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EFFECTIVE CORPORATE SOCIAL RESPONSIBILITY WITH NEW TRENDS

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ABSTRACT

Today so many companies are working in the world .According to World Bank information 43,539 companies are working but out of them only few companies are strictly following the CSR.This research paper will cover the following elements to evaluate. The word social responsibility is not fulfilled by the corporate companies because company main aim is how to improve the profit by decreasing cost and some profit concerned companies are thinking that CSR is one of the cost element, it is a big indigestible thing that corporate companies are showing false accounts towards CSR.Corporate social responsibility function is not implementing strictly because of the following reasons

1. There is no proper worldwide regulatory body to control and regulate CSR

2. The policies and procedures not implementing in the companies properly

3. Lack of coordination between governments and companies

4. There is no strictness in Law and Legal aspects towards CSR

5. The most important drawback is there is no purity in the Human beings specially organizers of CSR

6. Poor respect on ethics, poor human values,

I. ACTIVITIES OF CSR

The **United Nations Industrial Development Organization** define corporate social responsibility as "a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders."

The world has become more and more aware. All the major players have been contributing to the society in one way or another. If we take the example of India, Aptech, a leading education player with a global presence that has played a broad and continued role in encouraging and nurturing education throughout the country since its inception. As a global player with complete solutions-providing capabilities, Aptech has a long history of participating in community activities. It has, in association with leading NGOs, provided computers at schools, education to the deprived, and training and awareness-camps.

This concept of Corporate Social Responsibility has been introduced all across the globe. Different countries have different ways of application. What is common is that all the countries use the LBG model to assess the real value and impact of their community investment to both, the business and society. When we talk about

Corporate Social Responsibility (CSR), it is understood that it is executed after a lot of planning and strategizing.

II. HERE IS A BRIEF COMPARISON OF THE CSR REGULATION ACROSS THE GLOBE!

1) In USA The Corporate Social Responsibility (CSR) team in the Bureau of Economic and Business Affairs leads the Department's engagement with U.S. businesses in the promotion of responsible and ethical business practices. The mission of the CSR office is to:

- Promote a holistic approach to CSR to complement the EB Bureau's mission of building economic security and fostering sustainable development at home and abroad.
- Provide guidance and support for American companies engaging in socially responsible, forward-thinking corporate activities that complement U.S. foreign policy and the principles of the Secretary's Award for Corporate Excellence program.
- Build on this synergy, working with multinational companies, civil society, labour groups, environmental advocates, and others to encourage the adoption of corporate policies that help companies "do well by doing good."

2) In UK It is a part of Corporate Governance. The Companies Act 2006 has now added to those pressures by requiring directors to have regard to community and environmental issues when considering their duty to promote the success of their company and by the disclosures to be included in the Business Review. CSR is, now, an integral part of good governance, for bigger companies in particular.

3) In Europe The European Commission's CSR agenda for action is:

- Enhancing the visibility of CSR and disseminating good practices.
- Improving and tracking levels of trust in business.
- Improving self and co-regulation processes.
- Enhancing market reward for CSR
- Improving company disclosure of social and environment information.
- Further integrating CSR into education, training and research.
- Emphasizing the importance of national and sub-national CSR policies.
- Better aligning European and global approaches to CSR.

The CSR strategy is built upon guidelines and principles laid down by the United Global Compact, United Nations Guiding Principles on Business and Human Rights, ISO 26000 Guidance Standard on Social Responsibility and OECD Guidelines for Multinational Enterprises.

4) In India CSR in India has traditionally been seen as a philanthropic activity. And in keeping with the Indian tradition, it was an activity that was performed but not deliberated. In 2014, India became the first country in the world to have a mandatory CSR contribution legislation. In India, the concept of CSR is governed by clause 135 of the Companies Act, 2013, which was passed by both Houses of the Parliament, and had received the assent of the President of India on 29 August 2013. The CSR provisions within the Act is applicable to companies with an annual turnover of 1,000 crore INR and more, or a net worth of 500 crore INR and more, or a net profit of five

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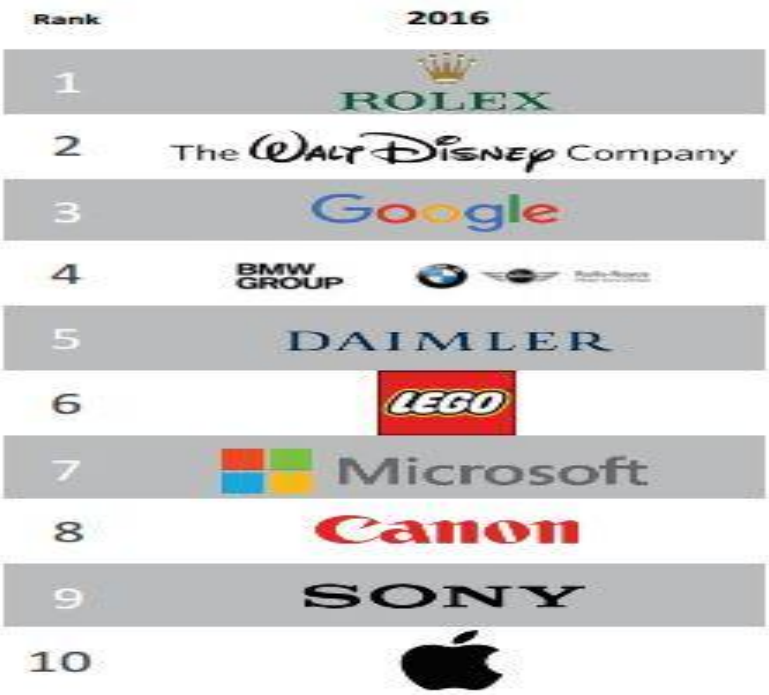
crore INR and more. The new rules, which will be applicable from the fiscal year 2014-15 onwards, also require companies to set-up a CSR committee consisting of their board members, including at least one independent director. The Act encourages companies to spend at least 2% of their average net profit in the previous three years on CSR activities.

5) Other countries: France, Denmark, South Africa and China have a mandatory reporting obligation on the amount spent on CSR activities.

World top 10 companies which are following CSR



III. NEW PROCEDURES FOR CONTROLLING CSR IN INDIA

Two years on, the arguments remain unresolved. What's unambiguous is that overall charitable spend by companies has increased. According to independent reports, the private sector's combined charitable spend jumped from an estimated33.67bn rupees (£357.5m) in 2013 to around 250bn rupees (£2.63bn) after the law's enactment.

Some say the change in law is also waking up corporate India to its wider social responsibilities. "The so-called 2% law has brought CSR [corporate social responsibility] from the fringes to the boardroom," argues Bimal Arora, chair of the Delhi-based Centre for Responsible Business. "Companies now have to think seriously about the resources, timelines and strategies needed to meet their legal obligations."

Yet fears that companies would find ways of avoiding shelling out for good causes appear equally well-founded. A survey by accountancy firm KPMG found that 52 of the country's largest 100 companies failed to spend the required 2% last year. A smaller proportion has gone further, according to an Economic Times

investigation, allegedly cheating the system by giving donations to charitable foundations that then return the monies minus a commission.

India boasts a handful of family-led conglomerates with a long tradition of philanthropy. "Charitable giving used to be a big reputation builder for us," says a sustainability director in one such firm, "now it's just about legal compliance". In a number of cases, he adds, companies that were giving more than 2% have scaled back their charitable spend.

Those who believe CSR needs to be embedded through the whole business, not just philanthropy, argue that companies must go further. "The focus is now on how much money you give to what cause and the whole question of how you make that money is totally ignored" says Ruchira Gujral, Unicef's corporate engagement specialist.

This business rationale to corporate responsibility is now at risk of being lost, argues Vikas Goswami, head of Godrej Industries' sustainability program. "For most organizations, the discussion at board level is now not about what we do, but does it count as CSR and does it meet the legal requirements," she says.

Opinions in the voluntary sector are also split. A major point of disquiet is who gets what. While more corporate cash is now swilling about, it's not spread evenly across among charities, with large charities getting the lion's share.

"One of the challenges for the corporate sector is finding credible partners and good projects that they can support. So what's happening is that the bigger charities that are better known are being flooded with money," says Gujral. Compounding the problem is that smaller charities often lack the capacity to cope with companies' bureaucratic and operational demands.

Charity leaders, and KPMG's report, also point to a geographic bias under the 2% law, with companies funding projects closer to where they are based. Consequently, more industrialized states are winning over poorer, more remote regions where development aid is acutely needed. Politics can skew priorities too, with some companies looking to gain goodwill by backing government-led projects rather than independent initiatives.

Anna Warrington, a director at the think-tank Forum for the Future, is one of many in India's third sector who is increasingly frustrated by how the 2% law is playing out. What India needs is large-scale social innovation and systems change, she says, but the early crop of mandatory philanthropic projects shows precious little of this ambition.

Unicef's Gujral echoes these concerns, arguing that an emphasis on corporate-charity partnerships is deflecting pressure on companies to change their business practices. She welcomes renewed discussions about formalizing a set of national voluntary guidelines to spell out what responsible business should look like and set out that CSR is more than just charitable giving. The Centre for Responsible Business is working on similar sector-specific standard

IV. CONCLUSION

Through establishing a well and strong regulatory body or a committee we will successfully run the CSR programs globally. Each and every county must take initiative to incorporate a regulatory body and prepare new

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policies and procedures for effective management of CSR. The most important thing in the every country is LAW and legal procedures .through the help of strict laws and legal proceedings we can improve the efficiency. The most other important thing is nominating or elects the holiest persons to organize the CSR. Preparing proper schedules and programs on CSR are definitely enhancing the power of CSR.

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