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“ Corporate Social Responsibility: A comparativestudy of Legal Framework of India with developed Countries” Abstract Purpose: Inlight of the witness of the promptly changing landscape of Corporate SocialResponsibility(CSR) in world, this paper explore to analyze the legal aspects ofCSR in India , including the comparison of Indian CSR with other developedcountries (U. S. A, Norway , Italy, Netherland and France   ).

Design/Methodology/Approach: Thisstudy is of qualitative in nature and author adopted critical approach toanalysis CSR. Various secondarysources have been used to support this theoretical conceptual research such asrecent newspaper articles, available published literature, company’s researchreports and government websites. Findings: Sinceancient time CSR activities adopted by Indian companies in spite of this fact ourstudy found low regulation and administration of CSR in India.

For Indian companiesit is required to enhance their levels and depth of reported CSR. However, wedo not see regulated patterns, nor do we see each country demonstrate verydistinct patterns. Huge gap is identified in corporate social responsibility ofIndia and developed countries.

Originality: Thispaper critically reviews the legal framework of India. This paper contributestowards theoretical development of CSR. Implications: Thisstudy insight the significant aspects of CSR legality. Beneficial to thecompanies and government for making of CSR strategy and enhancing differentlegal aspects of CSR. Papertype:  QualitativePaperKeywords:” CSR; legal framework; India; developed countries”  1. INTRODUCTION Theelementary idea beyond corporate social responsibility is that of a uniting thestate, civil society and the private sector. CSR marked the presence of apositive corporate culture that is to easily noticeable in the way of the companyis handled and organized.

Recent Years are evident that numerous initiativeshave been taken for corporate social responsibility (CSR) policies that are specificallydesigned to encourage corporates for embracing the corporate socialresponsibility in way of more systematic, persuasive and prudent. Mostly, however, acquire from exertion by different government and non-governmentgroups to attain basic to identify what different ways of companies are forrelate to employees and communities. These progress depart from the moreautonomous forms of CSR preferred in the developed countries and are having an importanteffect on brand image creation strategies of multinational companies in manycountries.” CorporateSocial Responsibility (CSR) aims to better integrate social and Environmentalconcerns into business routines on a voluntary basis.” (Steurer 2009).

Although, CSR has been seeing as a neo-liberaltheory but it has slowly changed and grown up with more dynamic approach societal.(Godfrey and Hatch 2006) concluded that shareholdercapitalism and business citizenship, apparently represent too stringentformation for persuasive guide to corporate action, government policy, ortheorization of academic in context of corporate social responsibility. An empiricalstudy (Mattenand Moon 2004), acknowledged that CSR has not beena topical and abiding component of the public communication. In spite ofseveral extensive principals for both enterprises and stakeholders there isalways a persist strain on both global and local threat andopportunities (Hamann, 2006). Corporate social responsibility is essentially consideredas a western aspect due to sturdy institutions, standards, and appeal systemswhich are sluggish in Asia for several developing countries (Chapple and Moon, 2005).

Suchsluggish standards bearing a great challenge in front of corporates forexercising CSR in Asia for several developing countries like India.  OBJECTIVEOF THE STUDY 1. To criticallyreview the Legal Framework of India  2. To do comparativeanalysis of CSR policies of India with developed countries.  RESEARCH METHODOLOGYVarious secondary sources have been used tosupport this theoretical conceptual research that includes:·        Recentnewspaper articles ·        Availablepublished literature ·        Governmentwebsites (European commission, world business council for sustainabledevelopment, mca. gov, OECD etc.)·        Articlesand reports published by some renowned management consulting firms Critical review approach has been taken topresent and analyze the literature referred for the paper and to examine thelegal framework of India and developed countries.

This paperreviews some of CSR evolving standards and regulatory developments of India, secondpart of the paper focused on comparison of India with developed countries like U. S. A, Norway , Italy, Netherland and France . For the purpose of Comparison we havetaken the basic two reports of KPMG , 2016 and GSCSR, 2013 .   2. LITERATURE REVIEWPouret al. (2014) described corporatesocial responsibility as a continuous process of commitment of universalbusiness.

In the past few years’ corporate social responsibility evolution andsustainability philosophy, trying hard to get along with different approach andrule to meet the standards of “ responsible” enterprises. However, there is notany specific definition of corporate social responsibility has been consolidated, however the norms and standards are still developing. Result showsthat market value of share having negatives effective of corporate social performancebut there is no existence of any relationship between Debt and equity behaviorof the firm significantly. Deegan and Shelly (2013) examinedin this research that what is the understanding of corporate socialresponsibility by the Australian business community’s.

Study revealed that variousstakeholder groups which are having different position within the Australianand the positions adopted elsewhere having lots of similarity. The maximizationof shareholder wealth approach has been adopted by Australian business sector aswell as they incorporated responsibility of social and environment. Author alsoemphasized on Personal Social responsibility (PSR).  This is the debate that PSR leads CSRactivities or not. Moreover, if PSR has been accepted easily than there shouldhave not any kind of CSR or governments norms required. But question arises thenwhat is the role would or should play by the educational institutions likeuniversities.

There must be some farm of social awareness as education shouldimpart into the student to deal impressively with significant social andenvironmental issues. Buchner (2012) concluded that CSRshould be called as an instrument that helps corporates to be stand incompetition and built long term responsibility towards society. There werethree basic components sustainability, corporate strategies and businessprocess to leads profit in three elementary areas: bettered stakeholderrelations, enhanced financial performance; improved risk and reputationmanagement. This study acknowledged and revealed that what is the different scopeof action of CSR and basic understanding of CSR. Corporates strategies impartCSR for risk and opportunity and involved itself for betterment of society andits sustainability. Zhao (2012) this paperanalyzed strategy for political legality and also discloses how thesestrategies acceptable by the multinational companies, Russian companies and ofcourse Chinese companies. Findings in this research give a qualitative approachwhich more emphasized on accomplishment of CSR activities of business leads politicalrecognition and support.

The multinational companies, Chinese and Russiancompanies targeted CSR-based state management effort on the exploitation ofcurrent policies and demand of state’s public management. Idemudia (2011) concludedthat the still there is a huge scopeof emerging southern perspective to reach the western CSR Potential. Author findouts the element of failure and critically review the role of government, perceivedbottom-up approach to CSR enquiry sand avoid a gradual research focus.  Its analyzed that critical context to CSR hasbegun to appear and has been involved to the maturation of dominant CSR agendaas well as challenging the often admitted assumptions in CSR discourse. However, it was suggested that while the CSR program is most preference and easilyadopted in reality by developing countries but in Africa scenario is somethingdifferent still long way to go to use its full potential. Steurer (2009)introduced CSR as voluntary inputs towards sustainable development.

It then evolveda categorization of CSR policies and for analyzation purposes its imparteddifferent types of instrument like economic, legal, partnering and information. On the basis of this precise narration of CSR policies, this study examined howCSR and specific public policies deal with changing pattern of regulation interms of business-government relation but that it has turned into veryenlightened way of societal co-regulation in present years. Matten and Moon (2004) acknowledgedin their study that in Europe CSR has not been long term component of thepublic communication because corporations handled and address issues of socialresponsibility in some different manner which is termed as implicit CSR byauthor. The past development of explicit CSR based on the reality of fact thatseveral changes have been happened due to the increased pressure on business. Study also to rethink more deeply about CSR policies, practice and program.                                                                                                                                                                                                                 According to the EuropeanCommission (2001, 2002, 2006), CSR is “ a concept whereby companies integrate social and environmental concernsin their business operations and in their interaction with their stakeholders ona voluntary basis”.

Many enterprises are very open about the impacts of theiractivities on the social and environmental aspect, specifically related to variousglobal CSR reporting standards and multinational companies were appearing (Sethi, 2003). On the other way, distinct studies show that, the most of CSR reporting standards are spontaneous and non-legallymandatory compliance and there is much extentfor companies to choose the issues to be inculcated in their reports. Aquestion arises that is of on the both theoretical and practical aspect whetherthese global standards are able to overcome the constraining its impact on environmentsof country and industry that nail the differences in CSR reporting. Severalrecent studies recommended that there is an important difference in attitude toCSR and Implementation of CSR all over the world. (Jamali and Mirshak, 2006).

An important study of Aguilera and Cuervo-Cazurra (2004) hasargued that differences in CSR could be related to disparity in systems ofgovernment. (Aguilera et al. 2006)pointed that another noticeable discrepancy between the two countries UK and USmarkets.

The more consideration being paid by both companies and institutional investorsin the UK on the long term basis risk related to social and environmentalaspect.