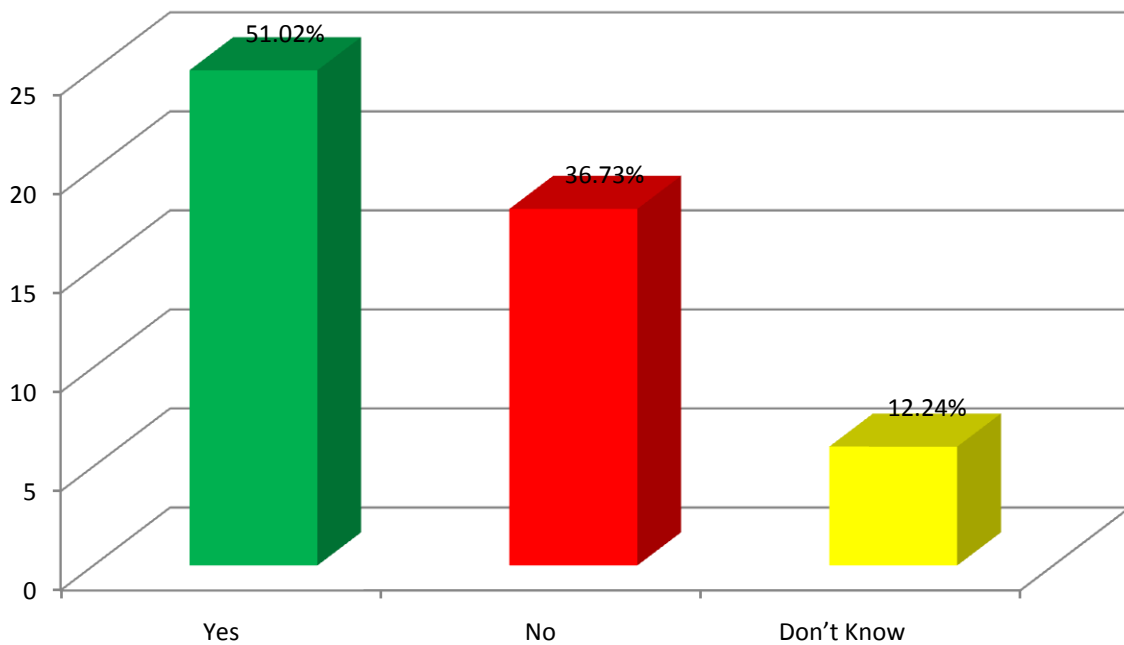
Figure. 5.32. Shows Company has a policy for the prevention of harassment, coercion, threatening behavior, physical abuse, sexual abuse or verbal abuse towards employees.

Analysis: - More than 50% of companies give important to employee safety.

Q33. Does the Company have any policy or code of conduct on freedom of association?

Questions	Yes	No	Don't Know
Company has policy/ code of conduct on freedom of association?	22	8	19

Table 5.33. Shows Company has policy/ code of conduct on freedom of association.
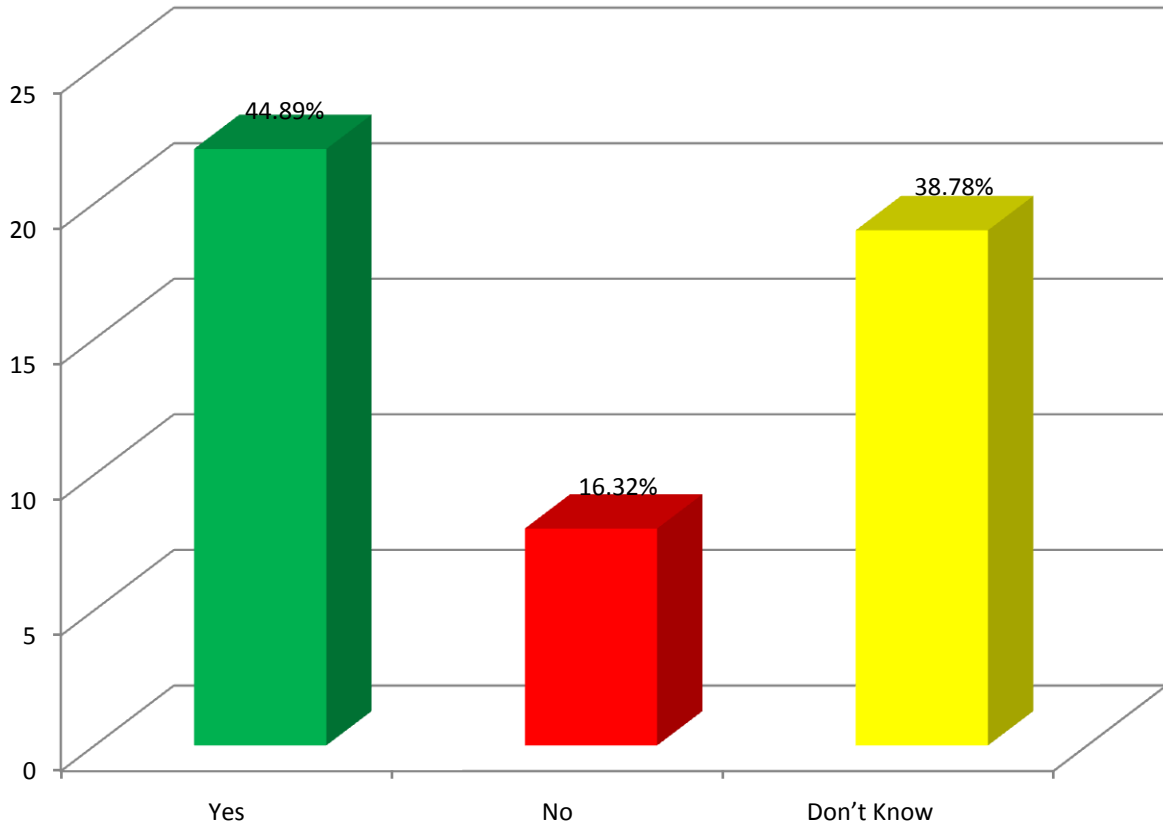
Figure. 5.33. Shows Company has policy/ code of conduct on freedom of association.

Analysis: - It shows mix result for the Company has policy/ code of conduct on freedom of association. More than 50% reply in No & don't know.

Q34. Is Company is meeting with stakeholders in a formal way to solicit their opinions?

Questions	Yes	No	Don't Know
Company is meeting with stakeholders in a formal way to solicit their opinions?	18	18	13

Table 5.34 shows Company is meeting with stakeholders in a formal way to solicit their opinions
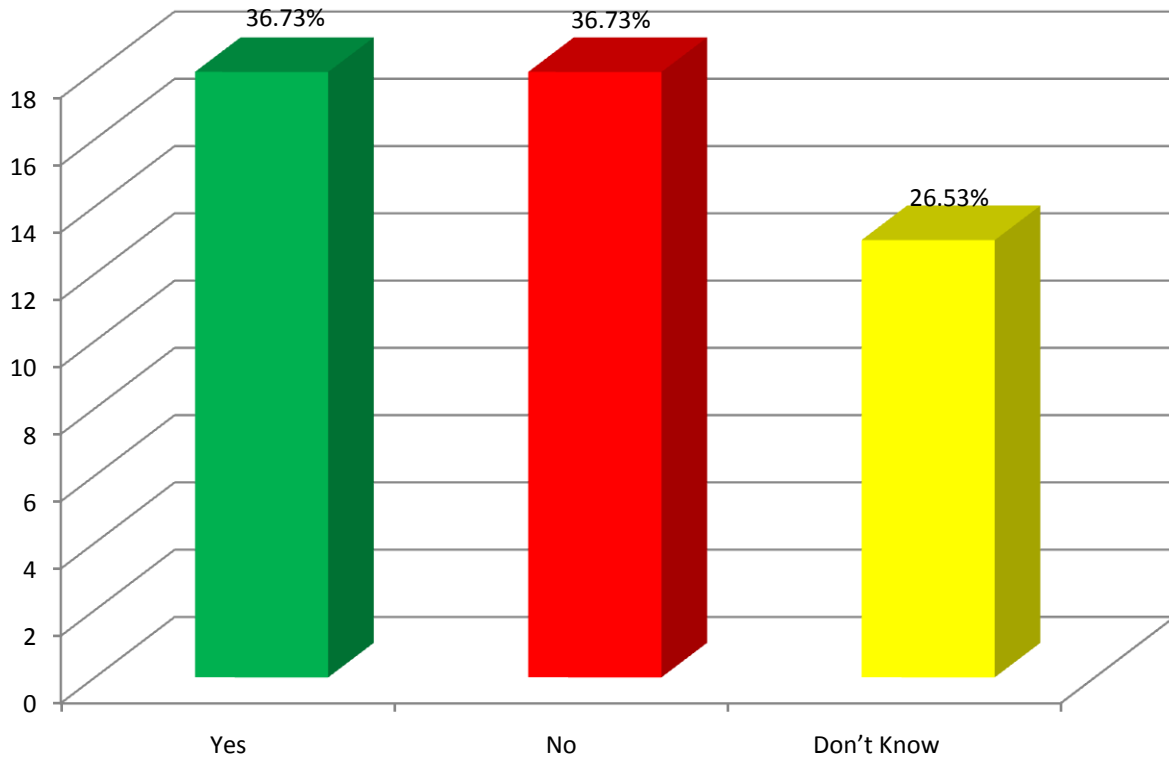
Figure. 5.34 shows Company is meeting with stakeholders in a formal way to solicit their opinions

Analysis: - Relationship between company & stakeholders are same 36%.

Q35. Has the Company incorporated CSR clauses in its purchasing policy?

Questions	Yes	No	Don't Know
Company incorporated CSR issues in its purchasing policy?	24	12	13

Table 5.35. Shows Company incorporated CSR issues in its purchasing policy.
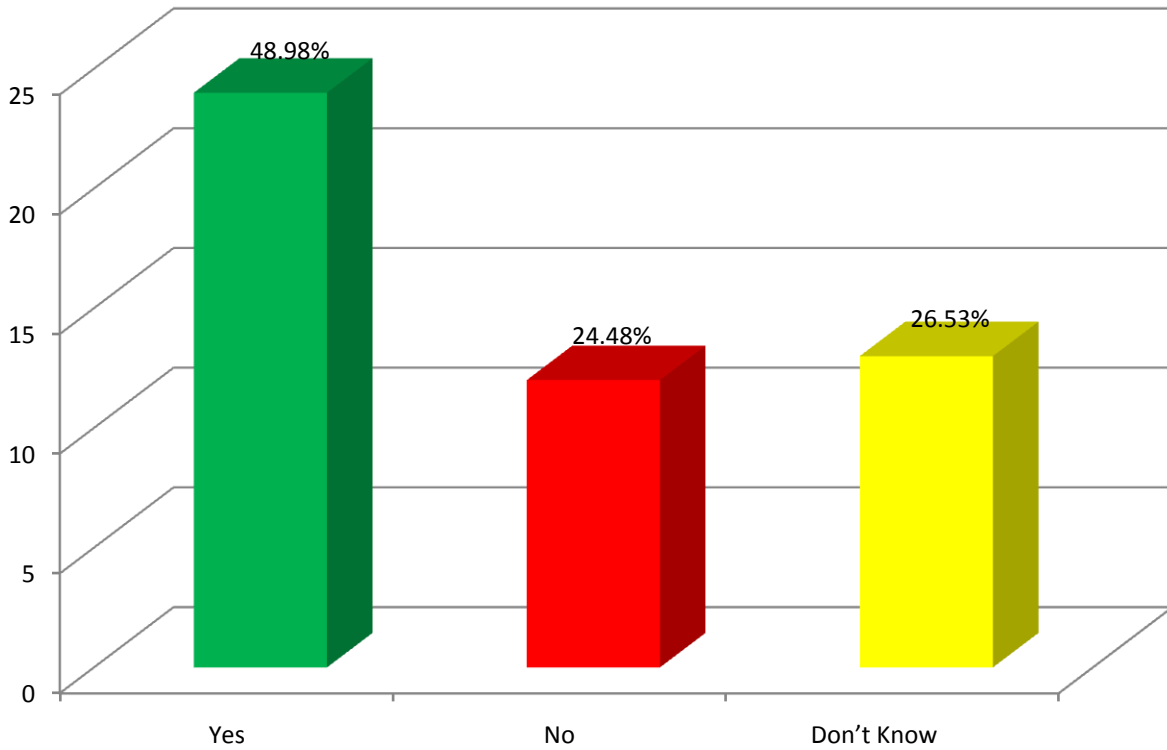
Figure. 5.35. Shows Company incorporated CSR issues in its purchasing policy.

Analysis: - 49% of Company incorporated CSR issues in its purchasing policy, this can help purchaser to understand companies more closely.

Q36.Does the Company keeps any record for Energy consumption?

Questions	Yes	No	Don't Know
Company keeps any record for Energy consumption?	38	5	6

Table 5.36. Shows Company keeps record for Energy consumption.
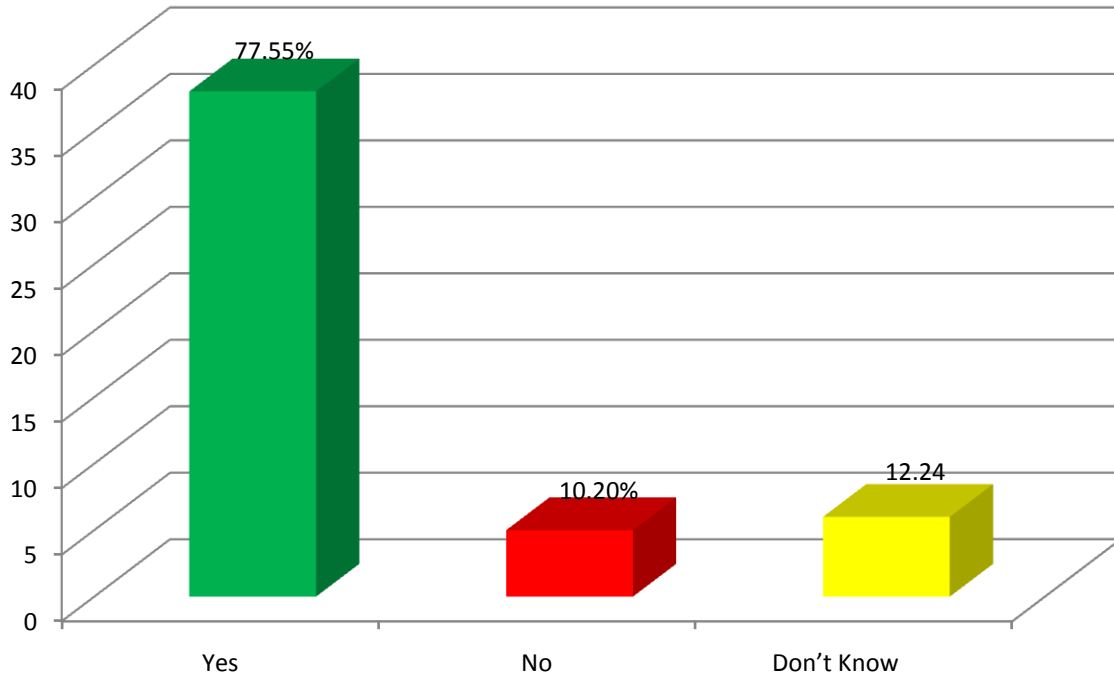
Figure. 5.36. Shows Company keeps record for Energy consumption.

Analysis: - Energy saving is the top priority for 78% companies; it is the very good habit to save energy so it can e used by others also.

Q37. Does the Company keeps any record for E-Waste?

Questions	Yes	No	Don't Know
Company keeps any record for E-Waste production?	35	8	6

Table 5.37. Shows Company keeps record for E-Waste production.
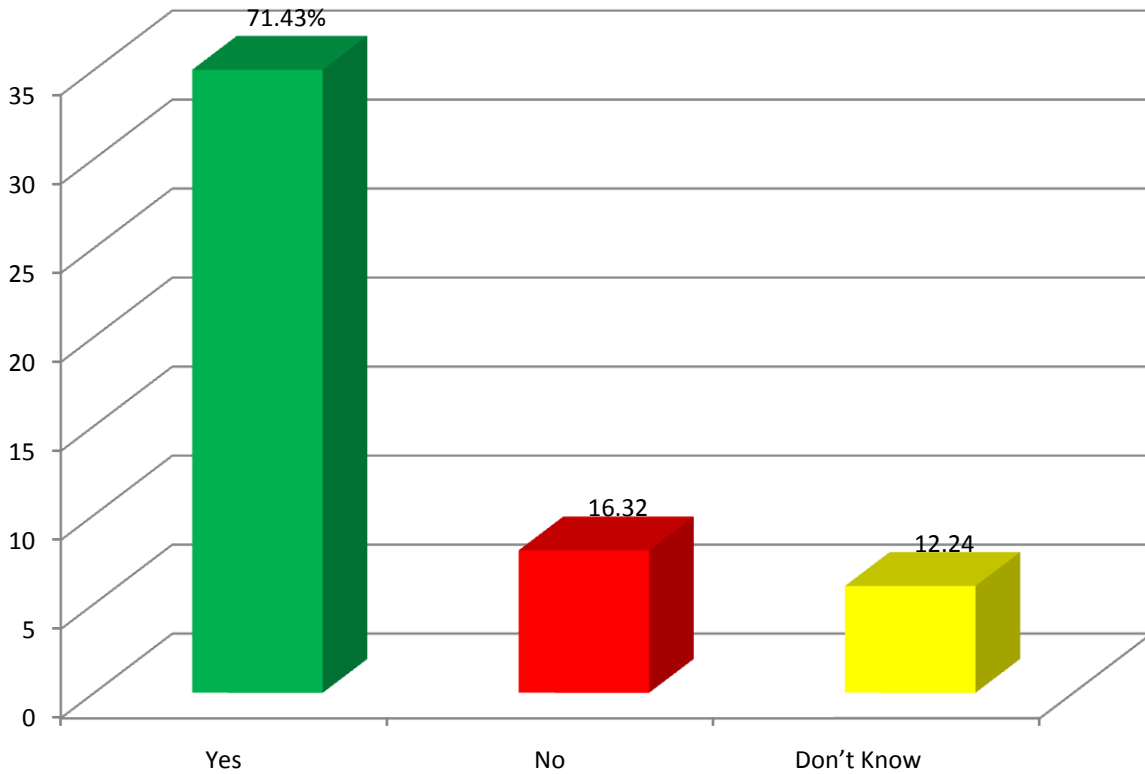
Figure. 5.37. Shows Company keeps record for E-Waste production.

Analysis: - More than 70% companies keeps record for E-Waste, here we say waste management is the priority task for the companies.

Q38. Does Company Imports any software / Hardware/ equipment product?

Questions	Yes	No	Don't Know
Company Imports any software / Hardware/ any other?	39	8	2

Table 5.38. Shows Company Imports software / Hardware/ any other.
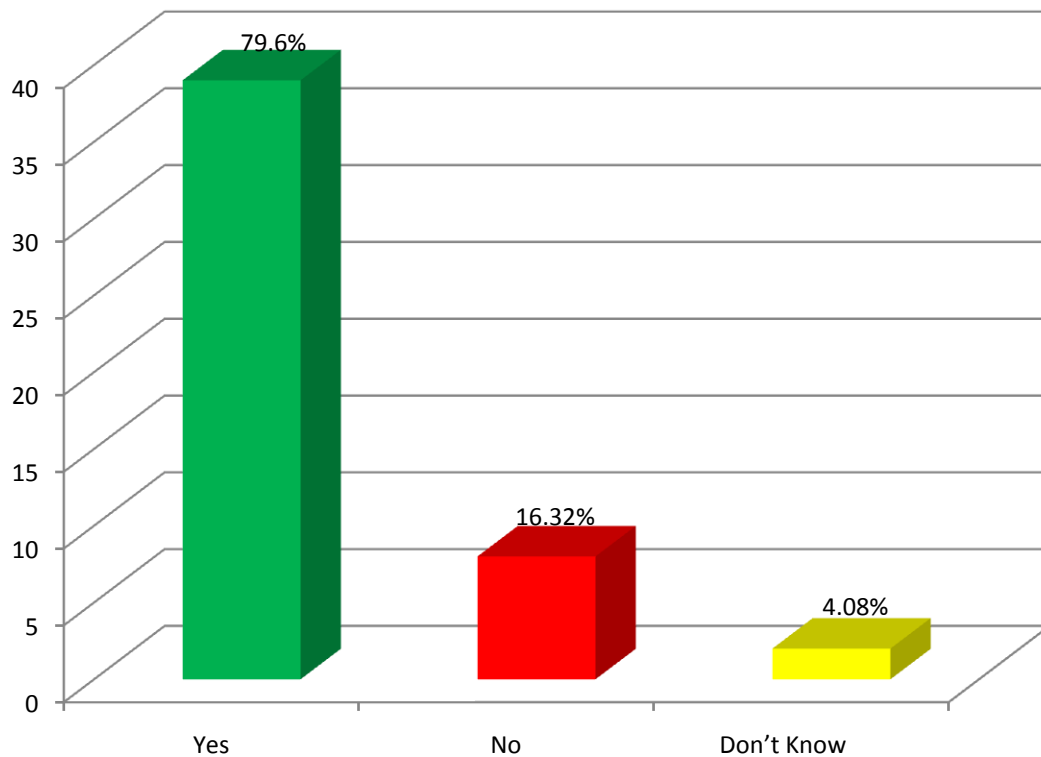
Figure.5.38. shows Company Imports software / Hardware/ any other.

Analysis:- Maximum no. of companies (79%) Imports software / Hardware/ any other, business is equally distributed among the globe.

Q39. Does Company Exports any software / Hardware equipment product?

Questions	Yes	No	Don't Know
Company Exports any software / Hardware/ any other?	39	8	2

Table 5.39. Shows Company Exports any software / Hardware/ any other.
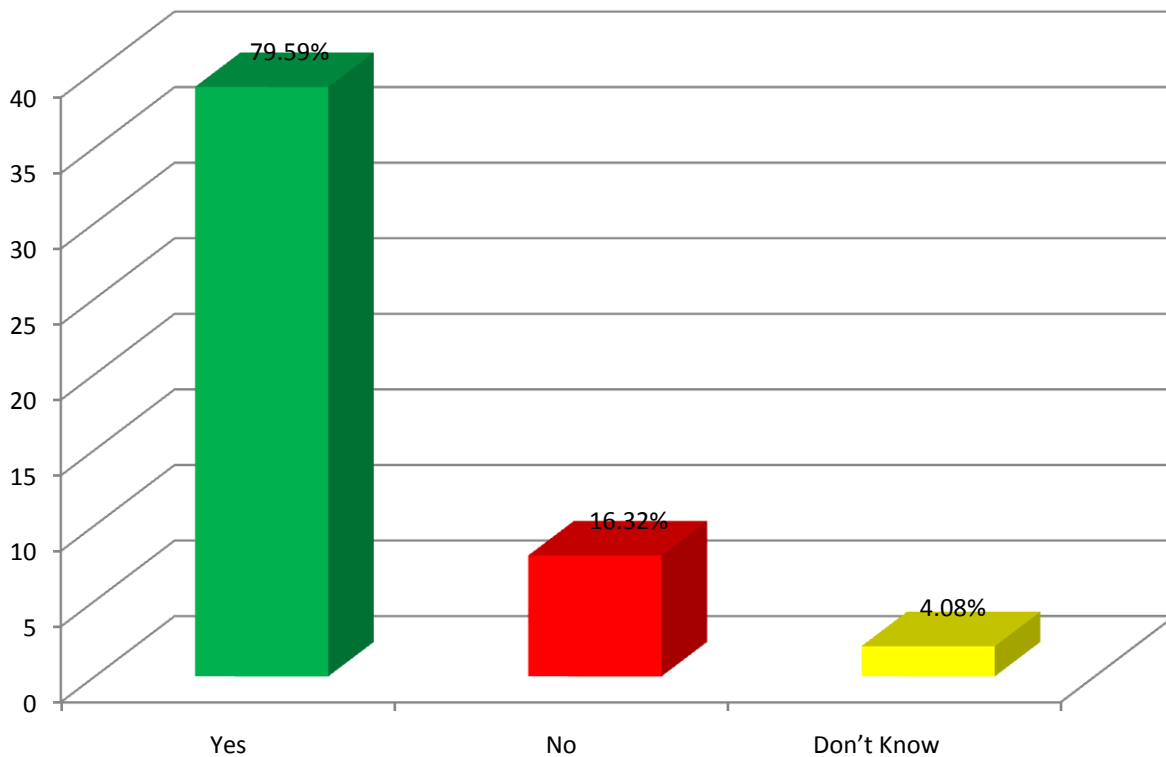
Figure.5.39. shows Company Exports any software / Hardware/ any other.

Analysis:- Almost 80% companies Exports any software / Hardware/ any other, here we can say our companies are more interested in international Market.

Q40. Has Company taken initiatives for National Development Goal or internationally recognized goals?

Questions	Yes	No	Don't Know
Company has taken initiatives for National Development Goal or Internationally recognized goals?	22	14	13

Table 5.40. Shows Company has taken initiatives for National Development Goal or internationally recognized goals.
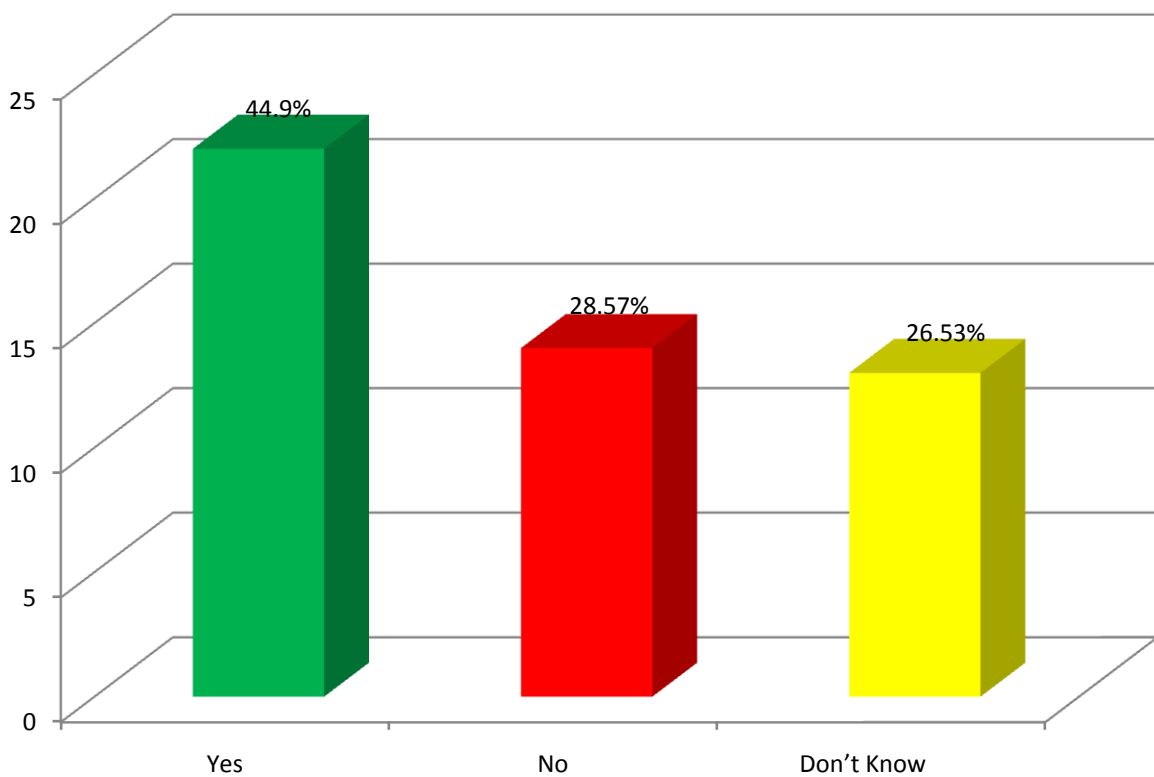
Figure.5.40. shows Company has taken initiatives for National Development Goal or internationally recognized goals.

Analysis:- A few companies take initiatives for National Development Goal or internationally recognized goals only 45% reply's yes rest as shown in figure.

Q41. Does Company take initiatives for community development in the society?

Questions	Yes	No	Don't Know
Company has monitoring system to measure the impact of community initiatives?	18	12	19

Table 5.41. Shows Company has monitoring system to measure the impact of community initiatives.
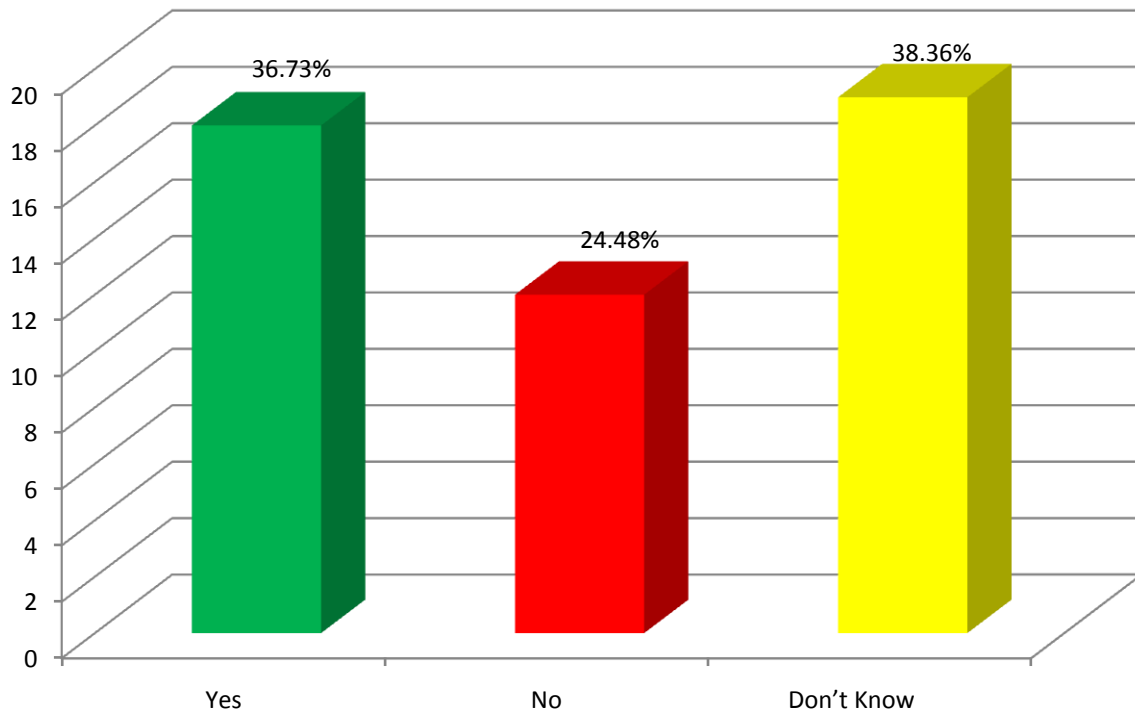
Figure.5.41. shows Company has monitoring system to measure the impact of community initiatives.

Analysis:- Companies least interested in monitoring system to measure the impact of community initiatives as more than 60% companies give negative feedback, positive feedback is only 37%.

Q42. Has the Company invested in following areas as part community investment initiatives?

Local Heritage	Infrastructural support	Youth Development	Education	Under privileged	Poverty Alleviation
29	36	32	42	22	31

Disability	Conservation	Sports	Culture	Community Investment Initiatives	Trade Associate
26	24	18	23	21	18

Table 5.42. Shows the classification of respondent companies on the basis of their Company invested in many areas as part of various investment initiatives.
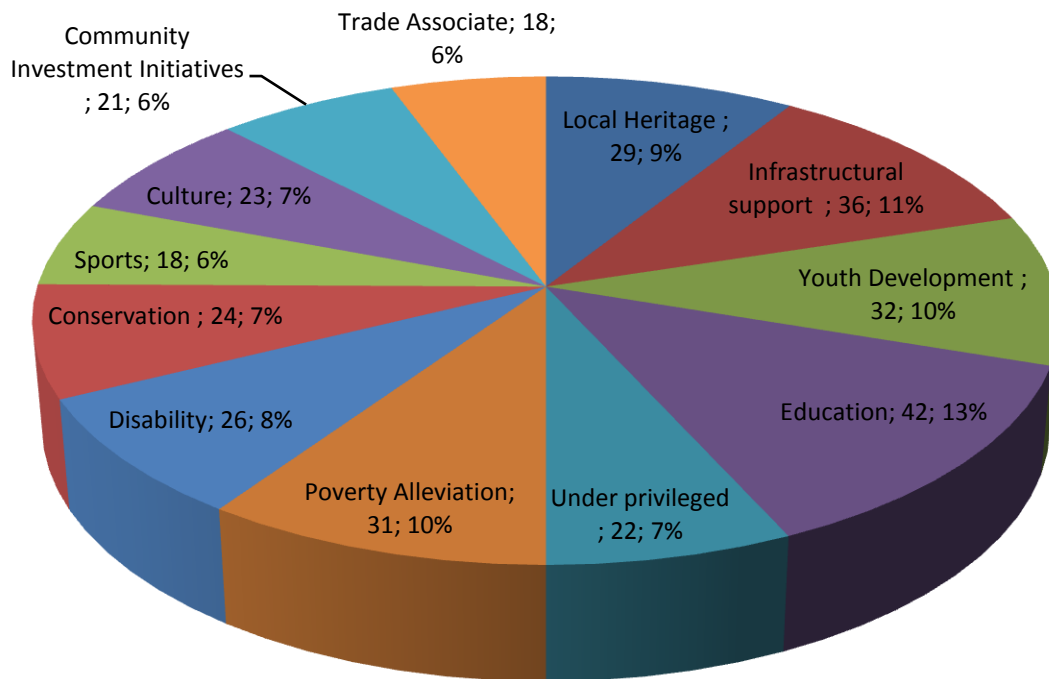
Figure. 5.42. Shows the classification of respondent companies on the basis of their Company invested in many areas as part of various investment initiatives.

Analysis: - companies doing CSR expand maximum fund in Education sector (13%), then infrastructure (11), then follow Youth development (10%) rest follows as per figure.

Q43. What are the types of resources does the company provide?

Monetary benefits	Ration, cloths	Volunteers	Loan on low interest	Others
18	16	35	13	38

Table 5.43. Shows the classification of respondent companies on the basis of their types of resources the company provide.
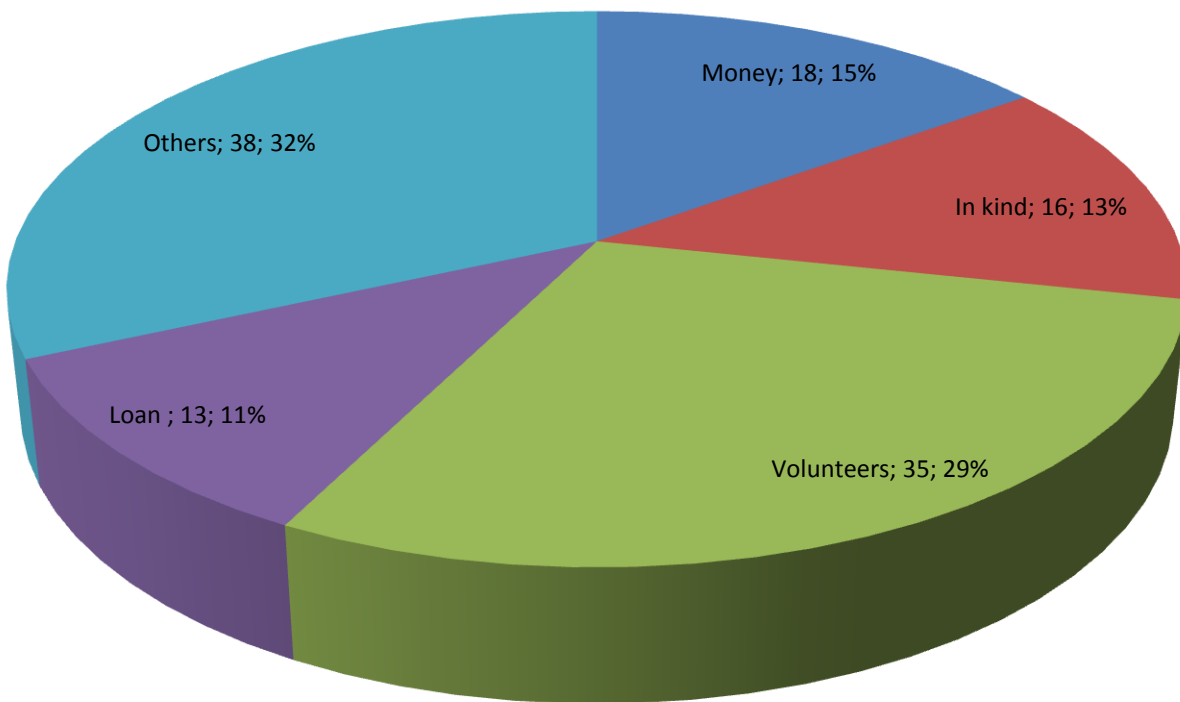
Figure. 5.43. Shows the classification of respondent companies on the basis of their types of resources the company provide.

Analysis: - Maximum companies interested in other resources (32%), which they don't want to disclose, then follows volunteers (29%) rest as per figure.

Q44. How your Philanthropic expenditure are directed through self or channelized?

Revenue Budget directly from company	Foundation / Trust	Both
26	22	35

Table 5.44 shows the classification of respondent companies on the basis of their Philanthropic investments allocated as budget for CSR.
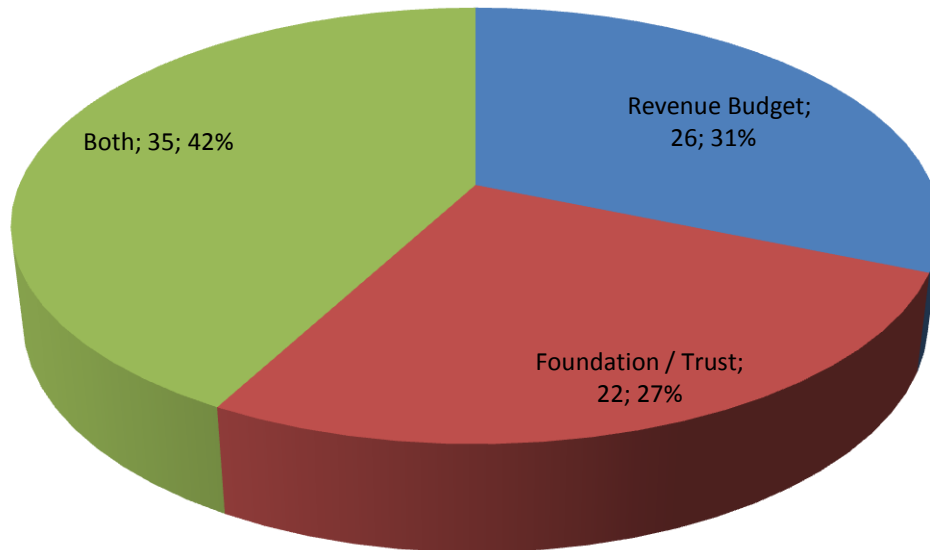
Figure.5.44. shows the classification of respondent companies on the basis of their Philanthropic investments allocated as budget for CSR.

Analysis: - Maximum companies consider both (42%) i.e. Revenue Budget & Foundation / Trust for Philanthropic investments allocated as budget for CSR, 22% (Foundation / Trust) & 26% (Revenue Budget directly from company)

5.3. Chi Square Cross tabulation.

5.3.1Chi Square Cross tabulation to check association between Corporate Social Responsibility and various independent variables

In each of the following Chi-square analysis, the tabulated statistics table summarizes information about categorical variables.

Count – number of observations in each category

Expected Count – product of the ith row total and the jth column total divided by total of all cells

Residual – difference between the count and the expected count

Standardized residual – raw residual divided by the square root of the expected counts

Adjusted residuals – raw residuals divided by the estimated standard deviation of the observed count

Contribution to Chi-square – (Standardized residual) 2 of each cell. The chi-square statistics is the sum of these over all cells.

1. Type of Organization :- Proprietorship, Pvt. Limited, Public Limited ad MNC
   The Chi-square test performed below is used to determine whether the variables are independent or associated: a Chi Square and p-Value. Chi-square is a measure of the difference between the observed counts and the expected counts.

   And p- Value is used to decide whether the variables are associated

   - If p-Value is less than or equals to α-level (usually 0.05 in most of the hypothesis tests), then we can conclude that the variables are associated
   - If p-Value is greater than α-level, then we cannot conclude that the variables are associated.

Minitab Output

Chi-Square Test: Org. Structure, CSR Status

Expected counts are printed below observed counts

Chi-Square contributions are printed below expected counts

Sr. No.	Org. Structure	CSR Status	Total
	2	4	6
	2.98	3.02	
	0.32	0.315	
1			
	3	3	6
	2.98	3.02	
	0	0	
2			
	3	2	5
	2.48	2.52	
	0.109	0.107	
3			
	3	3	6
	2.98	3.02	
	0	0	
4			
	4	3	7
	3.47	3.53	
	0.08	0.079	
5			

	4	3	7
	3.47	3.53	
	0.08	0.079	
6			
	2	3	5
	2.48	2.52	
	0.093	0.091	
7			
	2	1	3
	1.49	1.51	
	0.0176	0.0173	
8			
	4	4	8
	3.97	4.03	
	0	0	
9			
	4	3	7
	3.47	3.53	
	0.08	0.079	
10			
	3	4	7
	3.47	3.53	
	0.064	0.063	
11			
	2	2	4
	1.98	2.02	
	0	0	
12			
13	2	2	4

	1.98	2.02	
	0	0	
	2	2	4
	1.98	2.02	
	0	0	
14			
	2	2	4
	1.98	2.02	
	0	0	
15			
	2	3	5
	2.48	2.52	
	0.093	0.091	
16			
	4	3	7
	3.47	3.53	
	0.08	0.079	
17			
	2	1	3
	1.49	1.51	
	0.176	0.173	
18			
	2	2	4
	1.98	2.02	
	0	0	
19			
	2	3	5
20	2.48	2.52	

	0.093	0.091	
21	2	3	5
	2.48	2.52	
	0.093	0.091	
22	2	2	4
	1.98	2.02	
	0	0	
23	2	2	4
	1.98	2.02	
	0	0	
24	2	2	4
	1.98	2.02	
	0	0	
25	2	1	3
	1.49	1.51	
	0.176	0.173	
26	2	3	5
	2.48	2.52	
	0.093	0.091	
27	3	3	6
	2.98	3.02	
	0	0	

28	3	2	5
	2.48	2.52	
	0.109	0.107	
29	3	3	6
	2.98	3.02	
	0	0	
30	4	4	8
	3.97	4.03	
	0	0	
31	4	3	7
	3.47	3.53	
	0.08	0.079	
32	2	3	5
	2.48	2.52	
	0.093	0.091	
33	2	1	3
	1.49	1.51	
	0.176	0.173	
34	4	4	8
	3.97	4.03	
	0	0	

	4	3	7
	3.47	3.53	
	0.08	0.079	
35			
	3	3	6
	2.98	3.02	
	0	0	
36			
	2	2	4
	1.98	2.02	
	0	0	
37			
	1	2	3
	1.49	1.51	
	0.16	0.157	
38			
	2	2	4
	1.98	2.02	
	0	0	
39			
	2	2	4
	1.98	2.02	
	0	0	
40			
	2	4	6
	2.98	3.02	
	0.32	0.315	
41			
42	4	3	7

	3.47	3.53	
	0.08	0.079	
	1	1	2
	0.99	1.01	
	0	0	
43			
	2	2	4
	1.98	2.02	
	0	0	
44			
	2	3	5
	2.48	2.52	
	0.093	0.091	
45			
	2	3	5
	2.48	2.52	
	0.093	0.091	
46			
	2	2	4
	1.98	2.02	
	0	0	
47			
	2	2	4
	1.98	2.02	
	0	0	
48			
	1	2	3
49	1.49	1.51	

	0.16	0.157	
Total	123	125	248

Table 5.45 Chi-Square Test: Org. Structure, CSR Status

Chi-Sq = 6.460, DF = 48, P-Value = 1.000

From above table, Chi-square = 6.46 and p-Value =1.000 which is greater than α level of 0.05, hence we cannot conclude that Type of Organization structure and CSR status are associated. CSR status may not vary as per Organization structure.

5.3.2 Chi-Square Cross tabulation to test Organizations annual turnover and Corporate Social Responsibility status.

The Chi-square test performed below is used to determine whether the variables are independent or associated: a Chi Square and p-Value. Chi-square is a measure of the difference between the observed counts and the expected counts.

And p- Value is used to decide whether the variables are associated

- If p-Value is less than or equals to α-level (usually 0.05 in most of the hypothesis tests), then we can conclude that the variables are associated
- If p-Value is greater than α-level, then we cannot conclude that the variables are associated.

Organizations are categorized under four heads based on their annual turnover in INR.

11 Cr to 50 Cr, 51 Cr to 100 Cr, 101 Cr to 500 Cr and 500 Cr & above.

Let's check whether Organization annual turnover and Corporate Social Responsibility status are associated with each other or not.

Minitab Output

Chi-Square Test: Organization Annual Turnover, CSR Status

Expected counts are printed below observed counts

Chi-Square contributions are printed below expected counts

Sr. No.	Organization Annual Turnover	CSR Status	Total
1	4	4	8
	4.08	3.92	
	0.002	0.002	
2	3	3	6
	3.06	2.94	
	0.001	0.001	
3	2	2	4
	2.04	1.96	
	0.001	0.001	
4	3	3	6
	3.06	2.94	
	0.001	0.001	
5	3	3	6
	3.06	2.94	
	0.001	0.001	

6	3	3	6
	3.06	2.94	
	0.001	0.001	
7	3	3	6
	3.06	2.94	
	0.001	0.001	
8	2	1	3
	1.53	1.47	
	0.145	0.151	
9	4	4	8
	4.08	3.92	
	0.002	0.002	
10	3	3	6
	3.06	2.94	
	0.001	0.001	
11	4	4	8
	4.08	3.92	
	0.002	0.002	
12	2	2	4
	2.04	1.96	
	0.001	0.001	

13	2	2	4
	2.04	1.96	
	0.001	0.001	
14	2	2	4
	2.04	1.96	
	0.001	0.001	
15	2	2	4
	2.04	1.96	
	0.001	0.001	
16	3	3	6
	3.06	2.94	
	0.001	0.001	
17	3	3	6
	3.06	2.94	
	0.001	0.001	
18	2	1	3
	1.53	1.47	
	0.145	0.151	
19	2	2	4
	2.04	1.96	
	0.001	0.001	
20	3	3	6

	3.06	2.94	
	0.001	0.001	
21	3	3	6
	3.06	2.94	
	0.001	0.001	
22	2	2	4
	2.04	1.96	
	0.001	0.001	
23	2	2	4
	2.04	1.96	
	0.001	0.001	
24	2	2	4
	2.04	1.96	
	0.001	0.001	
25	2	1	3
	1.53	1.47	
	0.145	0.151	
26	3	3	6
	3.06	2.94	
	0.001	0.001	
27	3	3	6
	3.06	2.94	

	0.001	0.001	
28	2	2	4
	2.04	1.96	
	0.001	0.001	
29	3	3	6
	3.06	2.94	
	0.001	0.001	
30	4	4	8
	4.08	3.92	
	0.002	0.002	
31	3	3	6
	3.06	2.94	
	0.001	0.001	
32	3	3	6
	3.06	2.94	
	0.001	0.001	
33	2	1	3
	1.53	1.47	
	0.145	0.151	
34	4	4	8
	4.08	3.92	
	0.002	0.002	

35	3	3	6
	3.06	2.94	
	0.001	0.001	
36	3	3	6
	3.06	2.94	
	0.001	0.001	
37	2	2	4
	2.04	1.96	
	0.001	0.001	
38	2	2	4
	2.04	1.96	
	0.001	0.001	
39	2	2	4
	2.04	1.96	
	0.001	0.001	
40	2	2	4
	2.04	1.96	
	0.001	0.001	
41	4	4	8
	4.08	3.92	
	0.002	0.002	

42	3	3	6
	3.06	2.94	
	0.001	0.001	
43	2	1	3
	1.53	1.47	
	0.145	0.151	
44	2	2	4
	2.04	1.96	
	0.001	0.001	
45	3	3	6
	3.06	2.94	
	0.001	0.001	
46	3	3	6
	3.06	2.94	
	0.001	0.001	
47	2	2	4
	2.04	1.96	
	0.001	0.001	
48	2	2	4
	2.04	1.96	
	0.001	0.001	
49	2	2	4

	2.04	1.96	
	0.001	0.001	
Total	130	125	255

Table 5.46 Chi-Square Test: Organization Annual Turnover, CSR Status

Chi-Sq = 1.569, DF = 48, P-Value = 1.000

As we see in above output of chi-square analysis, Chi-square = 1.569 and p-Value =1.000 which is greater than α level of 0.05, hence we cannot conclude that Organization Annual turnover and CSR status are associated. CSR status may not vary as per Organization Annual turnover.

5.3.3 Chi-Square Cross tabulation to test Employee base and Corporate Social Responsibility Status

The Chi-square test performed below is used to determine whether the variables are independent or associated: a Chi Square and p-Value. Chi-square is a measure of the difference between the observed counts and the expected counts.

And p- Value is used to decide whether the variables are associated

- If p-Value is less than or equals to α-level (usually 0.05 in most of the hypothesis tests), then we can conclude that the variables are associated
- If p-Value is greater than α-level, then we cannot conclude that the variables are associated.

We have done segmentation of Organizations on the basis of their employee strength as below

1 to 500, 501 to 10000, 10001 to 40000 and 40001 & above

Minitab Output

Chi-Square Test: Employee Strength, CSR Status

Expected counts are printed below observed counts

Chi-Square contributions are printed below expected counts

Sr. No.	Employee Strength	CSR Status	Total
1	4	4	8
	4	4	
	0	0	
2	3	3	6
	3	3	
	0	0	
3	2	2	4
	2	2	
	0	0	
4	3	3	6
	3	3	
	0	0	
5	3	3	6
	3	3	
	0	0	
6	3	3	6

	3	3	
	0	0	
7	3	3	6
	3	3	
	0	0	
8	1	1	2
	1	1	
	0	0	
9	4	4	8
	4	4	
	0	0	
10	3	3	6
	3	3	
	0	0	
11	4	4	8
	4	4	
	0	0	
12	2	2	4
	2	2	
	0	0	
13	2	2	4
	2	2	

	0	0	
14	2	2	4
	2	2	
	0	0	
15	2	2	4
	2	2	
	0	0	
16	3	3	6
	3	3	
	0	0	
17	3	3	6
	3	3	
	0	0	
18	1	1	2
	1	1	
	0	0	
19	2	2	4
	2	2	
	0	0	
20	3	3	6
	3	3	
	0	0	

	3	3	6
21	3	3	
	0	0	
	2	2	4
22	2	2	
	0	0	
	2	2	4
23	2	2	
	0	0	
	2	2	4
24	2	2	
	0	0	
	1	1	2
25	1	1	
	0	0	
	3	3	6
26	3	3	
	0	0	
	3	3	6
27	3	3	
	0	0	

28	2	2	4
	2	2	
	0	0	
29	3	3	6
	3	3	
	0	0	
30	4	4	8
	4	4	
	0	0	
31	3	3	6
	3	3	
	0	0	
32	3	3	6
	3	3	
	0	0	
33	1	1	2
	1	1	
	0	0	
34	4	4	8
	4	4	
	0	0	
35	3	3	6

	3	3	
	0	0	
36	3	3	6
	3	3	
	0	0	
37	2	2	4
	2	2	
	0	0	
38	2	2	4
	2	2	
	0	0	
39	2	2	4
	2	2	
	0	0	
40	2	2	4
	2	2	
	0	0	
41	4	4	8
	4	4	
	0	0	
42	3	3	6
	3	3	

	0	0	
43	1	1	2
	1	1	
	0	0	
44	2	2	4
	2	2	
	0	0	
45	3	3	6
	3	3	
	0	0	
46	3	3	6
	3	3	
	0	0	
47	2	2	4
	2	2	
	0	0	
48	2	2	4
	2	2	
	0	0	
49	2	2	4
	2	2	
	0	0	

Total	125	125	250

Table 5.47 Chi-Square Test: Employee Strength, CSR Status

Chi-Sq = 0.000, DF = 48, P-Value = 1.000

As we see in above output of chi-square analysis, Chi-square = 0.000 and p-Value =1.000 which is greater than α level of 0.05, hence we cannot conclude that Employee Strength and CSR status are associated. CSR status may not vary as per Employee strength.

5.3.4. Chi-Square Cross tabulation to test % Females in workforce and Corporate Social Responsibility Status

The Chi-square test performed below is used to determine whether the variables are independent or associated: a Chi Square and p-Value. Chi-square is a measure of the difference between the observed counts and the expected counts.

And p- Value is used to decide whether the variables are associated

- If p-Value is less than or equals to α-level (usually 0.05 in most of the hypothesis tests), then we can conclude that the variables are associated
- If p-Value is greater than α-level, then we cannot conclude that the variables are associated.

Organizations divided in four categories based on % of Female employees in total workforce as

1 to 20%, 21 to 30%, 31 to 40% and 41% & above. We can test the association between % of female workforce in the organization and CSR status with Chi-square analysis

Minitab Output

Chi-Square Test: % Females in Workforce, CSR Status

Expected counts are printed below observed counts
Chi-Square contributions are printed below expected counts

Sr. No.	% Females in Workforce	CSR Status	Total
	2	4	6
1	2.91	3.09	
	0.286	0.27	

2	4	3	7
	3.4	3.6	
	0.106	0.1	
3	1	2	3
	1.46	1.54	
	0.143	0.135	
4	2	3	5
	2.43	2.57	
	0.075	0.071	
5	2	3	5
	2.43	2.57	
	0.075	0.071	
6	2	3	5
	2.43	2.57	
	0.075	0.071	
7	2	3	5
	2.43	2.57	
	0.075	0.071	
8	3	1	4

	1.94	2.06	
	0.576	0.544	
9	3	4	7
	3.4	3.6	
	0.047	0.044	
10	4	3	7
	3.4	3.6	
	0.106	0.1	
11	2	4	6
	2.91	3.09	
	0.286	0.27	
12	3	2	5
	2.43	2.57	
	0.135	0.127	
13	1	2	3
	1.46	1.54	
	0.143	0.135	
14	3	2	5
	2.43	2.57	
	0.135	0.127	
15	2	2	4

	1.94	2.06	
	0.002	0.002	
16	2	3	5
	2.43	2.57	
	0.075	0.071	
17	3	3	6
	2.91	3.09	
	0.003	0.002	
18	2	1	3
	1.46	1.54	
	0.203	0.191	
19	3	2	5
	2.43	2.57	
	0.135	0.127	
20	2	3	5
	2.43	2.57	
	0.075	0.071	
21	3	3	6
	2.91	3.09	
	0.003	0.002	

22	3	2	5
	2.43	2.57	
	0.135	0.127	
23	2	2	4
	1.94	2.06	
	0.002	0.002	
24	2	2	4
	1.94	2.06	
	0.002	0.002	
25	2	1	3
	1.46	1.54	
	0.203	0.191	
26	2	3	5
	2.43	2.57	
	0.075	0.071	
27	4	3	7
	3.4	3.6	
	0.106	0.1	
28	1	2	3

	1.46	1.54	
	0.143	0.135	
29	2	3	5
	2.43	2.57	
	0.075	0.071	
30	2	4	6
	2.91	3.09	
	0.286	0.27	
31	2	3	5
	2.43	2.57	
	0.075	0.071	
32	2	3	5
	2.43	2.57	
	0.075	0.071	
33	3	1	4
	1.94	2.06	
	0.576	0.544	
34	3	4	7
	3.4	3.6	
	0.047	0.044	

35	4	3	7
	3.4	3.6	
	0.106	0.1	
36	2	3	5
	2.43	2.57	
	0.075	0.071	
37	3	2	5
	2.43	2.57	
	0.135	0.127	
38	1	2	3
	1.46	1.54	
	0.143	0.135	
39	3	2	5
	2.43	2.57	
	0.135	0.127	
40	2	2	4
	1.94	2.06	
	0.002	0.002	
41	2	4	6
	2.91	3.09	
	0.286	0.27	

42	3	3	6
	2.91	3.09	
	0.003	0.002	
43	2	1	3
	1.46	1.54	
	0.203	0.191	
44	3	2	5
	2.43	2.57	
	0.135	0.127	
45	2	3	5
	2.43	2.57	
	0.075	0.071	
46	3	3	6
	2.91	3.09	
	0.003	0.002	
47	3	2	5
	2.43	2.57	
	0.135	0.127	
48	2	2	4

	1.94	2.06	
	0.002	0.002	
	2	2	4
49	1.94	2.06	
	0.002	0.002	
Total	118	125	243

Table 5.48 Chi-Square Test: % Females in Workforce, CSR Status

Chi-Sq = 11.665, DF = 48, P-Value = 1.000

Output of chi-square analysis, Chi-square = 11.665 and p-Value =1.000 which is greater than α level of 0.05, hence we cannot conclude that % of Females in Workforce and CSR status are associated. CSR status may not vary as per % of Females in Workforce.

5.4 One way Analysis of Variance (ANOVA) to know the performance of Corporate Social Responsibility among sample companies.

To test whether there is any difference in Corporate Social Responsibility status in different types of organizations

5.4.1 ANOVA to test whether there is any significant difference in CSR status in Proprietorship, Pvt. Ltd, Public Ltd and Multinational IT Companies.

The most important statistics in the analysis of variance table are p-value, S, R, and adjusted R values. Collectively, these values tell you if the level of means is significantly different from each other and how well the model fits the data.

P-Value
If P is less than or equal to α-level we have selected, one or more means are significantly different.
If P is larger than the □-level you have selected, the means are not significantly different

If the ANOVA results indicate that there are significant differences, you can look at the individual statistics and confidence intervals to learn more about the differences.

S, R and adjusted rare measures of how well the model fits the data. These values can help you select the model with the best fit.

S is measured in the units of the response variable and represents the standard distance data values fall from the fitted values. For a given study, the better the model predicts the response, the lower S is.

R (R-Sq) describes the amount of variation in the observed response values that is explained by the predictors. R always increases with additional predictors. For example, the best five-predictor model will always have a higher R than the best four-predictor model. Therefore, R is most useful when comparing models of the same size.

Adjusted R is a modified R that has been adjusted for the number of terms in the model. If you include unnecessary terms, R can be artificially high. Unlike R, adjusted R may get smaller when you add terms to the model. Use adjusted R to compare models with different numbers of predictors.

One-way ANOVA: Proprietorship, Pvt. Ltd, Public Ltd, MNC

Source	DF	SS	MS	F	P
Factor	3	10.766	3.589	6.91	0.001
Error	45	23.356	0.519		
Total	48	34.122			

Table 5.49 ANOVA Output

$S = 0.7204$ R-Sq $= 31.55\%$ R-Sq(adj) $= 26.99\%$

Level	N	Mean	St. Dev
Proprietorship	3	1.6667	0.5774
Pvt. Ltd	28	2.2857	0.81
Public Ltd	8	2.875	0.6409
MNC	10	3.3	0.483

Individual 95% CIs For Mean Based on Pooled StDev

```
Level           +---------+---------+---------+---------
Proprietorship  (----------*---------)
Pvt. Ltd              (---*--)
Public Ltd              (-----*-----)
MNC                        (----*-----)
                +---------+---------+---------+---------
              0.80    1.60     2.40     3.20
```
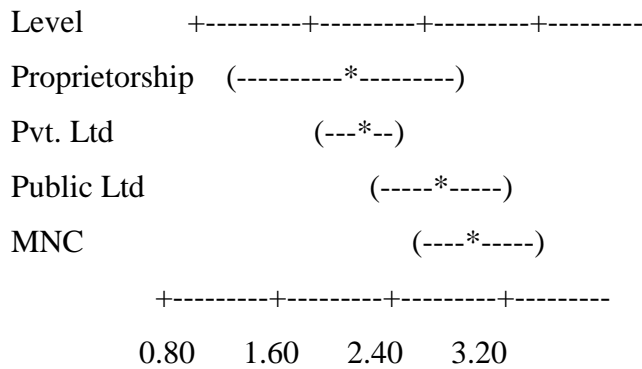
Pooled StDev = 0.7204

The p-Value for CSR status ANOVA is 0.001, which is less than α-level of 0.05, hence we can conclude that there are significant differences in CSR status in Proprietorship, Pvt. Ltd, Public Ltd and Multinational Companies.

In above result, the intervals for Proprietorship and Multinational Companies do not overlap, which suggests that the CSR status at these types of Companies is significantly different.
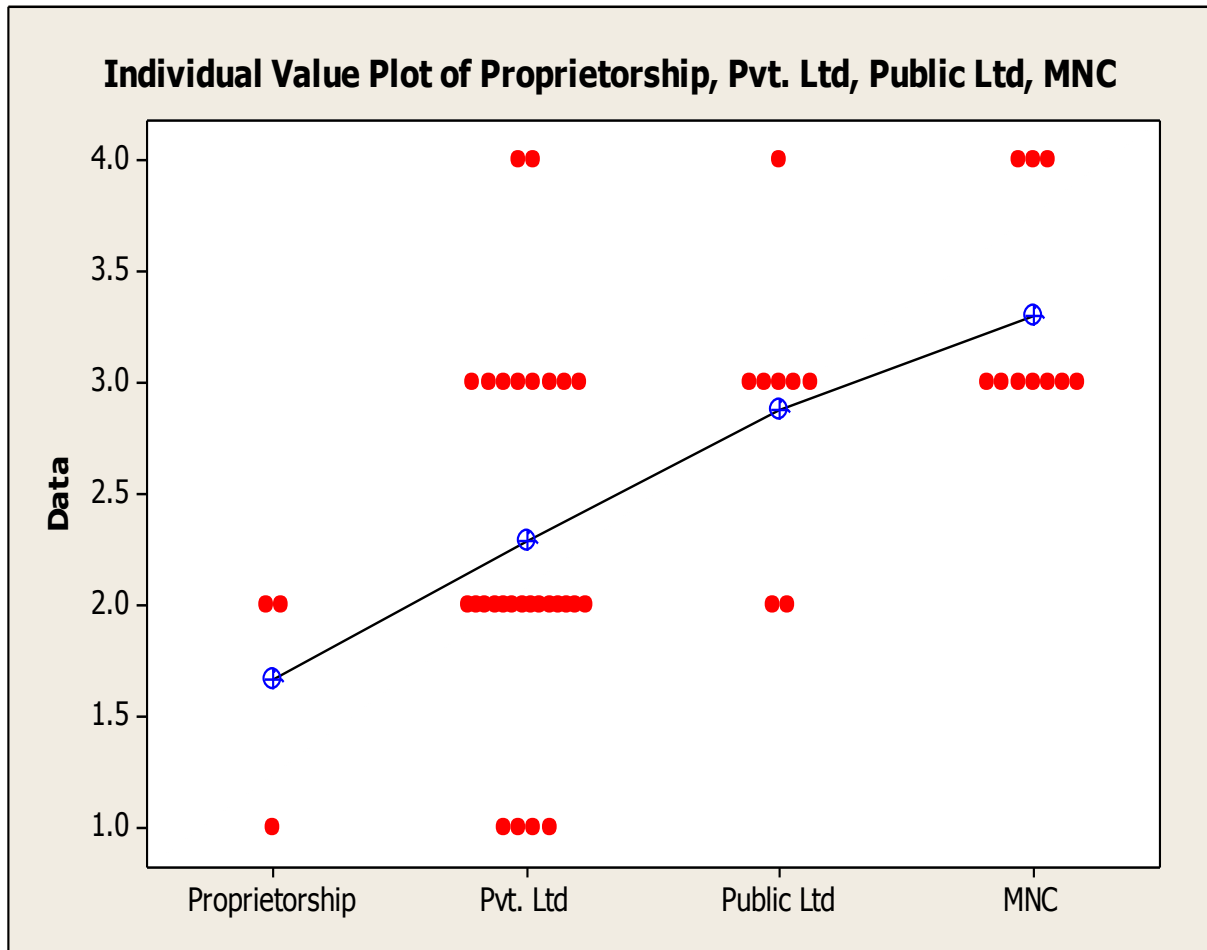
Figure 5.48. Individual value plots of the Type of organizations

The Individual value plots of the Type of organizations data show following:

- Corporate Social Relationship is at very good level in MNCs
- Private Limited Companies varies in their CSR performance a lot as compared with others
- There are no Outliers in above data.
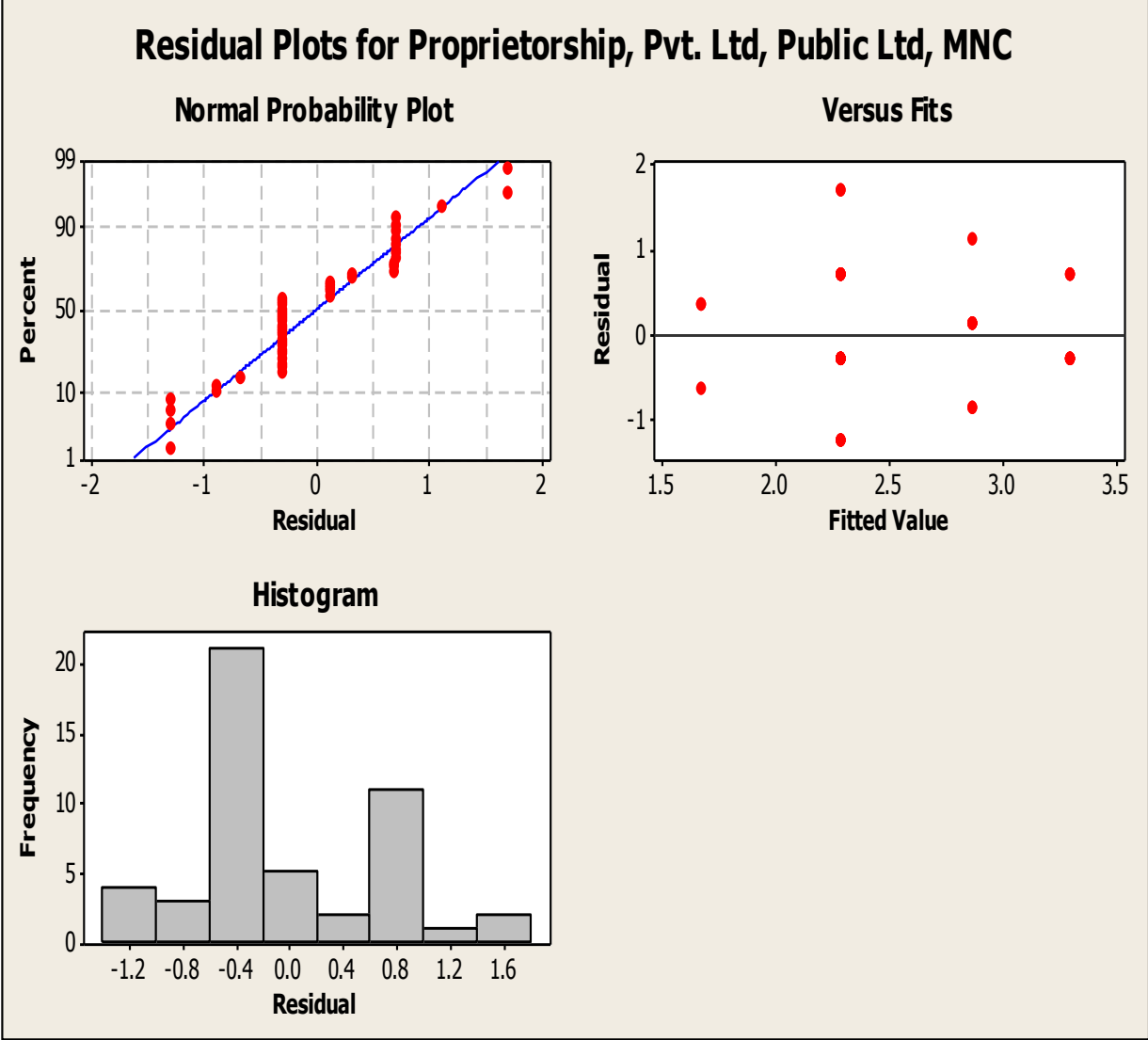
Figure 5.49. Residual Plots for proprietorship, Pvt. Ltd, Public Ltd, MNC.

5.4.2. ANOVA to test whether there is any significant difference in Corporate Social Responsibility based on Companies Annual Turnover.

The most important statistics in the analysis of variance table are p-value, S, R, and adjusted R values. Collectively, these values tell you if the level of means is significantly different from each other and how well the model fits the data.

P-Value

If P is less than or equal to α-level we have selected, one or more means are significantly different.

If P is larger than the □-level you have selected, the means are not significantly different

If the ANOVA results indicate that there are significant differences, you can look at the individual statistics and confidence intervals to learn more about the differences.

S R and adjusted rare measures of how well the model fits the data. These values can help you select the model with the best fit.

S is measured in the units of the response variable and represents the standard distance data values fall from the fitted values. For a given study, the better the model predicts the response, the lower S is.

R (R-Sq) describes the amount of variation in the observed response values that is explained by the predictors. R always increases with additional predictors. For example, the best five-predictor model will always have a higher R than the best four-predictor model. Therefore, R is most useful when comparing models of the same size.

Adjusted R is a modified R that has been adjusted for the number of terms in the model. If you include unnecessary terms, R can be artificially high. Unlike R , adjusted R may get smaller when you add terms to the model. Use adjusted R to compare models with different numbers of predictors.

One-way ANOVA: 11 Cr to 50, 51 Cr to 100, 101 Cr to 50, 500 Cr & above.

Source	DF	SS	MS	F	P
Factor	3	23.817	7.939	34.67	0
Error	45	10.306	0.229		
Total	48	34.122			

Table 5.50 ANOVA Output (2)

S = 0.4786   R-Sq = 69.80%   R-Sq(adj) = 67.78%

 Individual 95% CIs for Mean Based on

Pooled StDev

Level	N	Mean	St. Dev
11 Cr to 50 Cr	9	4444	0.5270
51 Cr to 100 Cr	12	1667	0.3892
101 Cr to 500 Cr	12	6667	0.4924
500 Cr & above	16	3750	0.5000

```
                    ----+---------+---------+---------+-----
             (----*---)
                            (---*---)
                                 (---*---)
                                    (--*---)
                    ----+---------+---------+---------+-----
                    1.40    2.10   2.80   3.50
```

Pooled StDev = 0.4786

The p-Value for CSR status ANOVA is 0.000, which is less than α-level of 0.05; hence we can conclude that there are significant differences in CSR status in different companies with different level of annual turnover

In above result, the intervals for companies with annual turnover of 11 Cr to 50 Cr and 500 Cr & above do not overlap, which suggests that the CSR status at these types of Companies is significantly different.
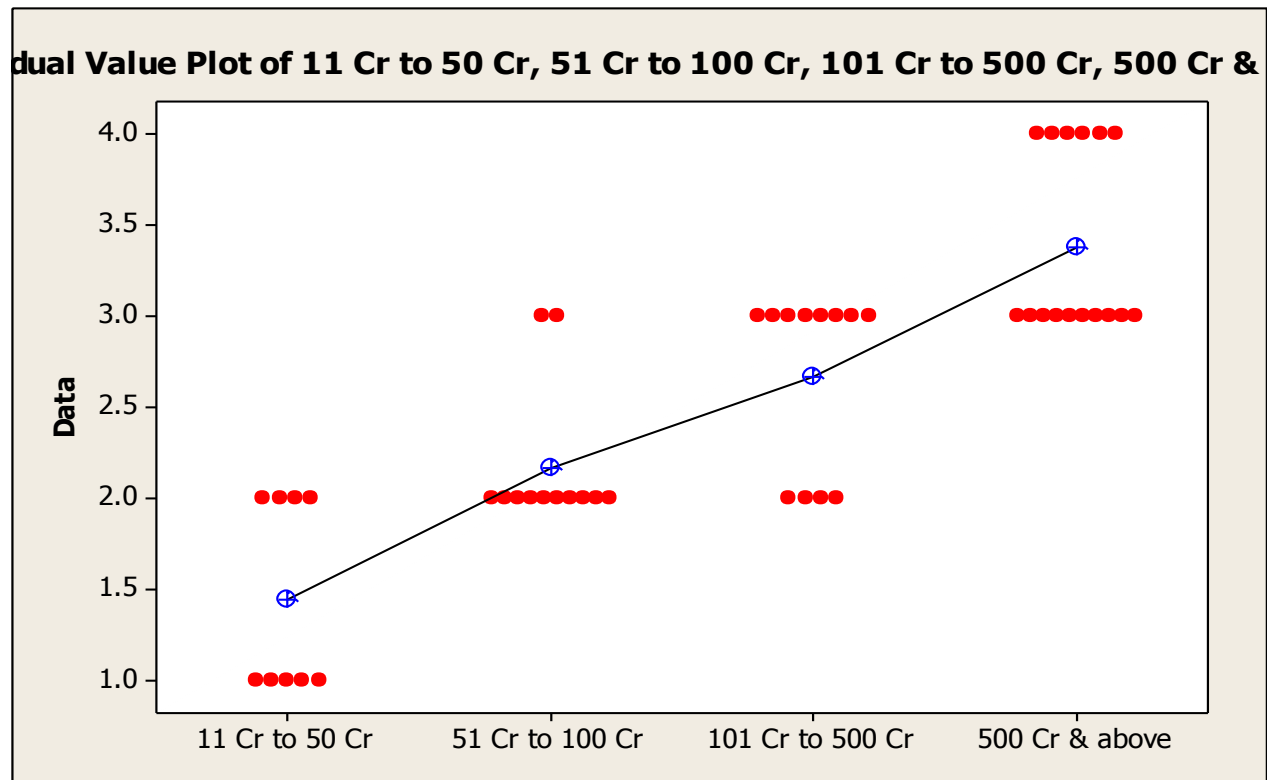
Figure 5.50. Companies with annual turnover.
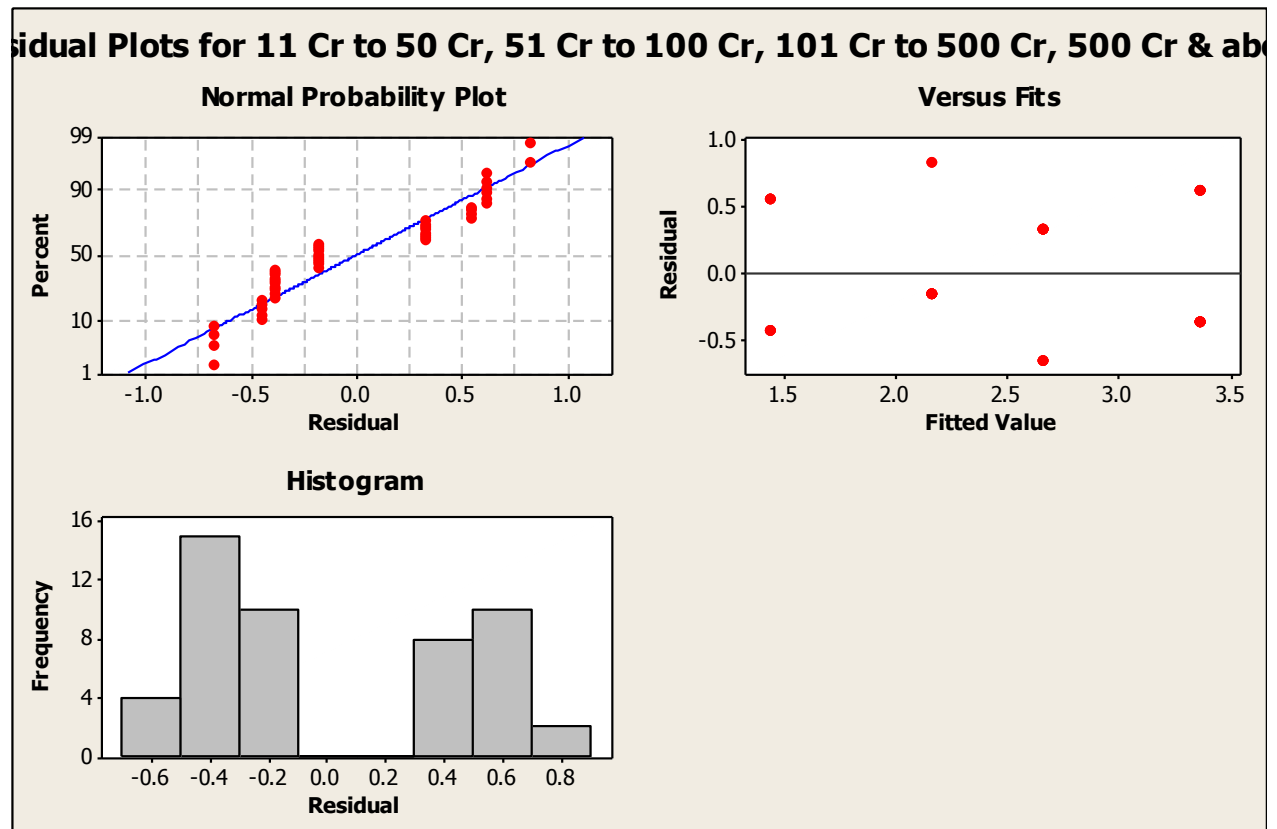
Figure 5.51 Residual plots for companies' annual turnover.

5.4.3. ANOVA to test whether there is any significant difference in Corporate Social Responsibility with reference to employee strength of the company.

The most important statistics in the analysis of variance table are p-value, S, R, and adjusted R values. Collectively, these values tell you if the level of means is significantly different from each other and how well the model fits the data.

P-Value

If P is less than or equal to α-level we have selected, one or more means are significantly different.

If P is larger than the ☐-level you have selected, the means are not significantly different

If the ANOVA results indicate that there are significant differences, you can look at the individual statistics and confidence intervals to learn more about the differences.

S R² and adjusted rare measures of how well the model fits the data. These values can help you select the model with the best fit.

S is measured in the units of the response variable and represents the standard distance data values fall from the fitted values. For a given study, the better the model predicts the response, the lower S is.

R² (R-Sq) describes the amount of variation in the observed response values that is explained by the predictors. R² always increases with additional predictors. For example, the best five-predictor model will always have a higher R² than the best four-predictor model. Therefore, R² is most useful when comparing models of the same size.

Adjusted R² is a modified R² that has been adjusted for the number of terms in the model. If you include unnecessary terms, R² can be artificially high. Unlike R², adjusted R² may get smaller when you add terms to the model. Use adjusted R² to compare models with different numbers of predictors.

One-way ANOVA: 1 to 500, 501 to 10000, 10001 to 40000, 40001 & above

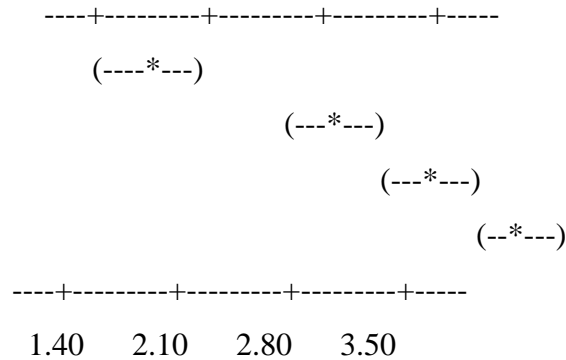| Source	DF	SS	MS	F	P
Factor	3	22.312	7.437	28.34	0
Error	45	11.81	0.262		
Total	48	34.122			

Table 5.51 ANOVA Output (3)

S = 0.5123   R-Sq = 65.39%   R-Sq(adj) = 63.08%

Individual 95% CIs For Mean Based on
Pooled StDev

Level	N	Mean	St. Dev
1 to 500	13 1	6154	0.5064
501 to 10000	20 2	5000	0.5130
10001to 40000	10 3	4000	0.5164
40001 & above	6 3	3333	0.5164

```
              -+---------+---------+---------+--------
                (---*---)
                                  (---*--)
                                        (----*---)
                                        (-----*-----)
              -+---------+---------+---------+--------
              1.40    2.10    2.80    3.50
```
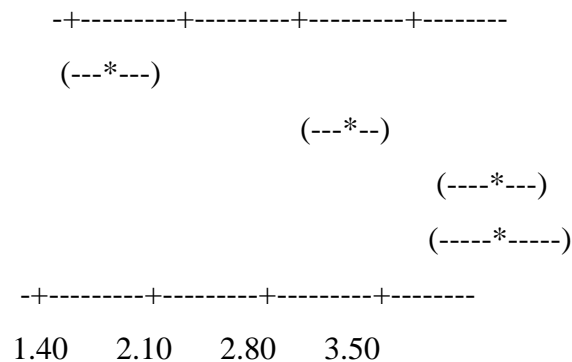
Pooled StDev = 0.5123

The p-Value for CSR status ANOVA is 0.000, which is less than α-level of 0.05; hence we can conclude that there are significant differences in CSR status in different companies with different level of Employee strength

In above result, the intervals for companies with employee strength of 1 to 500 and 501 to 10000 do not overlap with other two, which suggests that the CSR status at these types of Companies is significantly different.
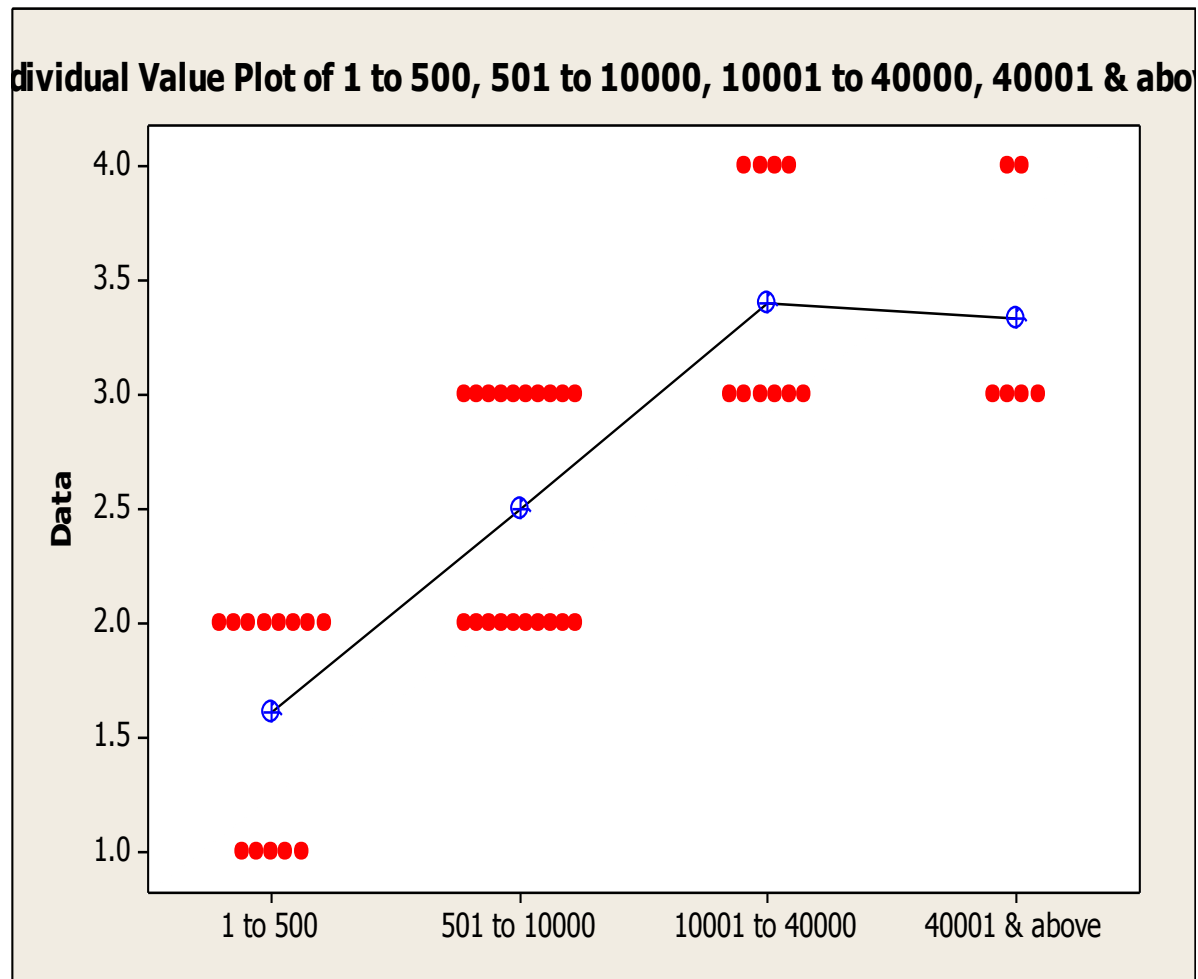
Figure 5.52. Companies with employee strength.

Above Individual plot shows that

- There are no outliers
- CSR status in companies with 1 to 500 and 501 to 10000 employee base companies is lower than companies with employee base of 10001 and more

Figure 5.53. Residual plots for employee strength.

5.4.4. One-way ANOVA: National Business, International Business

The most important statistics in the analysis of variance table are p-value, S, R, and adjusted R values. Collectively, these values tell you if the level of means is significantly different from each other and how well the model fits the data.

P-Value

If P is less than or equal to α-level we have selected, one or more means are significantly different.

If P is larger than the ▢-level you have selected, the means are not significantly different

If the ANOVA results indicate that there are significant differences, you can look at the individual statistics and confidence intervals to learn more about the differences.

S R and adjusted rare measures of how well the model fits the data. These values can help you select the model with the best fit.

S is measured in the units of the response variable and represents the standard distance data values fall from the fitted values. For a given study, the better the model predicts the response, the lower S is.

R (R-Sq) describes the amount of variation in the observed response values that is explained by the predictors. R always increases with additional predictors. For example, the best five-predictor model will always have a higher R than the best four-predictor model. Therefore, R is most useful when comparing models of the same size.

Adjusted R is a modified R that has been adjusted for the number of terms in the model. If you include unnecessary terms, R can be artificially high. Unlike R , adjusted R may get smaller when you add terms to the model. Use adjusted R to compare models with different numbers of predictors.

Source	DF	SS	MS	F	P
Factor	1	1.099	1.099	1.56	0.217
Error	47	33.024	0.703		
Total	48	34.122			

Table 5.52 ANOVA Output (4)

S = 0.8382   R-Sq = 3.22%   R-Sq (adj) = 1.16%

Level	N	Mean	StDev
National Business	11	2.2727	0.6467
International Business	38	2.6316	0.8829

Individual 95% CIs For Mean Based on
Pooled StDev

```
Level                 -+---------+---------+---------+--------
National Business      (---------------*----------------)
International Business                  (--------*--------)
                      -+---------+---------+---------+--------
                     1.80    2.10    2.40    2.70
```
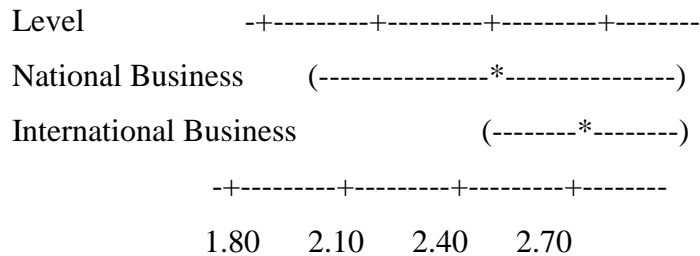
Pooled St. Dev = 0.8382

The p-Value for CSR status ANOVA is 0.217, which is greater than α-level of 0.05, hence we cannot conclude that there are significant differences in CSR status in different companies with different International business and with local business

In above result, the intervals for companies with International and domestic business overlap with each other, which suggests that there is no significant difference in CSR status in these companies.
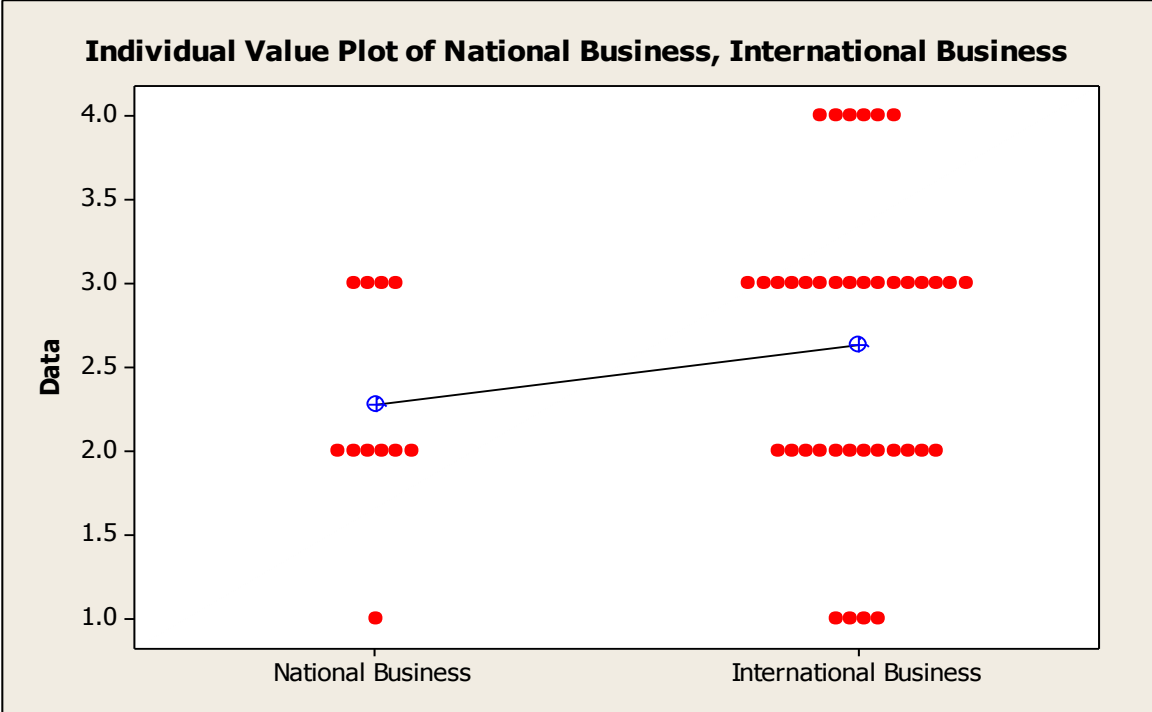
Figure 5.54. Companies with International and domestic business.
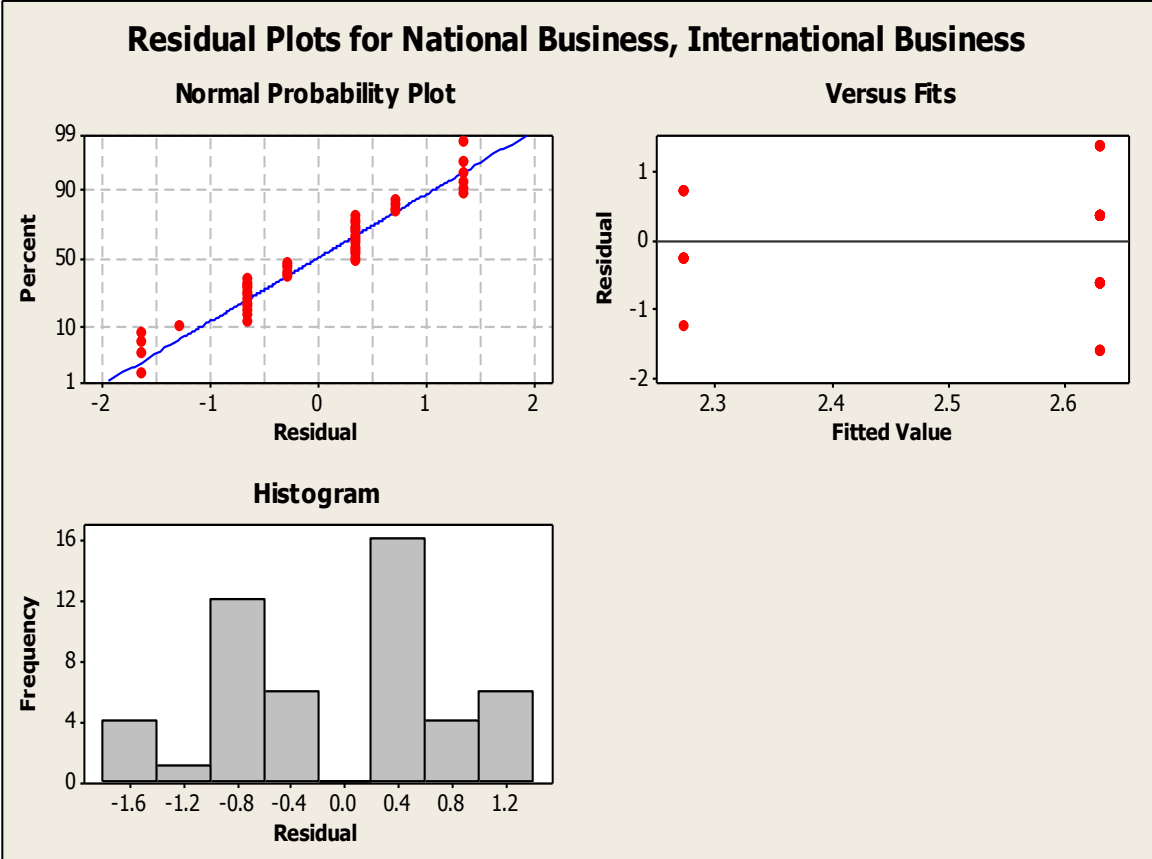
Figure 5.55. Residual plots for companies with International and domestic business.

CHAPTER -6

FINDINGS, CONCLUSIONS, SUGGESTIONS, SCOPE FOR FURTHER RESEARCH

6.1 Findings

This study has important implications for Information Technology industry with regards to Corporate Social Responsibility. The findings obtained from the research are as follows.

1 I.T. sector distinctly emerges as a performer in not only adopting CSR, but also in managing it.

2 35 companies replied that CSR is a part of their business strategy.

3 From the research it revealed that NASSCOM has helped IT industries to promote CSR activities in I T industry

4 NASSCOM encourages young corporate houses to adopt CSR .It acts as a facilitator in furthering CSR within the sector, while ensuring effective communication.

5 The managers of selected companies are not provided with any training to deal with social issues. The training to develop expertise while dealing with social issues is not considered important was the opinion of respondents.

7. The companies follow code of ethics to a great extent with respect to their stakeholders. This means that the companies are desirous of maintaining strong and ethical relations with their respective stakeholders.

8. IT industry do not conduct scanning for social issues or analyzing emerging social trends. Prioritizing philanthropic responsibilities are practiced by all companies, irrespective of their annual turnover. They include supporting educational institutions, cultural development, rural development, and providing relief to the poor.

9. IT industry give importance to Human Resource as a part of Corporate Social Performance. This indicates that these companies treat employees as valuable assets and team members, and not just contract employees.

10.Due to globalization the world has shrunk because of which crossing the border of the country for doing business has become a common feature specially in IT sector right from selecting the employee up to serving the client has become an integral part. In IT sector right from selecting the employee up to serving the client has become an integral part. IT Companies create more employment to young candidates and improve their social and economic status of society.

11. The government perceives CSR as a contribution to the nation's sustainable development goals. Essentially, it is about how a business takes into account the economic, social and environmental impact of the way in which it operates.

12. The study postulates that an organization cannot simply adopt and implement the corporate social responsibility practices without considering important factors.

13. This study highlights the culture of the firm and its business ethics as factors for CSR activates. A combination of these variables will influence the degree to which an organization can be deemed to be CSR oriented.

14. Ethical climate for decision making is highly accepted by all the companies

15. Acceptance of CSR by the companies having higher annual turnover is more than the companies having lower annual turnover.

16. The companies under study also keep record of E-Waste and make efforts to curtail it.

6.2 Conclusions.

Corporate Social Responsibility has attained new magnitude in the current years. As per the research survey maximum numbers of companies conduct Corporate Social Responsibility practices for the tax benefits and research findings shows that more than 70% companies in IT sector in Mumbai are involved in CSR activities.

1. "Corporate Social Responsibility" is the commitment of companies towards the sustainable economic development of the society. It means engaging directly with local communities, identifying their basic needs, and integrating their needs with business goals.

2. NGOs are playing vital role in implementation of CSR in collaboration with the companies.

3. In order to create awareness about CSR practices among people companies are involved in training practices.

4. Non-governmental organizations (NGOs) have played a most vital role in pushing for sustainable development through companies CSR activities. Broadening the horizon of CSR under the flagship and coordination with NGOs, social activities like blood donation, IT Education in Schools, old goods distribution activities, helping to eradicate poverty, unemployment, illiteracy. Health sector, providing fees to the poor students, free dress and books to poor children, help to senior citizens, education to children, solving unemployment problems are carried on in Mumbai.

5. Going into further specific research in CSR activities it is found more than 70% companies actively involved in the promotion of the better health, safety management at work place while 50 % companies give importance to employees safety further companies are making decision on the basis of complaints make by employees more specifically 70% CSR activities decision is based on employees satisfaction.

6. Efficient energy management has become core of CSR policy in present society. Studies shows that more than 75% of the companies are making efforts to save energy it is good sign in the development of CSR.

7. In order to do CSR activities, companies mostly expand their fund on education, youth development and infrastructure.

8. The fund allocated by companies to conduct CSR activities is meagerly spent on environment. Research shows that most of the fund of CSR are spent on employee welfare social issues, on the disposition of products it is very alarming trends which require a proper measure to distribute fund according to need and priority of CSR.

9. The companies involved in CSR practices display code and conduct along with their policy statement that motivates the people to do CSR.

10. Unfortunately companies reluctant to conduct third party audit for their CSR fund. Research study revealed that only 20 % companies are approaching third party CSR audit it required serious attendance of government companies verbally proclaimed that they have annual budget for CSR activities research survey shows that 70% companies allocate their fund for CSR in the beginning of the years but most of them do not disclose the figures of budget if it is made compulsory to disclose the figures by government thus it will motivate and more fund for CSR. This will help companies to make budgeting however government had recently passed a bill that companies have to spend 2% of their profit on CSR but it is not yet implemented by every company there is need of monitoring CSR fund by the government...

11. It was revealed that 71% of companies allocating fund for CSR activities and most of the fund sent for the social welfare. But it is observed that very few numbers of companies have any national goal to achieve through CSR expenditure.

The overall results indicate that the industry does have a strong support for social responsibility and there are differences while converting this support into action.

6.3 Suggestions

In the light of the findings of the study the following actions can be recommended for more effectiveness in Corporate Social Responsibility, the I T companies can perform.

1. The IT companies should make a deliberate attempt to formulate and incorporate social objectives into their economic objectives and Mission Statement.

2. Public disclosure of corporate information and activities involving social as well as economic matters should be made mandatory. Companies having a higher annual turnover should develop "corporate leadership" that would help low annual turnover companies to develop corporate citizenship in order to fulfill the role of citizenship.

3. There should be a willingness to discuss activities with third party or corporate rating organization i.e. accept formal and informal inputs from outside groups, which can be incorporated in decision making process. The managers should be given formal training in developing expertise in social performance. In case the organization cannot afford to allow their managers to fulfill social obligations then the management should use the expertise of external parties. It is strongly suggested that the IT companies create a CSR Officer, who would be involved in CSR activities for the company.

4. The IT companies should take initiative to start project like education at level from school to college which will include not only the I T related education but also other field which will certainly create the true knowledge worker and good citizen for India.

5. The high annual turnover companies should take the initiative to build a network of Industries to enhance environmental protection.

6. Philanthropy practiced by the companies should benefit the public at large, and not just some specific group or community, which is generally the practice. This could be achieved by working in association with NGOs.

7. In view of growing public awareness and demand for fair corporate behavior in a global market situation, the knowledge of Corporate Social Responsibility has become imperative. Hence, it is necessary to train all students in this aspect.

8. The Budget allocation by the IT companies for CSR activities should be specific. Most of the places it was certain but based on requirement. Essentially, it should be channeled effectively and after channelization of funds, they should be evaluated by the companies from the beneficiary.

9. Every year budget must be increased because there is a greater scope and need in the society for its development.

10. Every year before allocating funds, there should be an appropriate survey conducted as to where the funds would be channelized; as sometimes the pattern of spending is regular and monotonous. After all CSR is Management Paradise hence there is a need for it to be undertaken carefully and with variations considering the evaluation at beneficiary level.

11. The positive approach of CSR by corporate for the development of the society will provide a great benefit to community in terms of customer satisfaction, economic development, job opportunity and overall improvement in standard of living.

12. At the same time corporate will also enjoy many benefits in terms of good image in the society, brand loyalty by customer, maximum profit and healthy competition in the global environment.

13 Company can take guidance from ISO 26000 for CSR

14 Company should follow the guidance in respect of CSR given by Ministry of Corporate Affaires

15 Before tie- up with Non Government Organization company should asses the quality and performance of NGO

16 Company should avail services from the Consultants who are expert in CSR consulting field.

17 New Companies should contact established companies for CSR activity to perform in proper direction.

18 Companies should keep up date themselves with latest development in CSR activity at international level.

19 Company should take holistic approach towards CSR as like their business activity.

6.4 Scope for Further Research

1. A comparative study of Corporate Social Responsibility practices of different countries across the globe could be undertaken.

2. Corporate Social Responsibility is a relatively dynamic area of research in modern management; hence there is vast scope for validation and standardization of tools relating to Corporate Social Responsibility Practices of various companies.

3. Further study may focus on identifying and comparing the perception of line managers, staff managers and employees on Corporate Social Responsibility practices of the company.

4. Based on earlier research conducted relating to CSR, companies can be advice to device their policies about CSR regularly.

Bibliography

Andrew Pendleton, (2004), the author of the report, and David Vidal of the Conference Board in New York in 'Beyond the bottom line', *The Guardian,* London, p18.A.C. Fernando (2006) corporate governance principle, policy and practice.

Agarwal N.M., (2000), "Human issues and challenges in Indian Software Industry", Working Paper, Indian Institute of Management Bangalore. Socialist Contexts: A Comparative Study", Journal of Business Ethics, 68, 2, p. 181-189.

Ackerman, R W "How Companies Respond to Social Demands", *Harvard Business Review,* 51(4), 1973.

Ackerman, R W & R A Bauer, *Corporate Social Responsiveness: The Modern Dilemma,* Reston Publishing Co. Virginia 1976.

Ackerman, Robert W. *The Social Challenges to Business,* Cambridge, MA, 1975

Agrawal, R S "Corporate Social Information Disclosure: A Comparative Study", *The*

Management Accountant, June 2003.

Allen William R & K Bragaw, Jr. *Social Forces and the Managers: Reading and Cases,* Robert E. Krieger Publishing Co. Florida 1987.

Anand, M R Is There a Contemporary Indian .Civilization? Asia Publishing House, a Bombay 1963.

Appadurai, A. (1996) Modernity at Large: Cultural Dimensions of Globalization (Minneapolis: University of Minneapolis Press).

Alvesson M., (1987), "Organizations, Culture, and Ideology". International Studies of Management and Organization, Vol. 17, pp. 4-18.

Arora B. and R. Puranik (2004), "A review of CSR in India", Development, Journal Society of International Development, Vol.47, No.3.

Anand Vaani, (2002), "Building Blocks of Corporate Reputation-Social responsibility initiatives "Corporate Reputation Review, Vol.5, No.1, spring 71-74.

Arora A. and J. Asundi, (1999), Quality certification, and the Economics of contract software development: A study of the Indian software industry, NBER working paper 7260, Cambridge MA.

Arora A., V.S. Arunachalam, J. Asundi and R. Fernandes, (1999), "The Globalization of software: The Case of Indian Software Industry", A Report submitted to Sloan Foundation, Pittsburg, Carnegie Mellon University.

Altekar, A.S. (1977), State and Government in Ancient India, Motilal Banarsidasi Publishers, Delhi, pp. 48-74. Arlow, P. and M.J. Gannon (1982), 'Social Responsiveness, Corporate Structure, and Economic Performance', Academy of Management Review, vol. 7, issue no. 2, pp. 235-241.

Aupperle, E. Kenneth, Archie B. Carroll, and John D. Hatfield, 'Instrument Development and Application in Corporate Social Responsibility', Academy of Management Proceedings, August 1983, pp. 369-373.

Aswathappa. K, (1997), Essentials of Business Environment, Himalaya Publishing House, New Delhi.

Bigg Tom and Halina Ward, (2004), "Linking Corporate Social Responsibility", Business Ethics Quarterly, Volume 15, Issue 2. ISSN 1052-150X. pp. 299-317.
Bird F., Smucker J., (2007), The Social Responsibilities of International Business Firms in Developing Areas, Journal of Business Ethics, 73, p. 1-9.

Barth, R. and Wolff, F. (eds.) Corporate Social Responsibility in Europe - Rhetoric and Realities, Edward Elgar Publishing, 2009, 384 pages.

Bondy krista, Dirk Matten and Jeremy Moon, (2008), "Multinational Corporation Codes of Conduct: Governance Tools for Corporate Social Responsibility?" Corporate Governance Volume 16 No.4, July.

Bowden A. R., Lane M. R., & Martin J. H., (2001), Triple bottom line risk management. Enhancing profit, environmental performance, and community benefits New York: Wiley.

Bayly, Charles (1983), Rulers, Townsmen and Bazaars-North Indian Society in the Age of British Expansion 1770-1870, Cambridge University Press, Cambridge.

Berle, A.A. Jr. (1959), in Foreword to The Corporation in Modern Society by E.S. Mason, Harvard University Press, Cambridge.

Boal, K.B. N. Peery (1985), 'The Cognitive Structure of Corporate Social Responsibility', Journal of Management, vol. 11, Issue no. 3, pp. 71-82.

Boatright, J.R. (2003), Ethics and the Conduct of Business, Pearson Education, Delhi.

Bowie, Norman (1991), 'New Directions in Corporate Social Responsibility,' Business Horizon vol. 34, issue no. 4, pp. 56-65.

Buchholz, R.A. (1982), Business Environment and Public Policy, Prentice Hall, Englewood Cliffs, NJ. (1985), Essentials of Public Policy for Management, Practice.
Bell Daniel, *the Coming of Post-Industrial Society,* Basic Books, New York 1973

Bernard, Chester I. *Functions of the Executive,* Cambridge University Press, Cambridge

Blicksilver, J "Social Responsibilities of Business", Part I: Retrospect, USA. Atlanta Economic Review, March 1966.

Bowen H. R., (1953), Social responsibilities of the businessman. Harper & Brothers. New York: United States of America.

Corporate Social Responsibility Voluntary Guidelines 2009, published by the ministry of corporate affairs, Government of India, New Delhi.

Chakraborty, S.K. (1995), Human Values for Managers, Oxford University Press, New Delhi, p. 161.

Carroll A. B., (1999), corporate social responsibility: Evolution of a definitional construct, Business & Society, 38. 268-295.

Chamberlain, N. (1973), the Place of Business in America's Future-A Study in Social Values, Basic Books, New York. (1977), Remaking American Values, Basic Books, New York.

Committee for Economic Development (1971), Social Responsibilities of Business
Corporations, CED, New York, p. 15. Cowell, E.B. and R.A. Neil (2002), Jatakas, 6 vols, PTS (Pali Text Society), New Delhi.

Carroll A. B., (1979), a three-dimensional conceptual model of corporate performance. The Academy of Management Review. 4. (4). October. 497-505.

Carroll, A. B. (1999), "CSR Evaluation of Definitional Construct", Business and Society 38 (3).

Davis K. (1960), "Can Business Afford to Ignore Corporate CSR?" California Management Review 2.

CSM (2001) 'corporate social responsibility: Perceptions of Indian businesses, Centre for Social Markets, July. 23

Duane Windsor, (2001), "The Future of Corporate Social Responsibility", the International Journal of Organizational Analysis, Vol. 9, No. 3, pp. 225-256.

Davis, K. (1960), 'Can Business Afford to Ignore Social Responsibilities?' California, Management Review, spring, vol. 2, issue no. 3, 1960, pp. 70-76.

DeFillipi, R.J. (1982), 'Conceptual Framework and Strategies for Corporate Social Involvement Research', in L.E. Preston (ed.) Research in Corporate Social Performance and Policy, JAI Press, Greenwich, Connecticut, no. 4.

DeGeorge, Richard (1990), Business Ethics, MacMillan, New York.

Donald, P. Robin and R. Erie Reidenbach (1989), Business Ethics-Where Profits Meet Value Systems, Prentice Hall, Englewood Cliffs, New Jersey, pp. 38-55.

Donaldson, T. (1989), the Ethics of International Business, Oxford University Press, New York.

Davis, Keith & Robert Blomstrom, *Business, Society, and Environment: Social Power and Social Responses,* 2nd ed. McGraw-Hill Book Co. New York, 1971

Davis, Keith "The Case For and Against Business Assumption of Social Responsibility", *Academy of Business Management,* June 1973.

Donaldson, T. "Constructing a Social Contract for Business", in T. Donaldson & P. Werhane (Eds.) *Ethical Issues in Business,* 2nd Edition, Prentice-Hall, New Jersey, 1983.

Drucker, Peter F. *The 4ge of Discontinuity: Gttidelines to our Changing Society,* Harper & Row, New York, 1974.

Eberstadt, Nicholas N "What History Tells Us about Corporate Responsibility", Business and Society Review/innovation, autumn 1973.

England, H. (2006) Prisoners of Freedom. Human Rights and the African Poor (Berkeley: University of California Press).

Epstein, Edwin M "The Corporate Social Policy Process: Beyond Business Ethics, Corporate Social Responsibility, and Corporate Social Responsiveness", California Management Review, Vol. XXIX, No. 3 spring 1987.

Edmonds, P. Charles III and Hand H. John (1976), 'What are the Real Long Run Objectives of Business?' Business Horizon, 19 December, pp. 75-81.

Fitch, H.G. (1976), 'Achieving corporate social responsibility', Academy of Management Review, vol. 1, issue no. 1, pp. 38-46.

Frederick, W.C. (1960), 'The Growing Concern over Business Responsibility,' California Management Review, summer, vol. 2, issue no. 4, p. 60.

Freeman, R.E. and D.R. Gilbert (1988), Corporate Strategy and Search for Ethics, Prentice li. Hall, Englewood Cliffs, NJ.

Friedman, Milton (1970), 'The Social Responsibility of Business is to Increase Its Profits,' New York Times Magazine, September 13, pp. 32-33, 122-126.

Fahey, L. & V.K. Narayanan, Macro environmental Analysis for Strategic Management, West St. Paul, MN, 1986 .

Fleming, J E "Public Issues Scanning", in L. E. Preston, Research in Corporate Social Performance and Policy, Vol. 9 JAI Press, Greenwich, CT, 1987 .

Frederick, William C "From CSRI to CSR2: The Maturing of Business-and-Society Thought", (Graduate School of Business, University of Pittsburg, 1978), Working Paper No. 279.

Fredrick, W.C. (1998), "Moving to CSR 4", Business and Society 37 (1).

Friedman, Milton Capitalism and Freedom, University of Chicago Press, Chicago, 1962.

Friedman, Milton "The Social Responsibility of Business is to Increase its Profits", in Allen William R & Louis K Bragaw, Jr. Social Forces and the Managers: Reading and Cases, Robert E. Krieger Publishing Co. Florida 1987.

Gandhi, M K Young India, November 26, 1931.

Gandhi, M. K. Amrit Bazar Patrika, August 3, 1934.

Gandhi, M K Harijan, February 22, 1942,

George, Claude S Jr. The History of Management, Prentice-Hall Inc., NJ, 1968 George, Neena & Jochim Lourduswamy, "Understanding Corporate Social.

Greeneld W. M., (2004), "In the name of corporate social responsibility." Business Horizons January–February: 19–28.Five Years of Incomparable Research", Business and Society, 36, pp.5-31.

Gundach, Gregory M. and Murphy,Patrick E.m, (1993), "Ethical and Legal Foundation of Relation Marketing Exchanges", Journal of Marketing, Vol. 57, (October), Pp. 35 to 46.
Ghosh, Arindam "Corporate Social Accounting: Empirical Research and Studies in India and Abroad", The Management Account, June 2003.

Ghosh, B N Scientific Method and Social Research, Sterling Publishers Pvt. Ltd. New Delhi, 2002.

Geoffrey Chandler (2003) 'The curse of CSR', New Academy Review, vol, 2 no 1,

Ghosh, P K & G K Kapoor, Business and Society - A Study of Business-Environment

Interface, Sultan Chand & Sons, New Delhi, 1985.

Gaventa, J. & Barrett, G. (2010) So What Difference Does It Make? Mapping the Outcomes of Citizen Engagement.IDS Working Paper Number 347 (Brighton: Institute of Development Studies).

Grillo, R. D. (1997) Discourses of development: The view from anthropology, in: R.

Holston, J. (2009) Insurgent Citizenship: Disjunctions of Democracy and Modernity in Brazil (Princeton: Princeton University Press).

Howell, J. & Pearce, J. (2002) Civil Society and Development (Boulder: Lynne Rienner Publishers).

Handlin, Oscar & Mary F Handlin "Origins of the American Business Corporation", Journal of Economic History, Vol. V May 1945.

Reed, Darryl "Corporate Social Responsibility and Development in India", Journal of

Human Values, 4:2, 1998

Hall, Ganguly, K.M. (1991), Mahabharata, 12 vols, Munshiram Manoharlal, New Delhi.

Hausman, D.M. (1992), The Inexact and Separate Science of Economics, Cambridge Drate University Press, Cambridge. 5.

Haynes, Dougles (1987), 'From Thibute to Philanthropy-The Politics of Gift Giving New in a Western Indian City', Journal of Asian Studies, vol. 46, issue no. 2, May, p. 339-60.

Hirshman, A.D. (1981), Essays in 1'espassing-Economics to Politics and Beyond, Cambridge Press, New York.

Hopkins, Michael (1998), A Planetary Bargain-CSR Comes of Age, Macmillan, London.

Hopkins, Michael (2005) 'Measurement of CSR, International Journal of Management and Decision Making, vol 6, nos 3/4, pp213-231,

John, Blundell (2004) Corporate Social Responsibility poisons Market, London,

Jones, T.M. (1983), 'An Integrating Framework for Research in Business and Society- Step towards the Elusive Paradigm?' Academy of Management Review, vol. 8, issue no. 4, pp. 559-564.

Jeremy Baskin (2005) 'Corporate responsibility in emerging markets', presented at Middlesex conference, London, 22 June.

Kabeer, N. (Ed.) (2005) Inclusive Citizenship: Meanings and Expressions (London: Zed Books).

Korten, D. (1990) Getting to the 21st Century. Voluntary Action and the Global Agenda (West Hartford: Kumarian Press).

Leitner, G. W., quoted in Majumdar, RC, Social Work in Ancient and Medieval India, in lance Wadia, A.R. (edited) (1961) History and Philosophy of Social Work in India, Allied Publisher Pvt. Ltd, Bombay, p. 5.

Lindblom, C.E. (1977), Politics and Markets, Basic Books, New York.
Meet Majumdar, R.C., H.C. Raychaudhuri, and Kalikinkar Datta (1995), An Advanced History of India, Macmillan India Ltd, Madras, p. 809.

Levit T. (1958), "The Dangers of social responsibility", Harward Business Review, 36 (5). Sept.-Oct. 41-50.

Maon, François and Adam, (2009), "Designing and Implementing Corporate Social Responsibility: An Integrative Framework Grounded in Theory and Practice." Journal of Business Ethics; July Vol. 87, p71-89.

Marcel van Marrewijk, (1960), Concepts and definitions of CSR and Corporate Sustainability: Between Agency and Communication, McGregor, D. The Human Side of Enterprise. New York: McGraw Hill.

Moon Jeremy, (2008), Matten Dirk 'Implicit and Explicit CSR: A Conceptual Framework for a Comparative Understanding of Corporate Social Responsibility'. Academy of Management Review, Vol.33, No.2, 404-424.

Mitlin, D., Hickey, S. & Bebbington, A. (2007) Reclaiming Development? NGOs and the challenge of alternatives, World Development, 35(10), pp. 1699–1720.

Maur Sheil (2003) 'India: Report on SRI in Asian emerging markets', Centre for Social Markets, October, Report in Asian Emerging Markets, Sustainable Financial Markets Facility, SFMF, International Finance Corporation.

Newell, P. & Wheeler, J. (Eds) (2006) Rights, Resources and the Politics of Accountability (London: Zed Books).

Michael Bryane (2003) 'Corporate social responsibility in international development an overview and critique', Corporate Social Responsibility and Environmental Management, vol10, no 3, pp ll5-l28

NASSCOM, (2012), Indian Directory for IT-enabled Services, NASSCOM, and New Delhi.

NASSCOM, (2005), The Software Industry in India; A strategic review, NASSCOM, New Delhi,

NASSCOM, (2008), The Software Industry in India; A strategic review, NASSCOM, New Delhi.

Nigel Griffiths in John Hancock (2004) Investing in CSR- A Guide to Best Practice, Business Planning and the UK's Leading Companies.

P D Jose, Rajendra Bandi and Malini Mehra, (2003), "Corporate Social Responsibility in the Information and Communication Technologies Sector: Discussion" IIMB Management Review, December.

Porter M.E., & Kramer M.R., (2006), Strategy and society: The link between competitive Advantage and corporate social responsibility. Harvard Business Review, 84 (12): 78-92.

Porwal L.S. and Narendra Sharma, (1991), "Social Responsibility Disclosure by Indian Companies", The Chartered Accountant, Vol. XXXIX, No 8, February, pp.630-635.

Sachar, Rajinder (Chairman), *Report of the High-Powered Expert Committee on Companies and MRPT Acts,* Ministry of Law, Justice and Company Affairs, Department of Company Affairs, Government of India, New Delhi, August 1978

Sethi, S. Prakash & Paul Steidlmeier, "Business Ethics and Hinduism", in Patricia H. t Werhane & R. Edward Freeman (eds.), The *Blackwell Encyclopedic Dictionary of Business Ethics,* Blackwell Publishers Ltd. UK. 1997.

Sethi, S. Prakash, "Dimensions of Corporate Social Performance: An Analytical Framework", *California Management Review,* Vol. XVII. No.3, 1975.

Steiner, George & John F. Steiner, Business, Government, and Society.

Sharma S., Sharma J. and Devi A. – Corporate Social Responsibility: The Key Role of Human Resource Management Business Intelligence Journal - January, 2009 Vol.2 No.1

Sharma S., Sharma J. and Devi A. - Corporate Social Responsibility: The Key Role of Human Resource Management Business Intelligence Journal - January, 2009 Vol.2 No.1

Sir Geoffrey Chandler, personal communication, 8 September 2005.
Thomas, to *Challenge and to Change,* Viking, New Delhi, 1991

Teivainen, T. (2009) The Pedagogy of global development: The promotion of electoral democracy and the Latin American isation of Europe, Third World Quarterly, 30(1), pp. 163–179.

Teivainen, T. (2012) Pedagogy of Global Development. Keynote speech in the conference: Citizenship Transformations in a Global World, Helsinki, 9–10 February 2012.

The Economist Intelligence Unit (2005) the importance of corporate responsibility', London, January.

Upadhyaya, R.B. Social Responsibility of Business and the Trusteeship Theory of

Mahatma Gandhi, Sterling Publishers Pvt. Ltd. New Delhi, 1976

Wokutch R.E., (1990), "Corporate Social Responsibility: Japanese Style", Journal of Business, Vol. 8, p 81-96.

Wood Donna J., (1991), "Corporate Social Performance Revisited", Academy of Management Review, Vol. 16, No.4, Pp. 691-718.

Wall, C. 2008. Buried treasure: Discovering and implementing the value of corporate social responsibility. Greenleaf Publishers.

Wendy Chapple and Jeremy Moon (2005) 'Corporate social responsibility (CSR) in Asia: A seven-country study of CSR web site reporting', Business and Society, vol 44, no 4, pp41.

Young-Chul Kang and Donna J. Wood (1995) Before-Profit Social Responsibility Turning the Economic Paradigm Upside Down, Proceedings of the Sixth Annual Meeting of the International Association of Business and Society, Vienna, Pp 408-418

Web Sites

www.karmayog.org

www.csridentity.com

www.samitha.org

www.icsr.org

www.en.wikipedia.org

www.mca.gov.in

www.deity.gov.in

www.itngl.nic.in

www.infosys.com

www.wipro.com

www.tcs.com

www.igate.com

www.microsoft.com

www.oracle.com

www.sap.com

Search Engine

www.google.com

www.Ask.com

www.bing.com

Appendix

Objective of this questionnaire is to collect primary data for PhD. on CSR

1. Company Name _____

2. Address _____

3. Tele No. _____

4. E- Mail I. D _____

5. Website _____

6. Contact Person _____

7. Department _____

8. Designation_____

9. Nature of Business

Software Development	Hardware	BPO/KPO	Networking	Any other

10. Ownership Structure

Proprietorship	Private LTD	Public LTD	MNC	Any other
5	28	8	10	

11. What is the company's registered capital?

11Cr to 50 Cr	51Cr to 100Cr	101Cr to 500 Cr	500Cr & Above

12. Total no. of employees

Company Payroll	Consultant Payroll	Any other	Total no. of employees

Section A. 1 Corporate Social Responsibility

Sr	Questions	Yes	No
1	Are women, the members of existing board of directors?		
2	Does a Board committee exist for the function of CSR sustainable development / corporate citizenship?		
3	Does the company have a code of ethics / policy in relation to corporate governance, dishonesty, corruption or unethical behavior?		
4	Does the company provide training to all employees against dishonesty, corruption and unethical behavior?		
5	Does the company undertake a risk assessment with respect to the country's labour, human rights violation and environmental concerns?		
6	Has the company identified emergency situations like process failures, accidents, storms, floods, or other events that pose a threat to human or the environment?		
7	Has the company established a tracking system to identify and monitor staff, ethics, health, safety and environmental laws?		
8	Does the company have a policy statement/ code of conduct or stated commitments?		
9	Does the company make publically available these codes of conduct, policy statements?		
10	Has the company sought independent third party assurance / audit / public		

	reports?		
11	Has the company allocated certain percentage of their budget annually for CSR?		
12	Does the company takes Initiative for awareness and importance about CSR?		
13	Does the company have Training and awareness programs?		
14	Does the company have Internal Communications (e.g. Bulletin boards, intranet, etc)		
15	Does the company have Management briefing?		

Section.2 Corporate Governance

Question No1. Why is the company interested in CSR?

Competitive Environment	Community Beneficiary	Social Concern	Business Performance	Regulatory Obligations	Philanthropy	Differentiation Opportunities	Tax Benefits

Question No.2. Has an employee within the company, given responsibility for the CSR Activity?

Environmental Issues	Health and Safety Issues	Employee Welfare	Social Issues	Procurement Practices	Product Responsibility

Question No.3. Does the company have CSR weeks for the following activity?

Blood Donation	Old goods giving	Joy of giving	Training Camps	Any other Activity

Question No.4. With respect to CSR, the company belongs to which of the following group?

CSR Leaders	CSR Adopters	CSR Newcomers

Question No.5.Is the company currently associated with any NGOs?

1	yes	
2	No	

Section B .1 .Stakeholder Dialogue, Employees.

Question No1. When designing CSR, which of the following stakeholders are considered the most?

Extents	Small	Medium	Large	Extra large
Shareholders or Investors				
Local Government				
National Government				
Competitors				
Trade Association				

Environmentalists				
Media				
Local charity/ Civil Society / NGO				
International charities / NGO				
Employee				
Consumers				

Question No.2. How beneficial is CSR to the following stakeholders?

Stakeholders	Very beneficial	Somewhat beneficial	Neutral	Not beneficial
Employees				
Customers				
Shareholders				
Supplier				
Community				
Environment				

Section B. 2.   Employees, Supply Chain, Vendors Associates.

Sr	Questions	Yes	No	Don't Know
1	Has the Company a health and safety management system in place?			
2	Did Company introduce any health education, training, counseling or prevention program to assist employees, their family's community members?			
3	Does Company perform employee satisfaction surveys?			

5	Does the Company have a standard procedure to deal with the complaints made by the employees?			
6	Does the Company have a policy for the prevention of harassment, coercion, threatening behavior, physical abuse, sexual abuse or verbal abuse towards employees?			
7	Does the Company have any policy/ code of conduct on freedom of association?			
8	Is Company meeting with stakeholders in a formal way to solicit their opinions?			
9	Has the Company incorporated CSR clauses in its purchasing policy?			

Section. C. 1. Environmental Issues & Economic Development.

Sr	Questions	Yes	No	Don't Know
1	Does the Company keep any record for Energy consumption?			
2	Does the Company keep any record for E-Waste?			
3	Does company receive any Tangible economic benefits due to CSR activity?			
4	Does Company Import any software / Hardware/ any other equipment product?			
5	Does Company Export any software / Hardware/ any other equipment product?			

Section C. 2 Communities Initiative & Social Development.

Question No.1.

Sr	Questions	Yes	No	Don't Know
1	Has Company taken initiatives for National Development Goal or Internationally recognized goals?			
2	Does Company take initiatives for community development in the society?			

Question No.2. Has Company invested in following areas as part community investment initiatives?

Local Heritage	Infrastructural support	Youth Development	Education	Under privileged	Poverty Alleviation

Disability	Conservation	Sports	Culture	Community Investment Initiatives	Trade Associate

Question No.3. What are the types of resources does the company provide?

Monetary benefits	Ration, cloths	Volunteers	Loan on low interest	Others

Question No.4. How your Philanthropic expenditure are directed through self or channelized?

Revenue Budget directly from company	Foundation / Trust	Both