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Corporate Social Responsibility and Management of Environment

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Introduction:

These days when the Central Government is interested in Make in India campaign the scale of management or evaluation of business is not as if used to be about fifty years ago. At that time only that business organization was considered good which was earning profit for its owner but today the situation is absolutely changed. Today business has to look to the interest of many other stakeholders along with the interest of the owner. The employees- line and top management, consumers, suppliers, competitors, government, community, environment and even the world happen to be the other stakeholders. This responsibility of business, which includes the satisfaction of these parties along with the owner, is called the social responsibility of business or corporate sectors.

Objective of the study:

- Understanding CSR creation and delivery through investment
- Through an example of state of Jharkhand, an attempt is made to understand how people centric initiatives can help organizations in CSR creation.
- To justify that responsibility, employee motivation, environment protection community pride, consumer loyalty, corporate commitment, organizational citizenship behavior, satisfaction and other behavioral parameters can foster organizational survival and growth with community thereby helping in CSR creation and delivery.
- To help in assessing the strengths and weaknesses of CSR policy in creation of better environmental value and rehabilitation for development of a good world.

Research Methodology:

This work is based on the interview of line and top managers, customers, investors, employees and selected people individually. We also analyzed the secondary data. It has given a lot of insights into the company assets and liabilities of the company like welfare work done by Co. and PSUs and the minutes of the meetings held etc, help in determining the CSR creation and its delivery. The published literature of the company, such as manual reports, marked handouts, training calendar, personal manual and various circular issued from time to time and other published literature are also helped in understanding the role of CSR policy in protection of environment and rehabilitation as a policy towards development of a better nation.

Make in India Campaign

- Ultimate objective is to make India a renowned manufacturing hub for key sectors. Companies across the globe would be invited to make investment and set up factories and expand their facilities in India
- Using India's highly talented and skilled manpower to create world class zero defect products.
- The purpose of Make in India Campaign-
 1. Job Creation
 2. Economic Development
 3. Global Recognition

Sectors, which are likely to benefit:

- Infrastructure sector: Larsen and Toubro, IRB Infra and Adani Ports should be the key beneficiaries of policy moves on building transport infrastructure
- Power Sector: Power Grid Corp should be the biggest beneficiary of the second generation reforms in the power sector
- Banking: Axis Bank, ICICI Bank, SBI, PFC and REC should be the key beneficiaries of India's big infra opportunity, given their domain expertise in Infra financing.
- Oil & Gas: ONGC is set to emerge as the biggest beneficiary of the dramatic reduction in fuel subsidy over the next five years.
- Metals & Mining: Tata Steel, JSW Steel and Ultra-Tech should be key beneficiaries of India's move to materials intensive growth.

Case for corporate social responsibility

1. **Corporate sector to a part of society:** Since corporate sectors are a part of society they must have a positive attitude towards the needs of society. Corporate sector is only a sub-system society and this sub-system must contribute to the welfare of the main system. Therefore, the decisions taken by the manager should take into consideration the welfare of not only his organization, but also the welfare of other sub-system.
2. **Avoidance of Govt. Regulations:** If corporate sector does not take care of the social responsibility of its stakeholders, the Government interferes in the corporate system, which adversely affects the progressive business. Therefore the manager should give priority to the social responsibility of corporate sector to avoid excessive Govt. interference.
3. **Long term self – interest of corporate sector:** The social responsibility of corporate sector, if taken care in the present, ensures the success of the organization in future. It is possible that in the beginning an organization may have to bear the financial burden resulting from social responsibility but the future of the organization becomes secured.
Corporate social responsibility as our concern towards community involves:
 - i. To make available opportunities for employment.
 - ii. To avoid polluting the environment.
 - iii. To contribute to the raising of the standard of living.
 - iv. To be a partner in social development by establishing charitable institutions, dispensaries, educational institutions.
 - v. Not to resort to indecent advertisements/marketing
 - vi. To contribute towards international peace.
 - vii. To observe rules of international market.
 - viii. To help in the development of economically backward countries.
 - ix. To do economic activities and business backward countries.
 - x. To do economic activities and business honestly.
 - xi. To ensure safeguards of Human Right.

Corporate and Environment Protection:

- **Meaning of Environment Protection:** - Environment protection means freeing the environment of air pollution, water pollution and noise pollution. Every being living on this earth requires clean environment. Therefore the protections of environment are absolutely required.
- **Threat to Environment from Corporate Sector:** - The important question as to why environment protection is being linked with corporate appears to be absolutely reasonable to link environment protection with corporate sectors because corporate has freely contributed to pollute environment. From the point of view of environment pollution, there are three types of corporate/business units doing the damage - some spread excessive smoke, some pollute water and some spread noise pollution. Moreover there are some business units (SBUs) which spread pollution of more than they have been fixed by the laws. So there is no hesitation in saying that environment faces a threat from corporate sector.

Types of Corporate Pollutions:

Corporate Pollution is of the following three types:-

1. **Air Pollution:** – Some business units make use of coal. The smoke produced by coal, pollute air. Similarly, some units use chemicals which produce poisonous gases. They are highly dangerous for the living beings.
2. **Water Pollution:** - Business units generally pollute water in two ways – by releasing highly toxic things in the water of rivers and secondly, by allowing dirty waste laden water into the clean river water. Animals have been seen dying by drinking this type of water. Surely such deaths are caused by the highly objectionable behavior of corporate/business.
3. **Noise Pollution:** - Some factories produce a lot of noise. People living in a noise – polluted area fall a victim to causes diseases like deafness, violent behavior mental disorder etc.

Solution to the Problem:

Since corporate sectors/business has contributed the maximum to the pollution of environment, therefore, it becomes the responsibility of corporate to help in solving the problem, even otherwise also it is the social responsibility or corporate to protect environment from being polluted. Scientific methods should be employed to check the poisonous gases and smoke being mixed with air. Dirt should not be thrown into water to check water pollution and the dirty water should be released into river water only, after treating it scientifically. Similarly instruments checking noise should be installed in factories so that the noise pollution is checked effectively.

The government has passed many Acts to check the problem of pollution. Under these Acts many factories which were polluting the sacred Ganga water in Kanpur more closed down in 1992. Similarly, in 1993 many factories were closed down in the vicinity of the Taj Mahal which was thought to be a danger to beauty of the Taj. Only recently many polluting corporate units located in Delhi were thrown out of the city by the order of High Court.

Corporate Social Responsibility and Modern Development Projects with reference to Jharkhand:

Jharkhand is the 28th state of Indian Republic that comes in to existence of a separate state status on 15th Nov 2000. Jharkhand means “Land of forest and Paradise on Earth” due to its rich forest wealth & mineral deposits with very congenial climatic conditions. Jharkhand is predominantly a tribal belt, where these tribal communities reside, maintaining their socio-cultural and economic institutions with peace, harmony, security and trust for last many hundreds of years.

Tribal as nature loving people as their Gods, Goddess, Deities & spirits also resides in nature, forest, flora & fauna. This mass have firm faith in nature forest flora fauna and its utilities in their social, cultural, economic, religious pharmaceutical purposes have become indispensable and inseparable from their life. It has been experienced by the tribal people that their socio-cultural, socio-religious and economic institutions has gradually and continuously been attacked since last 50-60 years (specially after independence) due to the establishment of industries, factories, housing colonies, multinationals, hydro-electric projects, mining, especially open cast mining also by continuous increase deforestation in the name of modern developments, industrialization, urbanization and globalization.

Displacement:

The houses, the agricultural lands and even the whole villages have been acquired by the Government for the establishment of big government, public and private projects (including FDI of MNCs) and a token compensation is paid to the original indigenous inhabitants. They are made displaced, landless, homeless jobless and are put on the crossroads without any future prospects. Such displaced mass is not all the habituated to thrive in the altered habitat. As a result the whole mass becomes the victims of various factors. This situation has prevailed more or less in all the districts of Jharkhand. This can very simply be clarified by citing an example as follows:

1. For the establishment of Heavy Engineering Corporation (HEC- 1958) at Ranchi, Bokaro Steel Plant at Bokaro, Hydro-electric project at Tenughat, Patratu Thermal Power station at Patratu, Masanjore Dam at Dumka, Maithon Dam at Dhanbad, Big Housing colonies at Ranchi, Bokaro, Jamshedpur, Dhanbad etc. and for these projects thousands of hectares of agricultural lands, forests areas and many hundreds of villages are acquired. The original owners are paid only the little compensation and are made displaced without any land or home or job. That is why the indigenous people (both tribal non tribal) of Khunti sub-division have agitated against the 710 megawatt “KOEL-KARO Hydro Electric Projects.”
2. The corporate social responsibility comes now, which are responsible for bringing the original inhabitants of Jharkhand on the crass-roads making than displaced, homeless, landless & jobless villagers.

Rehabilitation:

The CSR plays an important role over here and is really helpful in implementing the following suggestions:

1. The original inhabitants should be attached with the main stream of the developments by providing than job in corporate sectors.
2. They should not be kept aloof. They should be given the shelter in the establishments as per their properties being utilized for the establishment of the project.
3. Proper rehabilitation programme with social, cultural, religious & job security should first be finalized and implemented before acquiring the land & villages for the purpose related establishment of corporate sectors.
4. Proper opportunity & facility quality education should be made available for them.
5. It is prominent responsibility of corporate that must take-up the massive forestation programme/social forestry activities with community participation in every hamlet of every village.
6. Corporate should organize continuous & massive training programmers for making trained & specialized in one or two trades of various self employment schemes such as horticulture, floriculture, lac-culture, tsar cultivation, poultry, dairy, piggery, goatary, duckary, fisheries, honey bee keeping other schemes related with latest technologies as Bio-technology, bio-informatics, computer training etc.
7. Corporate should also organize special training programmes for the tribal women for different cottage industries, such as rope-making, broom making, leaf-bowls (Dona) eating plates of leaf (pattal), basket making, carpet mat making, sewing garments, embroidery, papad making, pickle making, doll making and many more.
8. Corporate should provide a healthy and hygienic shelter to deprived & displaced tribal people.

Natural Rehabilitation and Resettlement Policy, 2007 and Corporate Social Responsibility:-

The Government of India has given its approval for the National Policy on Rehabilitates and Resettlements, 2007 and also fixes the corporate social responsibility by setting following objectives

1. To minimize displacements of people and to promote non-displacing or least displacing alternatives.
2. The Policy also recommends that only the minimum area of land communicates with the purpose of the project should be taken and there should be distinction between agricultural and non-agricultural land.

Provisions:

1. A National Rehabilitation Commission shall be setup by the Central Government, which will be duly empowered to exercise independent oversight over the rehabilitation and resettlement of the affected families.
2. The policy and the amendments in land acquisition laws approved by the Government also make Social Impact Assessments (SIA) of projects that affect more than Agro families in the plains (and 200 families in hilly areas) mandatory.
3. The affected communities shall be duly informed and consulted at each stage.
4. Option for affected families to take 20 percent to 50 percent compensation with Government approval.
5. Rs. 500 monthly pension has to be conferred for destitute widows and unmarried girls.
6. Lift-time monthly pensions to the mineable persons.
7. Preference has to be given in project jobs and one job per nuclear family to support for skill development.

Conclusion:

In fact, in this paper I tried to give both the two sides of corporate social responsibility (a) towards the environment protection and rehabilitation of the mass and tribal people (b) a policy towards development. And tried to show that it is the corporate social responsibility to take-care for each of the project they setup in the society. And the prime – objective must be of public welfare otherwise, these corporate will face the problem of ‘Singur’ – Nano projects and other similar type of agitation

not only in India, but also in whole of the world.

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