



REVIEW OF RESEARCH

ISSN: 2249-894X

IMPACT FACTOR : 5.7631(UIF)

VOLUME - 10 | ISSUE - 5 | FEBRUARY - 2021



ROLE OF CORPORATE SOCIAL RESPONSIBILITY IN INDIAN AGRICULTURE EMPOWERMENT

Prof. Pandhari Rambhau Gore

**Asst. Professor , Shri Ramrao Sarnaik College Of Social Work ,
Washim.**

ABSTRACT

This paper examines capacity development for collective action and agricultural change through implementation of Corporate Social Responsibility (CSR) initiatives in Indian context . Capacity development for collective action focuses on creating and strengthening capacities that represent the potential for collaborative response to social problem .Man has o many difficulties while living life . We are living in the world surrounded with numerous problems related to environment ,agriculture and society. CSR (Corporate Social Responsibility)



is a means to sort out these problems to some extent because business is a part of society . Earning More and more profits is a natural phenomenon of every business unit but social responsibility is a obligation to the people living inside and outside the business organisations. Business comes in contact with various groups of society such as owners ,employees ,customers governments ,suppliers etc. CSR has become one of the catchphrases of new millennium across the world and the corporate as well as government must take care of it. Today, Government has also come as an initiative to control those business activities which makes a harmful effect on the Society & Environment .The Government Suggested time to time to the business units that the corporate should enact a framework related to CSR i.e. area investment ,activities etc.and include them in the vision ,mission and strategic planning .India's agriculture sector is facing many problem due to global warming, Costly and scarce agriculture labour , Information Knowledge and skill gaps ; poor access to credit and investment ; Low profitability of agriculture ;extreme events of climate change , irregular rainfall, Difficulties in modern farming ,not getting proper guarantee for agriculture commodities, Debt bondage ,Separation in a small piece of land etc. There are lot of companies that use natural recourses in manufacturing their products .To make up for the loss after using natural resources they need to work financially as well as developmentally for the redevelopment of the area so thee also need to help the agriculture sector .If the problem of the agricultural sector are solved by the corporate sector ,the agriculture sector will be able to produce the raw materials required for the corporate sector which will contribute to the economic development of the country. The present study is critical analysis of various reviews based on the studies related to CSR activities and its various impacts on society .The nature of data used for this is purely secondary in nature and the library research type is being used . CSR initiatives ,if being implemented by all the corporation for agricultural development will have a positive impact in overall development of the society and their business.

KEYWORDS: corporate Social Responsibility, Agricultural empowerment , CSR practices.

INTRODUCTION

Corporate social responsibility is not a new concept in India ,however, the ministry of corporate affairs government of India has recently notified the section 135 of the companies act ,2013 along with companies (corporate Social Responsibility Policy) Rules,2014 “hereinafter CSR Rules “ and other notification related there to which makes it mandatory (with effect from 1st April 2014) for certain companies who fulfil the criteria as mentioned under sub section 1 of section 135 to comply with the provisions relevant to corporate Social Responsibility . As mentioned by United nations Industrial Development organisation (UNIDO) ,CSR is generally understood as being the way through which a company achieves a balance of economic ,environment and social imperatives (“Triple- Bottom-Line – Approach “), while at the same time addressing the expectations of shareholders and stakeholders .

WHAT IS CSR?

The term “ Corporate Social Responsibility (CSR) ” can be referred as corporate initiative to assess and take responsibility for the company’s effects on the environment and impact on social welfare .The term generally applies to companies efforts that go beyond what may be required by regulators or environmental protection groups.

Corporate Social responsibility may also be referred to as “ corporate citizenship “ and can involve incurring short –term costs that do not provide an immediate financial benefit to the company ,but instead promote positive social and environmental change .

Moreover ,while proposing the corporate Social Responsibility Rules under Section 135 of the companies act,2013, the chairman of the CSR committee mentioned the guiding principle as follows: CSR is the process by which an organisation thinks about and evolves its relationship with stakeholder for the common good and demonstrative its commitment in this regard by adoption of appropriate business processes and strategies . Thus CSR is not charity or mere donation .CSR is a way of conducting business ,by which corporate entities visibly contribute to the social good .Socially responsible companies do not limit themselves to using resources to engage in activities that increase only their profits .They use CSR to integrate economic ,environmental and social objectives with the company’s operation and growths.

For whom It’s Applicable ?

The companies on whom the provisions of the CSR shall be applicable are contained in sub section 1 of section 135 of the companies act .2013. As per the said section ,the companies having net worth of INR 500 crore or more ; or Turnover of INR 1000 crore or more ; or net profit of INR 5 crore or more during any financial year shall be required to constitute a Corporate Social Responsibility Committee of the board “ hereinafter CSR committee” with effect from 1st April 2014 . The pictorial representation below gives the representation of section 135 (1).

The above provision requires every company having such prescribed net worth of Turnover or Net profit shall be covered within the ambit of CSR provisions .The section has used the word “companies “ which connotes a wider meaning and shall include the foreign companies having branch or project offices in India .

Business organisation across the world realising the benefit of adopting socially responsible behaviour . If a company engage with its stakeholder effectively ,it can enjoy a strong and enduring reputation in the market and community .This idea still needs to be understood and implemented in a better manner by business sector in India. CSR experts blame the lack of trained personnel ,non availability of accurate information and lack of understanding of the necessity, objectives and the benefits for the slow acceptance of CSR in the country . but the present condition seems to be changing as many companies are making the efforts take their CSR beyond ‘planting trees or giving away to charity for the needy’ .The trend is to move away from just doing a ‘social good’ to viewing CSR as business necessity . The Corporate Social Responsibility trend in India is also undergoing change ,as more and more companies realize the importance of addressing social and environmental concern

along with transparent stakeholder engagement ,CSR will receive the importance it deserves (article snatch.com .updated)

CSR is not a new concept in India . Corporate like the Tata Group, The Aditya Birla Group, and Indian Oil Corporation ,to name a few ,have been involved in serving the community ever since their inception .Several other organisation have been doing their part for society through donation and charity events .Today ,CSR in India has gone beyond merely ‘charity and donation ;and is approached in a more organized fashion .It has become and integral part of the corporate strategy (Das Gupta 2010)

Companies have CSR terms that devise specific policies ,strategies and goals for their CSR programs and make budgetary provisions to support them .These programmes in many cases ,are based on a clearly defined social philosophy or are closely aligned with companies ‘core business expertise .Employees become the backbone of these initiatives and volunteer their time and contribute their skill ,to implement them .CSR programme could range from overall development of a community to specific cause like education ,agriculture ,environment ,healthcare etc. CSR has a long way in India . From responsive activities to sustainable initiatives ,corporation have clearly demonstrated their ability to make a significant difference in society and improve the overall quality of life. In India ,it is difficult for single entity to bring about change ,as a scale is enormous .Corporation have the expertise ,strategic thinking capabilities ,manpower and money financial resources to facilitate extensive social change . Effective Partnership between businesses .NGO’s and the government will place India’s Social development on a faster track.(Chilli breeze .com ,undated)

Top 20 Companies (By Estimated Prescribed CSR Fund)(2018-19)

Sr. No	Company	Estimated Prescribed CSR(INR cr.)
1	Realiance Industries Ltd	817
2	Tata Consultancy services Ltd	609
3	Oil and Natural Gas Corporation Ltd	518
4	Indian Oil corporation Limited	504
5	HDFC Bank Ltd	450
6	Infosys Ltd	376
7	ITC Ltd	312
8	Coal India Ltd	272
9	Housing Development finance Corporation Ltd	241
10	NTPC Ltd	233
11	Bharat Petroleum Corporation Ltd	218
12	Hindustan Zink Ltd	209
13	Wipro	209
14	ICICI Bank Ltd	206
15	Maruti Suzuki Ltd	189
16	Power Grid Corporation of India Ltd	183
17	HCL Technologies ltd	167
18	Hindustan Petroleum Corporation Ltd	160
19	Rural Electrification Corporation Ltd	158
20	Power Finance Corporation Ltd	150

Source- csrbox.org

CSR Project in Agriculture Empowerment

1 . HDFC Bank

Project Title : Assistance to the farmer

HDFC bank provided assistance to farmer in soil and water conservation ,water management ,construction ,renovation and maintenance of water harvesting structures for improving surface and

ground water availability , in partnership with the village development committees . Company rejuvenated existing structures like ponds ,wells ,and constructed check-dams .This activity has led to not only better agriculture produce but also to an increase in water availability for domestic use and rice in the ground water level.

Project Implemented by : Watershed Organisation trust ,Krushi Vikas va Gramin Prashikshan Sanstha , Community Advancement and Rural Development Society

Amount spent : INR 922.78 Cr.

Location : Across India

Estimate Impact :

- Soil and water conservation work has been initiated in 550 acres of land .
- Other initiatives benefitted over 140 farmer families 65 acres land brought under irrigation for the first time and 45 acres brought under assured irrigation .
- Soil quality improved in 317 hc. of land and reduced soil and water erosion

2. The Rural Electrification Corporation Limited

Project Title : farmer centric Watershed Management

Company Developed farmer centric Watershed Management. .The Rural Electrification Corporation Limited ,Hydrabad ,Telangana ,India has supported the ICRISAT-led consortium to develop “ model Sites of Learning ” in Mahabubnagar district in Telangana state and Anantapur district in Andhra Pradesh with an aim to sustainably increase agricultural productivity and improve the livelihood of the rural poor in vulnerable rain –fed areas . a participatory integrated watershed management approach is one of the tested, sustainable ,and eco –friendly options available for upgrading rain –fed agriculture for sustainable intensification .

Project implemented By : Implementing Agencies

Amount Spent : INR 2.07 Cr.

Location : Mahabubnagar and Anantpur district of Andhra Pradesh and Telangana

Estimate Impact : The project duration is 5 years,2nd year operation is completed 3rd year operation is under implementation

3. Bank Of Maharashtra

Project Title : Soil And Water Testing

The Rural Development centres at hadapsar –Pune and have been undertaking various rural developmental activities for the benefit of farmers ; Viz vermi compost ,Redevelopment of Saline soils ,Soil Testing etc. Bank has established soil testing lab (STL) through MARDEF trust at RDC Bhigwan .Farmers from the district of pune ,Ahmednagar ,Solapur and Satara are taking benefit of the lab

A trust, Mahabank Agriculture Research and Rural Development Foundation (MARDEF) established by the bank undertakes various project and village improvement programmes . MARDEF imparted training to farmers on various subject in Agriculture trust has implemented 94 training programmes for farmers at RDC Bhigwan and Hadapsar .

Project Implemented By: Mahabank Agriculture Research and Rural Development Foundation (MARDEF)

Amount Spent : INR 19.36 Cr* (Prescribed)

Location : Maharashtra

Estimated Impact : The Soil Testing Laboratory has analysed 7418 soil and Water Samples in The Year 2015-16 and accordingly counselling is done .This Has helped The Farmers in the surrounding area of

four districts to know health of their soil & water and to overcome the deficiencies / improve the health of soil various activities have benefited 2363 farmers from April 2015 to march 2016.

OBJECTIVES OF STUDY

1. To Understand Beneficiaries perception towards CSR on rural empowerment .S
2. To Study & understand CSR concept .
3. To examine the impact level of CSR action and initiatives on rural empowerment.

LITERATURE REVIEW

Windsor (2001) examined the future of corporate social responsibility or the relationship between business and society in long run. The researcher tries to find out that whether the organisation and society will come closer to each other in future or not and what will be the changing phase of CSR .with the help of history or past trends of CSR., Carol's model analysis and in global context ,the researcher found three emerging alternatives of CSR i.e Conception of Responsibility ,global corporate citizenship ,stakeholder management practices.

Mallen (2012) IN this article the researcher depicted that how the trends of CSR have changed from last so many years . This change has affected both the Society and business . The researcher explained three basic things about the changes in trend. These are:

- Firstly , the relationship between business and society has changed .This is happening because of social aand environmental problem around the world .because of these condition ,business and society came closer .
- Second, the businessman's strategy of developing business also affected society a lot Business new ideas ,concept ,developments also came with CSR management that reflects in their product and services .
- Third, the other parties like outside agencies and firm's own goals interfere the firm's activity .

Major Findings

Agriculture :

Agriculture needs particular attention as this area is a major source of employment .Corporate company and banks have supported the establishment of farmers ' club, study tours, to expose farmers to better practices ,soil testing ,awareness programme ,watershed development ,rainwater harvesting ,best practices in farming ,farmer bulletins ,mobile van that travel in rural areas to impart advice to farmers ,agro based project like dairy development ,goat rearing etc. The Bank Of Maharashtra supports a counselling Facility for farmers in the vidharbha region where farmer's suicides are reported in large numbers .This is evidence of the range of development activities that banks are involve in .

Village Adoption : Adopting a village is a long term commitment to CSR and has a demonstrable impact . The sponsor bank or corporate company can offer its product for various development schemes or develop product specific to the village's need. if villages are adopted by various companies in India. The problems of village will be solved and as a result sustainable development will be achieved.

Contribution to the Chief ministers' Fund : These Donation were made in immediate response to the needs of the affected people .Such assistance would be very helpful in helping the agriculture sector due to emergencies ,so corporate are expected to contribute a large amount to this fund .

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