

# Corporate Social Responsibility and Sustainable Development in India

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## **Abstract:**

Profit is the main objective of every business corporation as no business can survive without earning profits. But business corporations bear a more significant responsibility to the society than only making profits. Business corporations use resources of society so they owe a responsibility towards society. Any corporation focused just on maximizing profits for shareholders, with little regard for societal and environmental problems, is doomed to failure in the long term is what led to the birth of CSR and sustainable development as significant concerns of business activity. Businesses can contribute to a better society by allocating a percentage of their profits to Corporate Social Responsibility (CSR) initiatives. Due to the fact that CSR initiatives address 15 of the 17 Sustainable Development Goals, they are helpful in reaching the Sustainable Development Goals. The aim of this paper is to study the concept of Corporate Social Responsibility, Sustainable Development and the contribution of Corporate Social Responsibility towards achieving the goal of Sustainable Development in India. This study is based on the secondary data.

## **Introduction**

Profit is the main objective of every business corporation as no business can survive without earning profits. But business corporations bear a more significant responsibility to the society than only making profits. Business corporations use resources of society so they owe a responsibility towards society. Any corporation focused just on maximizing profits for shareholders, with little regard for societal and environmental problems, is doomed to failure in the long term is what led to the birth of CSR and sustainable development as significant concerns of business activity. In order to achieve sustainable development, corporate social responsibility is essential. In fact Corporate Social Responsibility (CSR) and Sustainable development are complementary to each other. Businesses can contribute to a better society by allocating a percentage of their profits to Corporate Social Responsibility (CSR) initiatives. Since CSR supports government initiatives and advances the nation's social and economic development, it plays a significant role in achieving the Sustainable Development Goals (SDGs). The Sustainable Development Goals (SDGs) are a group of 17 goals that the UN has established in an effort to achieve sustainable development on a global scale by 2030.

Three aspects need to be considered in a sustainable company model: social, environmental, and economic sustainability. The impact of a business's operations on the environment, such as burning fossil fuels and deforestation, is known as environmental sustainability. The effect that a business has on social systems, including society, the local populace, workers, clients, and other pertinent stakeholders, is known as social sustainability. A firm is said to be socially unsustainable if its activities negatively

impact these social structures. Economic sustainability is the company's ability to finance operations, maintain a stable financial position, and support environmental and socially conscious projects.

### Review of Literature

Karoly Behringer (2016) found that the CSR is a business model that encourages businesses to contribute to sustainable development through the integration of the Sustainable Development into their business strategy, thereby achieving a balance between economic concerns, environmental needs and social expectations.

Dr Sunita Paschar (2020) analysed that the Corporate Social Responsibility practices should be linked to Sustainable Development Goals in order to more effectively address sustainability issues in India. The findings of the study demonstrate that the corporate sector is making a significant contribution to Education, Health Care, and Rural Development.

Rahul Singh Gautama (2022) observed that the sustainable growth of India is positively impacted by CSR funding. Moreover, it has been discovered that CSR spending for the environment and education benefits India's sustainable development.

Bharti (2023) analysed that there is a relationship between corporate social responsibility and the Sustainable Development Goals. Corporate sector contributes to improve and elevate society. Eradicating poverty, hunger, Healthcare and Education sectors are the most attractive sectors in the form of CSR activities.

### Objective of the Study

To study the role of Corporate Social Responsibility in Sustainable Development in Indian economy.

### Research Methodology

This study is based on Secondary data. Data has been collected from various websites, journal articles and conference papers.

### Relationship between CSR and Sustainable Development

CSR and Sustainable Development are complementary to each other as both emphasize on how important it is for companies and organizations to accept accountability for their effects on the environment and society. They are related in the following ways:

- **Common Goals:** A more equitable, environmentally responsible, and socially just World is a shared objective of both corporate social responsibility and sustainable development. To maintain long-term well-being, they both aim to strike a balance between social, economic, and environmental issues.
- **Triple Bottom Line:** Both Concepts include the idea of “Triple Bottom line” which takes into account social and environmental performance in addition to financial profit.
- **Stakeholder Engagement:** Sustainable development and CSR both involve interaction with a range of stakeholders, such as Govt. agencies, customers, employees and communities so that businesses can better understand their concerns and priorities, which can inform CSR strategies and contribute to sustainable development efforts.
- **Environmental Responsibility:** Sustainable development emphasizes the need for businesses to lessen their adverse effects on environmental and support conservation initiatives. CSR often

encourages environmental initiatives such as reducing carbon emissions, conserving resources, and supporting renewable energy sources, all of which align with sustainable development goals.

- **Social Responsibility:** CSR includes all of those things that do more good for society than just make a profit, like fair labor standards, community development initiatives, and philanthropy. By addressing problems like social well-being, inequality, and poverty, these initiatives support the social aspect of sustainable development.
- **Long-Term Perspective:** Both CSR and sustainable development promote a long-term perspective. They encourage corporations to think about how their choices and activities will affect coming generations and the state of the earth as a whole.
- **Legal and Regulatory Framework:** In certain areas, CSR and sustainable development are subject to laws and regulations. To ensure that corporations positively contribute to these aims, governments may enforce specific practices or reporting criteria.

**Sustainable Development Goals For Development**

S.No.	The Seventeen Sustainable Developmental Goals For Development
1.	No Poverty
2.	Zero Hunger
3.	Good Health & Well- Being
4.	Quality Education
5.	Gender Equality
6.	Clean water & Sanitization
7.	Affordable & Clean Energy
8.	Decent work & Economic Growth
9.	Industry, Innovation & Infrastructure
10.	Reduced Inequalities
11.	Sustainable cities & Communities
12.	Responsible Consumption & Production
13.	Climate Action
14.	Life Below Water
15.	Life on Land
16.	Peace, Justice & Strong Institutions
17.	Partnerships for Goals

**The following list includes the top corporations who have successfully integrated CSR initiatives in line with the SDGs into their policies.**

- **Infosys:** Being a leading software company, Infosys offers high-quality educational programs to its citizens, improving their IT skills and proficiency level. They are aware of the need to use natural resources responsibly and think that energy consumption directly affects environmental conditions.
- **Mahindra & Mahindra (M&M):** By consistently supporting improvements in health, education, and quality of life, M&M reaffirms its commitment to the community, its workers, and its stakeholders' welfare. "Rise for good," one of their most recent CSR campaigns, helps young people, women, and farmers. The company is dedicated to operating with responsibility and integrity.
- **Bharat Petroleum Corporation Ltd:** By actively participating in the energy industry, Bharat Petroleum Corporation plays a significant role in contributing to India's development. Urban, semi-urban, rural, and tribal areas are all included in its sustainable activities.
- **Tata Motors:** For Tata Motors Ltd., environmental and social responsibility go hand in hand. Their programs are focused on women's empowerment, health, basic education, skill development, and care for the disabled.
- **Ultra Tech Cement Limited:** Their initiatives are centered on providing educational and health care facilities, along with promoting sustainable livelihood and capacity building.
- **Coca-Cola:** Maximizing profit and social good are two goals shared by Coca-Cola. It seeks to give the charitable causes a minimum of 1% of its yearly income. It also makes it very apparent in its policies, the necessity to adopt ethical values and practices.

**Top 10 Companies and their CSR contribution in FY 2021-22**

Company Name	Amount (in Crore)
Reliance Industries Ltd.	<b>812.33</b>
HDFC Bank Ltd.	<b>722.99</b>
Tata Consultancy Services Ltd.	<b>719.92</b>
ONGC Ltd.	<b>436.19</b>
NTPC Ltd.	<b>356.71</b>
Infosys Ltd.	<b>344.47</b>
ITC Ltd.	<b>333.38</b>
NMDC Ltd.	<b>287.33</b>
Indian Oil Corporation Ltd.	<b>284.03</b>
ICICI Bank Ltd.	<b>266.52</b>

**Conclusion**

There was a time when corporations were seen as being profit-driven, and social development was the responsibility of governments and charitable organizations. Nowadays, Social Development is the responsibility of Govt., Charitable organisations as well as Business organisations. Companies also have

the opportunity to use their resources, managerial skills, and experience to address social and environmental issues. CSR is a practical way for businesses to support sustainable development by including social and environmental responsibility into their operations and decision-making processes. When implemented well, corporate social responsibility (CSR) can help address many of the global issues mentioned in the Sustainable Development Goals (SDGs) of the United Nations and promote a more equitable and sustainable global community.

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