CORPORATE SOCIAL RESPONSIBILITY OF TATA COMPANY AND ITC COMPANY: A COMPARATIVE STUDY

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ABSTRACT

Corporate Social Responsibility as a concept has gained a lot of momentum of late. It is not a fad as some scholars might put it. CSR is a process that aims to embrace responsibility for the company's actions and encourage a positive impact through its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere. Many companies have resumed the business of being accountable because it pays to do so. The study has focused its attention on the CSR Triple Bottom Line of Tata Company and ITC Company on various areas like Environment, economic social impact, human rights and consumers. Objectively the study wanted to know if CSR practices have some benefits towards the company. The study found that CSR has numerous benefits towards the company. The study adopted chi-square test to test the hypothesis. The study further concluded that CSR is inevitable and is part of inclusive and wider sustainable development goal.

Keywords: CSR, Consumers, Economic, Environment, Human Rights, Triple Bottom Line.

INTRODUCTION

Companies globally are making efforts of giving back to the society through donations and charities. Companies do make impact through their business initiatives like infrastructure development, human rights address and labour laws, environment protection and other vital social amenities in the name of CSR. When companies go rogue and fail to be accountable towards the environment and the society, pressure from stakeholders for equity remain a solution. Companies are rewarded or punished depending on their actions they take in places they operate. Consumers today are interested in the company brands that positively impact the society and have good record towards environment protection. Among other actions that responsible companies do is to teach employees on ethical and moral values to curb corruption and other multi-practices that violate human dignity. Corporate Social Responsibility as a term sounds new, but it has been an uprising term for more than two decades since it was first conceived in 1950’s (Carroll, A. B., 1999). It is not a fad as some scholars might put it because many companies have resumed the business of being accountable because it pays to do so.

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CONCEPT OF CSR

The concept of CSR can find its origin from 1930s (Okoye, 2009). Two articles on the role of managers by (Berle, 1931; Dodd, 1932) were some of the first published works on the concept of CSR which highlighted on corporate power in trust and who the company managers are. The first works on CSR concept concluded that CSR entails the policies, decisions, and the actions that align with the goals and values of society (Bowen, 1953). The concept of CSR originated in the 1950's in the USA but it became prevalent in the early 1970s, at the time when US had lots of social problems like poverty, unemployment, pollution and a consequent huge fall in the price of Dollar. Corporate Social Responsibility became a matter of utmost importance for diverse groups demanding change in the business to address those challenges of the time. As late as 1980’s to 2000, corporations had recognized and started accepting their responsibility towards the society. Corporate social responsibility (CSR) then started focusing on the wealth creation for the optimal benefit of all stakeholders.

CSR is a situation whereby businessmen should oversee the operation of an economic system that fulfills the expectations of the people (Frederick, 1960). CSR to some authors, is a nebulous idea which should be seen in a managerial context where 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, that pays back for its socially responsible outlook (Davis, p. 70). An ideal CSR has both ethical and philosophical dimensions, particularly in India where there exists a wide gap between sections of people in terms of income and standards as well as socio-economic status (Bajpai, 2001). CSR to gain its importance fullness, it must not be directed to one side “Industry alone in the 20th century can no longer be regarded as a private arrangement for enriching shareholders but a joint enterprise in which workers, management, consumers, the locality, govt. and trade union officials all play a part (Goyder, 2003).”. The private sector should continue to find a way to embrace many CSR interests with a common purpose that will create trust in the minds of stakeholder with some sort of commitment through corporate policies and action (Mark Goyder, 2003). This operational view of CSR is reflected in a firm’s social performance, which can be assessed by how a firm manages its societal relationships, its social impact and the outcomes of its CSR policies and actions (Wood, 1991).

Despite the fact that the view on CSR has been modified with time under the influence of government and public pressure, the resulting contemporary view of CSR still is economically oriented and has been underpinned by the requirement to consider social causes and the social consequences of an organisation’s economic activities. To date, there is still no one accepted CSR definition either from the literature which itself lacks a common definition of the topic (Berete, 2011) on CSR. In the early 1960s, Davis (1960) defined CSR as actions that business persons take or decisions they make for reasons other than their economic or technical benefits.

Many other authors have attempted to define CSR concept based on their own views with many arguments for and against the idea of social responsibility (Davis, 1973). The term
means different things to different people, depending on who uses it, it could mean, legal responsibility or liability, social responsible behavior in the ethical sense, charitable contribution, socially conscious, legitimacy in the context of belonging or being proper or valid, or duty imposing higher standards of behavior on businesspersons than on citizens at large (Votaw, 1972).

CSR is a process that aims to embrace responsibility for the company's actions and encourage a positive impact through its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere. CSR concept was used to describe corporate owners beyond shareholders as a result of an influential book by R. Edward Freeman, Strategic management: a stakeholder approach in 1984 (Pitman, 1994). Proponents argue that corporations make more long term profits by operating with a perspective, while critics argue that CSR distracts from the economic role of businesses, as others argue CSR is merely window dressing, or an attempt to pre-empt the role of governments as a watchdog over powerful multinational corporations.

Over the time with the changing perspectives from different stakeholders on CSR has taken a different picture (de Bakker et al., 2005) but still the significant body of literature produced have the same problems of concept definition (Clarkson, 1995). Bendell (2004) and Hess (2008) have argued that the nature of global business with its shift in power from the state to supranational corporations has ushered in an era of increased corporate accountability, a view further expedited through the multitude of cases of corporate fraud and accounting irregularities at the turn of the millennium. However, businesses acknowledgement of the CSR agenda does not necessarily result in a more responsible behaviour (Hess, 2008). The author argues so because of the decades of stakeholders growing pressures with examples continuously questioning the extent social reporting leads to improved CSR performance, or whether conversely it is just a method to avoid additional introduction of regulation.

CSR by leadership companies should be seen as more than a collection of discrete practices or occasional gestures, or initiatives motivated by marketing, public relations or other business benefits with a comprehensive set of policies, practices and programs that are integrated throughout business operations, and decision-making processes supported and rewarded by top management available at (http://www.bsr.org). Consumers, investors and employees alike are recognizing the power held by corporations and efforts are being made on several levels to create global change with the hope that earth will become a better place."

“CSR is the concept that an enterprise is accountable for its impact on all relevant stakeholders. According to many CEOs, CSR today has gained steam due to: Globalization, Increasing intensity of competition, rapid technological changes, environmental challenges, and changing value systems.

**LITERATURE REVIEW**

Freeman (1984) opines that CSR is not a new concept but it remains an emerging and elusive notion for academics and a contested issue for business managers and their stakeholders. The author opines that the concept of CSR has led to the emergence of a variety of practices since it emerged in the 1950s (Carroll, 1999).
Holme and Watts (2000) in their study, have defined Corporate Social Responsibility (CSR) as “the continuing commitment by business to behave ethically and contribute towards 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”. Brammer and Pavelline (2006) say that CSR has been recognized as a source of sustainable development while it has become an emerging imperative (Baladi, 2011). CSR can no longer be something complementary or temporary (Yunus, 2007).

Welford (2004) argues that currently, there appears to be a significant disagreement about what the term CSR means, and how, or why it should be implemented. The study says that CSR in its current form is being used widely as a tool for image building rather than with business intention. Fortunately many organizations are realizing the importance of CSR as a part of their business strategy which the author opines that the trend of integrating social, environmental and the economic objectives as part of ethics has been clear and on the rise. Welford concludes that business organizations are realizing the importance of the social contract they are bound by.

CSR is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large (Netherlands, 1998).

The article by Husted and Allen (2007) on “Building the business case for CSR”, points out that much effort has focused on CSR in an attempt to demonstrate that positive CSR can be linked to improved financial performance, where by the growing sense of looking after the people and the community and the environment shows relevance to long-term business survival.

Boyle & Boguslaw (2007) opines that, one source of ongoing CSR commitment is reflected in the number of articles focused on the need for corporations to take an active role in poverty reduction efforts. The study suggests some ways that companies can take to alleviate poverty (for example calling for a more explicit acknowledgement of poverty in the corporate citizenship field, demanding corporate leadership in addressing the issue, framing the issue to accelerate its reduction, and take an active role in poverty reduction efforts). To achieve this, companies must push to seek something other than the lowest short-term cost for the highest short-term gain (Berkhout, 2005)

Howell and Avoio (1992) opines that responsible leadership is the art of building and sustaining relationships with all relevant stakeholders, which requires socialized, unpersonalized, leadership. The need of the hour demands developing corporate leaders who can relate in different ways, able to align different values into a common vision, which can listen to and care for other stakeholders and ultimately serve them. To meet these challenges the study found that the joint effort from stakeholder (like a global society) is required with responsible leadership committed to diversity, ethics, and values. The authors point fingers towards corporate leadership responsibility for their corporation’s impact on society and the natural environment beyond legal compliance and the liability of individuals. The study concludes by observing that the number of organizations can reexamine their pattern of
behaviors in the triple bottom line (TBL) framework and begin their journey towards a sustainable approach that is integrated into their business strategy.

Barton, et al. (2004) talks of the state of Asia’s corporate governance, recent actions taken, implementation challenges at the time, and future actions which are still required. The author points the need to improve transparency which addresses investor confidence and a need for professionals to have a more in-depth understanding of accounting standards, the power of investors which espouses that creditors could pressure companies but that they are too focused on short term profits, rather than long-term growth.

Blowfield et al., (2005) set the tone for a new direction in CSR research to determine what CSR does and could mean for the poor and marginalized in developing countries. They assert that claims about CSR contributions to alleviate poverty and achieve other developmental goals are unwarranted. The authors identify in the study that CSR is an umbrella term for a variety of theories and practices that recognize: One, their company responsibility impact on society and the natural environment beyond legal compliance and the liability of individuals. Two, have a responsibility for the behavior of others with whom they do business (for example within supply chains). Three, business needs to manage its relationship with wider society, whether for reasons of commercial viability or adding value to society. The study discusses criticisms of CSR that included two schools of thought: “CSR is bad capitalism” and “weak CSR is bad development.” The authors concludes their study by identifying after discussion four areas that need to be addressed to answer critical CSR questions which are: the meaning of CSR for developing countries, its relationship to international governance, its analytical limitations, and the consequence of thinking in terms of the business case for CSR.

Boutilier, R. G. (2007) applies concepts such as social capital and network analysis to the challenges organizations face in managing stakeholder relations and promoting community development, particularly in developing countries. The author reviews the roles of social capital in poverty reduction and community development. Ways that corporations can contribute to sustainable development goals such as poverty reduction by linking social capital into the community and stakeholder networks are identified in the study. The study has also focused on community social capital by graphing a community’s social capital pattern. The article applies the social network analysis concepts of social capital, bridging, bonding, and core periphery structure to firm/stakeholder networks. The study proposes that the match predicts pitfalls and therefore can guide movement toward the pattern that most facilitates sustainable development. The author’s conclusion reflects on the attention being paid to the role that corporations can play in poverty reduction and other aspects of sustainable community development which close the implementation gap.

Boyle, M. & Boguslaw, J. (2007) examines the current roles corporations are playing in poverty reduction in reference to both developed and developing nations. The article presents a preliminary exploration of a transition of the role of the corporate sector in relation to government, nonprofit stakeholders, and the poor, as well as a review of the various forms of poverty and the direct and indirect contributions that corporations make as related to poverty reduction. A categorization of emerging actions on the part of the companies and an analysis of different domains with regard to consequences on business, society, and corporate
citizenship are reviewed in the study. The article concludes with a call for a more explicit acknowledgement of poverty in the corporate citizenship field and for corporate leadership to name the issue, frame it in a way that will accelerate its reduction, and to take an active role in poverty reduction efforts.

Chiu, C. C. H. (2007) examines the workplace practices in Hong Kong–investment garment factories in the regulated IRS system in Cambodia. The author says that the country has attracted foreign direct investment (FDI) in light of manufacturing mainly in the export-oriented garment and footwear sector. The agreement between Cambodia and America granted a quota for garment exports in return for better compliance with international labor standards which has brought about a “labor advantage” in Cambodia. The author points out those global FDIs inflows increased dramatically from about US $12.5 billion in 1970 to US $1.171 trillion in 2003, a 93-fold increase. The author concludes that a host of interactive factors—a progressive labor law, quota availability, linking trade with labor standards compliances, buyers’ commitment to placing demands on garment manufacturers in regard to labor practices, and monitoring—have contributed to creating the labor advantage.

Christopher W. Bauman and Linda J. Skitka (2012) highlights some of the psychological routes through which CSR can impact employee’s relationship with the company which include; concerns about safety and security, distinctiveness and a social identity, symbolizing commitment to important values and engendering a sense of belongingness, adding meaning and providing a greater sense of purpose at work. The authors opined that employees gives their best and become competitive when safety and security is guaranteed.

Frynas, J. G. (2005) discusses four important factors in a firm’s decision to embark on community development projects for example: Obtaining a competitive advantage, maintaining a stable working environment, managing external perceptions and keeping employees happy.

Gillis, T. & Spring, N. (2001) has provided an overview of CSR. The authors have defined CSR as business decision making based on ethical values; compliance with legal standards; and respect for communities, citizens, and the environment, and they have highlighted major topics that must be addressed under the CSR umbrella for example; Environment, Employment and Human rights.

Hatcher, M. (2002) presents the changing public affairs agenda for businesses operating in a more interdependent world. As the roles and responsibilities of government are being redefined and the boundaries between business and government becoming less clear, business leaders are facing a daunting array of challenges. The author points out that the number of variables that could affect the bottom line appears to be growing at an exponential rate and that losing the trust of stakeholders can be fatal. The author concludes that there is need for businesses to push for greater transparency, venture beyond mere compliance with national regulatory systems, fashion the new regulatory and trading environments of the future, and shoulder the burdens of shaping the business agenda since the world cannot wait.

Houghton, J. R. (2005) primarily focused on key leadership behaviors by making several references to social responsibility. Houghton indicates in his speech that “Companies need to
own up to their social obligations and responsibility to workers. The author outlines that companies should apply resources to deal with stress, sympathetic and sensitive to help people through bad situations, show responsiveness to employees’ needs outside their workplace, like ongoing support for work-family balance, flexibility in dealing with individual needs and concerns, even for continued financial support of the infrastructure in communities where they operate.

Jackson, I. A., & Nelson, J. (2004) provides a comprehensive description of the global trends, competitive pressures, and changing expectations of society that are reshaping the rules for running a profitable and principled business. Some of the author’s seven principles that can serve as a framework for restoring trust include: Harnessing innovation for public good, putting people at the center, spreading economic opportunity, engaging in new alliances, performance driven, practicing superior governance, and pursuing purpose beyond economic/profits.

Kapelus, P. (2004) focuses on CSR and the concept that being responsible as an organization is more than corporate social investment. The article states that community giving is equally important and responsible action. It is about the effect on the community and the environment in which the business operates. The author addresses effect of products being developed, workplace issues, product effect in the marketplace, advertisement and method of selling those products. The author opines that companies should realize that the responsibility cannot be given to one department or foundation but should affect the business as a whole and that there are real business benefits to be gained from being responsible. The author concludes that corporate responsibility and ultimately responsible competitiveness is about basic business principles and how organizations think about the future, about risk opportunities, and about how these risk opportunities are accounted for.

Lewicka-Stralecka, A. (2006) identifies opportunities and limitations of CSR in developing countries of African countries, particularly in India and Kenya. The study focused on factors like: business image, legal background, job market situation, corruption, and the correlates of economic stagnation and social decline, socialist associations and the CSR rhetoric, blurred boundaries of CSR, underdevelopment of the civic society, economic reality and ethical standards and the attempts at self-regulation of business. The study highlights the challenges that businesses face in these environments like negative image, dysfunctional legal background, corruption, economic difficulties, lack of ethics and ethical standards and difficult job market situation.

Malini, M. (2006) reflected on the adoption of CSR in emerging economies and on some milestones that already have been put in place. The first argument raised by the author endorses a smart approach that considers universal norms and values to be in place to lead the transformative potential of CSR as a movement. This approach as per the study would also control and avoid the environmental and social consequences of rapid growth. The study findings suggest that leadership in the form of vision and integrity may help drive CSR values beyond economic or cultural factors and may even help align CSR values in decision-making processes, as well as subsequent actions based on those values, notwithstanding cultural differences.
Frank (2003) surveyed Cornell University graduates on their preference between a company that offers more salary but not carrying out social responsibility activities and the one that gives less salary with CSR activities. The survey found that many are willing to accept substantially lower salaries from firms engaged in socially responsible activities as compared to the ones that don't. The author concluded that, if such morally motivated employees are also less likely to shirk their job responsibilities, then companies can profitably screen for them by adopting socially responsible practices.

**OBJECTIVES OF STUDY**

The study wants to examine the CSR of the two companies in a triple bottom line context and their benefits

**HYPOTHESIS**

The following hypothesis shall be tested to draw conclusions

H0: There is no significant association between CSR activities and benefits towards the company.

H1: There is a significant association between CSR activities and benefits towards the company.

**SCOPE AND LIMITATIONS OF THE STUDY**

The study is limited to only two private companies in Karnataka. Other companies who are taking part in CSR programme within the state or outside, either public or private in the state have not been included or considered.

**SAMPLE SIZE**

The study has a total of 72 sample respondents. The study decided to chose the respondents because they were the right source of the primary data crucial for the study. Tata company respondents were 48 while ITC company were 24. The total number of subsidiaries companies exceeds 100 but since our study was focused to Karnataka, hence the available samples were selected.

**CSR IN INDIA**

The idea of social responsibility is very old in India (Pushpa Sundar, 2000). The concept of parting with a portion of one’s surplus wealth for the good of society is neither modern nor a western import into India. The evolution of CSR in India has come over time and it has affected the cultural norms of corporations' engagement with the way that businesses are managed in bringing about an overall positive impact on the communities, cultures, societies and environments in which they operate. Apart from other countries, India has one of the richest traditions of CSR. As the term is yet to receive a widespread recognition, entrepreneurs within India have been made aware of the concept as an important part of their segment business activity (Yogita Sharma, 2013). Entrepreneurs within India have been made aware of the concept as an important part of their segment business activity as the term is yet to receive a widespread recognition (Yogita Sharma, 2013).
THE TRIPLE BOTTOM LINE CONCEPT

Elkington (1997) introduced the famous concept of Triple Bottom Line which focuses on three issues of social responsibility (people), environmental responsibility (Planet), and economic responsibility (profit). A socially responsible company can be considered as an institution for economic prosperity, social equity and for environment protection. CSR requires individuals to consider their actions in terms of a whole social system, and hold them accountable anywhere in that system (Carroll and Buchholtz, 2000). Hellriegel et al (1999) refer to affirmative social responsibility as the company’s prerogative to do everything that is required and to look for areas in which they can do even more for the mutual benefit of all stakeholders. Studies on Triple Bottom Line by John Elkington have made a contribution of realization on the importance of considering human dignity in the society, contribution of business to the well being of economic variables and keeping a vigil of the delicate environment that has been on the decline and causing havoc due to company activities. The triple bottom line report is an accounting of business performance in terms of its impacts on the economy, the environment and society (Zadek, 1997). Some time, the term “CSR report” is often used instead of a triple bottom line report, but the two are interchangeable. It is an approach that comprises not only social, but also environmental issues as so important as the financial bottom line (Elkington, 1987). It is ultimately linked to Sustainability and Corporate Social Responsibility, since a sustainable business consists of economic prosperity, environmental quality and social justice (Jeurissen, 2000, p. 229).

The traditional system of measuring the success or failure of a business success that was economic performance based (when a business successful generated sufficient financial return from its investments, financing activities and operating activities) has been passed with time and instead the TBL takes into account the three criteria for assessing organizational performance (i.e. economic, social and environmental). The TBL can also be used as a framework for measuring and reporting corporate performance against economic, social and environmental parameters and also to capture the whole set of values, issues and processes that companies must address in order to minimize any harm that may result from their activities and instead to help create value to the triple concept. Clarity whether company’s purpose and objectives will take into consideration the needs of all the company’s stakeholders—shareholders, customers, employees, business partners, governments, local communities and the public remains a priority.

SOCIAL PERFORMANCE

Though it is somewhat more difficult to define and measure the social performance of an organization, the social criterion of the triple bottom line takes into account the impact that a business has on people within the business (employees) and people outside of the business (the community). A business applying the triple bottom line principles will act in a way that benefits the community and will ensure that people are not being exploited or endangered by the operation of the business. Social factors that should be considered include labour utilisation and wages, working conditions and contribution to community living standards. On the notion of social impact, there is an argument that before a corporation engages in CSR activities, it must first be determined which social issues should be addressed (Porter and
Kramer, 2002; 2006). For both society and the corporation to gain maximum benefit from their activities, the corporation must select socially responsible activities which are in alignment with the particular business. Forester, Brooke Ellen (2009) supports (Aguilera et al. 2007) which suggest that researchers should no longer focus on whether CSR works, but should instead seek to determine how organizations may impart social change (McWilliams, Siegel, and Wright 2006). The study has covered; economic performance, environment (planet) and employees (labour). It has also focused on consumers

**ECONOMIC PERFORMANCE**

The economic criteria are used to determine how much an organization generates in monetary value. It can also be used to determine the net worth of the business at a given point in time. Every company must make profit and add value to shareholder’s value while practicing CSR.Managers of every corporation have the responsibility of making the business earn some economic value which will impact the society evenly distribute wealth. Adopting advanced production technology, energy and cost saving products, environmental friendly policies, adopting human rights policies that align with international labour organization, addressing employee’s grievances and including them to be part of CSR, safety at work place and quality affordable products are all ways of economic addition. The census of 2011, reported that nearly 70 percent people live in rural India. This is a huge number that demands urgent company attention, due to lack of basic social amenities, infrastructure and a sustainable livelihood. Companies can create employment opportunities, boost agriculture, empower youth and women, create wealth out waste as an innovative activity among other economic value additions activities as revealed in table 1.

**Table 1: Economic CSR towards the Society**

<table>
<thead>
<tr>
<th>CSR Economic Activities towards the Society</th>
<th>Respondents Company</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tata Company</td>
<td>ITC Company</td>
</tr>
<tr>
<td>Creating Employment Opportunities</td>
<td>6(12.5)</td>
<td>5(20.8)</td>
</tr>
<tr>
<td>Creating Sustainable Agriculture</td>
<td>11(22.9)</td>
<td>7(29.2)</td>
</tr>
<tr>
<td>Youth and women empowerment programs</td>
<td>11(22.9)</td>
<td>5(20.8)</td>
</tr>
<tr>
<td>Creating wealth out waste</td>
<td>12(25.0)</td>
<td>4(16.7)</td>
</tr>
<tr>
<td>Providing education loans to poor children</td>
<td>8(16.7)</td>
<td>3(12.5)</td>
</tr>
<tr>
<td>Total</td>
<td>48(66.7)</td>
<td>24(33.3)</td>
</tr>
</tbody>
</table>

Source: Field Survey (values in parenthesis indicates percentage to the column total)

Table 1 above reveals the company and the opinion of respondents towards economic CSR contribution towards the society. Out of 25.0 percent respondents, 22.9 percent respondents and 29.2 percent respondents of Tata Company and ITC Company opined that they created sustainable agriculture as a CSR economic activity. Out of, 22.2 percent respondents, 22.9 percent and 25.0 percent respondents of Tata Company and 20.8 percent and 16.7 percent respondents of ITC Company opined that youth and women empowerment programs and creating wealth out of waste were the CSR economic contribution towards the society. Out of 15.3 percent respondents, 12.5 percent and 16.7 percent respondents of Tata Company and 20.8 percent and 12.5 percent respondents of ITC Company opined that they created employment opportunities and provided education to the poor children as an economic CSR activity towards the society.
It can be inferred from the above table analysis that, both companies created sustainable agriculture as the main economic CSR activity towards the society.

**INFRASTRUCTION**

Technology and innovation, decent learning institutions, talent nurturing facilities, health facilities among more other infrastructure facilities are a dream to many rural areas and societies. They are the basic human rights facilities that make human life worth living. Now companies have been faced with the uphill task of providing those basic amenities for them to get the licence to operate. Table 2 reveals the CSR infrastructure facilities availed towards the society.

**Table 2: Infrastructure towards the Society**

<table>
<thead>
<tr>
<th>CSR Infrastructure</th>
<th>Respondents Company</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tata Company</td>
<td>ITC Company</td>
</tr>
<tr>
<td>Technology and innovation centers</td>
<td>6(12.5)</td>
<td>6(25.0)</td>
</tr>
<tr>
<td>Learning institutions</td>
<td>9(18.8)</td>
<td>5(20.8)</td>
</tr>
<tr>
<td>Sports infrastructures for talent nurturing</td>
<td>8(16.7)</td>
<td>5(20.8)</td>
</tr>
<tr>
<td>Health Facilities</td>
<td>9(18.8)</td>
<td>3(12.5)</td>
</tr>
<tr>
<td>Roads, electricity and clean water</td>
<td>9(18.8)</td>
<td>4(16.7)</td>
</tr>
<tr>
<td>Market for the produce</td>
<td>7(14.6)</td>
<td>1(4.2)</td>
</tr>
<tr>
<td>Total</td>
<td>48(66.7)</td>
<td>24(33.3)</td>
</tr>
</tbody>
</table>

Source: Field Survey (values in parenthesis indicates percentage to the column total)

Table 2 above shows the company and opinion of respondents towards infrastructure CSR activity towards the society. Out of 19.4 percent respondents, 18.8 percent respondents and 20.8 percent respondents of Tata Company and ITC Company opined that they provided learning institution like schools and colleges towards the society. Out of 18.1 percent respondents, 16.7 percent and 18.8 percent respondents of Tata Company and 29.8 percent and 16.7 percent respondents of ITC Company opined that they had built sports infrastructures for nurturing talent and roads, electricity and clean water towards the society. Out of 16.7 percent respondents, 12.5 percent and 18.8 percent respondents of Tata Company and 25.0 percent and 12.5 percent respondents of ITC Company respondents opined that they had developed technology and innovation centers and health facilities in the society. Out of 11.1 percent respondents, 14.6 percent respondents and 4.2 percent respondents of Tata Company and ITC Company opined that they had created ready market for the produce in the society.

From the above table analysis, it can be inferred that CSR infrastructure towards the society was focused on learning institutions followed by sports infrastructures for talent nurturing and Roads, electricity and clean water.

**HUMAN RIGHTS**

The issue of human rights forms a dilemma for companies. Companies with a code of conduct incorporate respect for human rights in it. Human dignity is worthy everywhere there is human race. Employees and laborers deserve a decent recognition that is internationally accepted. The study in table 3 reveals some of the human rights of Tata Company and ITC Company.
Table 3: CSR on Human Rights

<table>
<thead>
<tr>
<th>Policies</th>
<th>Respondents Company</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tata Company</td>
<td>ITC Company</td>
</tr>
<tr>
<td>Gender Equality Across Supply Chain</td>
<td>7(14.6)</td>
<td>5(20.8)</td>
</tr>
<tr>
<td>Non-Discrimination in the Work Place</td>
<td>7(14.6)</td>
<td>4(16.7)</td>
</tr>
<tr>
<td>Safe and Health Workplace</td>
<td>11(22.9)</td>
<td>3(12.5)</td>
</tr>
<tr>
<td>Child Labour Protection</td>
<td>12(25.0)</td>
<td>3(12.5)</td>
</tr>
<tr>
<td>Setting Minimum Wages and Hours for Work</td>
<td>9(18.8)</td>
<td>7(29.2)</td>
</tr>
<tr>
<td>Other</td>
<td>2(4.2)</td>
<td>2(8.3)</td>
</tr>
<tr>
<td>Total</td>
<td>48(66.7)</td>
<td>24(33.3)</td>
</tr>
</tbody>
</table>

Source: Field Survey (values in parenthesis indicates percentage to the column total)

Table 3 above shows the company and opinion of respondents concerning CSR policy towards Human Rights. Out of 22.2 percent respondents, 18.8 percent respondents and 29.2 percent respondents of Tata Company and ITC Company opined they had set minimum wages and working hours and wages for workers and employees. Out of 20.8 percent respondents, Tata Company respondents and ITC Company respondents with 25.0 percent and 12.5 percent respectively opined that they practiced child labour protection. Out of 19.4 percent total respondents, respondents of Tata Company and ITC Company with 22.9 percent and 12.5 percent opined that they practiced safe and health workplace. Out of 16.7 percent respondents, respondents of Tata Company and ITC Company with 14.6 percent and 20.8 percent respectively, opined that they practiced gender equality across supply chain. Out of 15.3 percent, respondents of Tata Company and ITC Company with 14.6 percent and 16.7 percent respectively opined that they practiced non discrimination in the workplace. Out of 5.6 percent respondents, respondents of Tata Company and ITC Company with 4.2 percent and 8.3 percent opined that they practiced other human rights like stress relieving classes.

From the above analysis, it is inferred that human rights practices focused various issues mostly on time and pay wages followed by child labour abuses.

ENVIRONMENT PROTECTIONS

Companies acquire raw material from rural areas for their industries. Pollution on air, water and land is inevitable during the process of production and processing of their products. Resource depletion, increased effect on wet lands both has disastrous impact on the ecosystem, they cause climate change and other related dangerous risk diseases like cancer, allergy and asthma. Hence companies should be accountable towards the society concerning environment in various way as revealed in table 4.

Table 4: Environment CSR towards the Society

<table>
<thead>
<tr>
<th>CSR on Environment</th>
<th>Respondents Company</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tata Company</td>
<td>ITC Company</td>
</tr>
<tr>
<td>Planting Trees</td>
<td>7(14.6)</td>
<td>5(20.8)</td>
</tr>
<tr>
<td>Recycling and re-use initiatives</td>
<td>13(27.1)</td>
<td>6(25.0)</td>
</tr>
<tr>
<td>Awareness on Pollution Control</td>
<td>13(27.1)</td>
<td>5(20.8)</td>
</tr>
<tr>
<td>Energy Efficient Product</td>
<td>11(22.9)</td>
<td>6(25.0)</td>
</tr>
<tr>
<td>Other</td>
<td>4(8.3)</td>
<td>2(8.3)</td>
</tr>
<tr>
<td>Total</td>
<td>48(66.7)</td>
<td>24(33.3)</td>
</tr>
</tbody>
</table>
Source: Field Survey (values in parenthesis indicates percentage to the column total)

Table 4 above shows the company and opinion of respondents towards CSR on environment. Out of 26.4 percent respondents, 27.1 percent respondents and 25.0 percent respondents of Tata Company and ITC Company opined that they practiced recycling and re-use initiatives. Out of 25.0 percent respondents, 27.1 percent respondents and 20.8 percent respondents of Tata Company and ITC Company opined that they practiced awareness on pollution control. Out of 23.6 percent respondents, 22.9 percent respondents and 25.0 percent respondents of Tata Company and ITC Company opined that they produced energy efficient products. Out of 16.7 percent respondents, 14.6 percent respondents and 20.8 percent respondents of Tata Company and ITC opined that they had planted trees. Out of 8.3 percent respondents, Tata company respondents and ITC company respondents each with 8.3 percent opined that they practiced other CSR activities towards the environment like reducing water consumption, clean solar energy and protected wetlands.

From the above table analysis, there were paramount efforts towards environment towards the society as a CSR activity. It can be inferred that recycling and re-use of products were majorly practiced.

**CONSUMER CSR**

Consumer plays a major role towards the progress of the company. Every company target consumers for their products, they are the market king makers. If there acknowledgement by the customers towards the products of the company, it will negatively affect the profits, operations and even cost expenditure will rise rapidly. Every company produces products with consumers in mind, same to CSR activities. Table 5 shows some of the company CSR towards consumers.

**Table 5: CSR towards Consumers**

<table>
<thead>
<tr>
<th>Consumer CSR</th>
<th>Respondents Company</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tata Company</td>
<td>ITC Company</td>
</tr>
<tr>
<td>Safety</td>
<td>8(16.7)</td>
<td>6(25.0)</td>
</tr>
<tr>
<td>Right to Information</td>
<td>15(31.3)</td>
<td>6(25.0)</td>
</tr>
<tr>
<td>Sustainable Consumption</td>
<td>15(31.3)</td>
<td>8(33.3)</td>
</tr>
<tr>
<td>Impact Product on Market</td>
<td>10(20.8)</td>
<td>4(16.7)</td>
</tr>
<tr>
<td>Total</td>
<td>48(66.7)</td>
<td>24(33.3)</td>
</tr>
</tbody>
</table>

Source: Field Survey (values in parenthesis indicates percentage to the column total)

Table 5 above shows the company and opinion of respondents on CSR towards consumers. Out of 31.9 respondents, 31.3 percent respondents and 33.3 percent respondents of Tata Company and ITC Company opined that they had sustainable consumption CSR towards consumers of the company. Out of 29.2 percent respondents, 31.3 percent respondents and 25.0 percent respondents of Tata Company and ITC Company revealed that they had right to information towards consumers of the company. Out of the total 19.4 percent respondents 16.7 percent and 20.8 percent respondents of Tata company and 25.0 percent and 16.7 percent respondents of ITC company opined that safety and impact on market were the CSR activities towards the consumers of the company. From the above table analysis it is inferred
that the company had CSR towards consumers of the company led by sustainable consumption and right to information.

**BENEFITS OF CSR PRACTICES**

There are a number of benefits of CSR practices towards the company. Consumers consume the products of the company due to the company improvement in environment protection or in abolition of human rights and labour issues among many other rewards as benefits of company CSR. Table 6 show benefits of CSR practices.

**Table 6: Benefits of Practicing CSR**

<table>
<thead>
<tr>
<th>Respondents Company and Response on Presence of CSR</th>
<th>What are the Benefits of Practicing CSR</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Creates Trust Among Stakeholders</td>
<td>Improves Communication</td>
</tr>
<tr>
<td>Tata Company Yes</td>
<td>8(100.0)</td>
<td>8(100.0)</td>
</tr>
<tr>
<td></td>
<td>0(0.0)</td>
<td>0(0.0)</td>
</tr>
<tr>
<td>Total</td>
<td>8(100.0)</td>
<td>8(100.0)</td>
</tr>
<tr>
<td>ITC Company Yes</td>
<td>4(100.0)</td>
<td>4(100.0)</td>
</tr>
<tr>
<td></td>
<td>0(0.0)</td>
<td>0(0.0)</td>
</tr>
<tr>
<td>Total</td>
<td>4(100.0)</td>
<td>4(100.0)</td>
</tr>
<tr>
<td>Total</td>
<td>12(16.7)</td>
<td>12(16.7)</td>
</tr>
</tbody>
</table>

Source: Field Survey (values in parenthesis indicates percentage to the column total)

Table 6 above, shows the company and opinion of respondents concerning the presence and the types of benefits towards the company due to CSR practices. Out of 97.9 percent respondents of Tata Company, 100.0 percent respondents each opined that the company had benefits because it created trust among stakeholders, improved communication, helped manage risk, increased transparency and improved profits of the company, while 88.9 percent respondents improved efficiency and productivity. Out of 2.1 percent respondents, 11.1 percent opined that CSR activities did not benefit the company by increased efficiency and productivity. Out of 91.7 percent respondents of ITC company, 100.0 percent respondents opined that CSR activities had benefits towards the company because it created trust among stakeholders, improved communication, helped manage risk, improved efficiency and productivity while respondents with 80.0 percent and 75.0 percent opined that CSR benefits increased transparency and improved profits of the company. Out of 8.3 percent respondents of ITC Company, 25.0 percent respondent and 20.0 percent respondents opined that CSR activities of the company did not improve the company profits and increase transparency.

From the above table analysis, it can be inferred that CSR practices have much benefits towards the company.

Table 7 shows a statistical value to judging the significance of CSR benefits towards the company. The calculated value of $x^2$ is 4.426 in case of Tata Company for 5 degrees of freedom at 5% level significance is .490. The calculated value of $x^2$ is 3.709 in case of ITC Company for 5 degrees of freedom at 5% level of significance is .592.
Table 7: Statistical value for judging the significance of CSR benefits Chi-Square Tests

<table>
<thead>
<tr>
<th>Respondents Company</th>
<th>Tata Company</th>
<th>ITC Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Value</td>
<td>Asymp. Sig. (2-sided)</td>
</tr>
<tr>
<td>Pearson Chi-Square</td>
<td>4.426a</td>
<td>.490</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>3.442</td>
<td>.632</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>.094</td>
<td>.759</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>48</td>
<td>24</td>
</tr>
</tbody>
</table>

Source: Calculated from the primary data
a. 6 cells (50.0%) have expected count less than 5. The minimum expected count is 15.
b. 12 cells (100.0%) have expected count less than 5. The minimum expected count is .25.
c. 6 cells (50.0%) have expected count less than 5. The minimum expected count is .50.

From the above analysis, it is clear that the calculated chi-square value (4.426) of Tata company is greater than the table value (.490), while the calculated value (3.709) of ITC company is higher than the table value (.592) and hence we say that there is no significant difference in respect to CSR benefits by both company and hence we reject the null hypothesis and say.

FINDINGS OF THE STUDY

1. Both companies practice the triple bottom line
2. Both companies promote a sustainable agriculture to help the rural farmers.
3. Majority of sample respondents of Tata Company opined that they created more wealth out of waste.
4. Majority sample respondents of Tata company with 18.8 percent opined that their CSR infrastructure was focused on learning institutions, health facilities and roads, electricity and clean water, while the majority sample respondents of ITC company with 20.8 percent opined that their CSR on infrastructure was focused on learning institutions and sports venues for nurturing talent.
5. Majority of sample respondents of Tata company with 25.0 percent opined that child labour protection was the CSR carried on human rights, while majority of sample respondents of ITC company with 29.2 percent opined that they had set minimum wages and working hours as a human rights CSR activity.
6. Majority of sample respondents of both companies with 20.8 percent opined that their CSR on human right focused on setting minimum wages and working hours for employees and labors.
7. Majority of sample respondents of Tata company with 27.1 percent revealed that they had recycling re-use and awareness on pollution controls as a CSR policy initiatives towards the environment, while the majority of sample respondents with 25.0 percent opined that they had recycling and re-use initiatives and energy efficient products as a CSR policy initiatives towards the company.

8. Majority of sample respondents of Tata company with 18.8 percent opined that CSR on human rights gave a competitive advantage and safeguarded company image and brand reputation of the company, while the majority of sample respondents ITC company with 20.8 percent opined that CSR on human rights gave commercial benefits like attracting investment and finance and competitive advantage to the company.

9. There was no significant difference between Tata Company and ITC Company on benefits of practicing CSR on human rights.

10. Majority of sample respondents of Tata company with 31.3 percent each revealed that their CSR on consumers included right to information and sustainable consumption, while the majority sample respondents of ITC Company with 33.3 percent said that sustainable consumption was there main CSR activity towards the consumers.

11. The majority of sample respondents of Tata Company and ITC Company with 97.9 percent and 91.7 percent revealed that there were numerous benefits towards the company due to CSR practices, while sample respondents with 2.1 percent and 8.3 percent of Tata Company ITC Company opined that there were no benefits due to CSR practices.

12. There is no significant difference in terms of benefits between the two companies concerning CSR activities. Hence there are many benefits towards the company concerning CSR activities.

CONCLUSION

CSR today is the pillar under which every company stands on. As the government of India has made it mandatory for every company to practice CSR it will make the triple bottom line to another level. As the stakeholders of technological era rely on information through the internet, company can’t afford to go defensive but act morally on issues that add value to their investment. Pollution abatement, social impact consciousness remains the main factor that consumers and other stakeholders fix their focus on to charge the status of the company. Since it is beneficial to act responsibly and since it is expensive to ignore the call of accountability, why then unnecessarily not follow suit of including CSR in the system? The study concludes that CSR is inevitable and is part of inclusive and wider sustainable development goal of the company.

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