



A Study on CSR activities in Tata group

Vadagana Bhagya Sri, Konda H S Lakshmi Vasavi

MBA, Department of Management Studies, Sri Vasavi Engineering College, Tadepalligudem, West Godavari, Andhra Pradesh, India

Abstract

Corporate Social Responsibility was made a required practise for all businesses under the 2013 amendments to the Companies Act. Although it was first implemented in 2013, several Indian companies had already begun using it. One of them is the Tata Group of Industries. The purpose of this study or paper is to examine the corporate social responsibility initiatives carried out by the Tata Group of Industries before and after 2013.

Keywords: Companies act amendment 2013, tata group, and corporate social responsibility

Introduction

Nowadays, corporate social responsibility is recognised as a tool for an organisation's sustainable growth. CSR entails fusing a company's operations and expansion with its social, environmental, and economic goals. CSR has an impact on governance and ethics, employee welfare, societal welfare, environmental protection, etc. The Companies Bill, 2012, aims to promote CSR among Indian businesses. There are various forms of CSR, including environmental CSR, community-based CSR, HR based CSR, and philanthropy. Ethical, legal, societal, and ecological functions are all part of CSR. Conflicts of interest between maximising corporate earnings and preserving the reputation of the business are made clear by ethical CSR functions. Transparency in a company's business operations and financial reporting is encouraged by the legal role of CSR. The social benefit of CSR encourages businesses to respect and support the communities where they operate. The ecological component of CSR promotes respect for both the local environment in which a company operates and its impact on the larger ecosystem. There are enough grounds to support this study on CSR at Tata Steel. At Tata Steel, numerous studies of this nature on CSR efforts have been conducted in the past. However, the most recent study will shed light on Tata Steel's tenacity and ongoing attempts to activate CSR.

It is appropriate to use a few quotes from famous leaders in this context. Ratan N. Tata, the head of the Tata Group, is quoted as saying, "I do think that the Tata group has maintained a view and sense of purpose that our companies are in existence not only to run our business and to make profits but that we are responsible and good corporate citizens over and above our normal operations." Tata is the head of the Tata Group. Tata The Tata Group has historically been concerned with corporate social responsibility. In 1892, Mr. Jamshedji Tata, the company's founder, used to offer scholarships for further study abroad. He also supported Gandhiji's racial equality campaign in South Africa. The nation now possesses a science centre and an atomic research facility thanks to the Tata Group. The Tata Business Excellence Model, the Tata Index for Sustainable Development, and the Corporate Citizenship Index have all been accepted by Tata Steel. Tata Steel invests 5–7% of its profit after tax on a number of CSR

programmes. TATA Steel has prioritised ethical business practises and community-centred initiatives over the past 100 years. In the beginning, Tata Steel's CSR efforts served more as a "provider" to society, helping the local population with both sustenance and development requirements by providing free farm equipment, seeds, and fertiliser, among other things.

Significance of the study

India has the second-highest population in the world. In the villages, the vast majority of people live. Only 65% of Indians are literate. The majority of rural residents lack access to excellent health care and wholesome food, and they are illiterate. 20% of rural residents live in poverty. By providing their services to members of society, business entities make money. The oppressed population cannot be lifted up by the government alone. Corporate entities and non-governmental organisations must step up to help eradicate various social ills and play a crucial role in the development of society. Some of their initiatives include offering quality education, expanding healthcare options, extending access to nutrient-rich food, raising awareness of environmental safety, constructing drinking water facilities, sponsoring sporting events, taking part in natural disaster management programmes, promoting moral values, enhancing Indian culture, etc. It is imperative that business organisations step up and contribute to societal growth. The organisations will benefit from this contribution by having a stronger market presence and brand recognition. The strategy of the organisation should address the growth of society as a key component. CSR initiatives support both corporate sustainability and societal progress. Therefore, the government, non-governmental organisations, and corporate organisations are all accountable for community development.

Objectives of the study

The following aims of the study are to be accomplished:

- To research the CSR policies and programmes of the Indian government.
- The study's primary goal is to examine the corporate social responsibility (CSR) initiatives taken by TATA Group.

Government policies for CSR

Since the middle of the 1990s, India has started a number of significant CSR activities. One of these is "Desirable Corporate Governance: A Code," the first voluntary code of corporate governance, which was formed in April 1998. The Confederation of Indian Industry (CII), the largest business and industry organisation in India, was behind this project. By decree of the Ministry of Corporate Affairs, a National Foundation for Corporate Governance (NFCG) has been established. The

Confederation of Indian Industry (CII), the Institute of Company Secretaries of India (ICSI), and the Institute of Chartered Accountants of India (ICAI) are partners in this endeavour. The National Foundation for Corporate Governance was established with the aim of elevating corporate governance standards in India in order to achieve stability and growth.

CSR Policy as per Indian companies act 2013

The Rajya Sabha approved the revised Companies Bill, 2012, on August 8, 2013. The Companies Act, 1956, which has governed Indian industry for more than 50 years, will shortly be replaced by this measure. At a later time that has not yet been set, the new Company's Act of 2013 will take effect. A significant provision of the Act (Clause 135) requires Indian corporations to comply with CSR rules. It streamlines numerous issues and aspires for better transparency and convenience of doing business in India, which is only one of its many benefits. It also made the unprecedented decision to introduce class action litigation, which will defend small holdings. According to the Companies Act of 2013, companies with profits exceeding 50 million Rupees (\$816,000) during the previous three years are required to spend 2% of their revenue on CSR. Even though this mandated spending may appear to be a fantastic business move, especially for smaller consultants, it just isn't the case. Only businesses of a specific size are covered under Clause 135. According to the regulations, the companies that fall under this definition are those with a net worth of at least Rs. 500 crore, at least Rs. 1000 crore in annual revenue or Rs. 5 crore in net profit (net profit before tax, excluding income from branches outside India).

How to create CSR Policy

The new Act's regulations provide some suggestions on what should and shouldn't be in the policy:

- The initiatives and programmes that are to be implemented should be specified in the policy.
- It should include a list of the CSR initiatives the company intends to launch during the implementation year, together with details on the methods of implementation and timelines for each.
- The policy should "give preference" to the surrounding communities where it operates when deciding which CSR projects or programmes to include.
- The goal of CSR projects and programmes may be to produce shared value by fusing corporate concepts with social and environmental concerns and procedures.
- It should be obvious that any financial excess resulting from CSR efforts will not be included in a company's bottom line.
- The Committee should create a transparent monitoring system to ensure that the initiatives and programmes outlined in its policy are carried out.

CSR taken by Tata group

The group's corporate policy includes all stakeholders' sustainable development. The following are the main ideas covered in the business policy:

- Be responsible and environmentally conscious.
- comply with environmental laws and regulations.
- To address more significant challenges like climate change and global warming, institutions should constantly improve technology and implement cutting-edge procedures.
- Through social programmes dealing with health, education, the empowerment of women and youth, employee volunteerism, and the creation of sustainable lives.
- Look for ways to improve economic, human, social, and natural capital in order to create and preserve a balance between business, society, and the environment.

Contributions for the National Development Highlights:

Tata Health Infrastructure

- Tata main hospital at Jamshedpur
- ICU in Joda and Balangpur
- CHC in Bari and Kuhika
- Hospitals in Belpahar, Belipada, Joda, Belpahar, Gobarghati, Sukinda, and Bamnival
- Lifeline Express
- The hospital on wheels
- Mobile health clinics
- Centre for hearing impaired children

Tata Educational Infrastructure

- Institute of mathematics
- Sukinda college
- XI MB's Joda College Centennial Learning Center
- J N Tata Technical Education centre
- School of hope
- Shishu Niketan
- Balwadi schools assisted by Tata Steel

Tata Sports Infrastructure

- Tata athletics academy
- Tata archery academy
- Tata Football academy
- Tata steel adventure foundation
- Sports feeder centres
- Stadium at Keonjhar

TQMS

The Tata Business Excellence Model (TBEM) was to be institutionalised by Tata Quality Management Services (TQMS), a branch of Tata Sons. Each organisation is given a comprehensive overview by the TBEM to aid in enhancing performance, production, and efficiency. It seeks to simplify organisational learning and business dynamics. The Malcolm Baldrige model, which is well known worldwide, has been modified specifically for Tata and is known as TBEM. Leadership, strategic planning, customer and market focus, measurement, analysis, and knowledge management, human resource emphasis, process management, and business results are the seven essential parts of operations covered by the TBEM model. Companies must obtain a minimum of 500 points (out of

1,000) in performance within four years of signing, with the benchmark being 1,000 points.

CSR activities of Tata companies for social development

1. Tata Steel

Tata Steel uses the Corporate Citizenship Index, and it devotes 57% of its profit after tax to various CSR programmes. This comprises:

SHGs (Self-Help Groups)

Currently, there are more than 500 self-help organisations functioning under various programmes aimed at reducing poverty; of these, more than 200 are involved in activities that generate revenue through micro enterprises. Self-Help Groups have been used to expand programmes for women's empowerment to 700 villages. In Seraikela Kharsawa's Gamharia block, the maternal and newborn survival initiative covered 42 villages from 2003 to 2006, and a replication project was started in Rajnagar block. Over four lakh people will benefit from the 2,600 tube wells erected to provide portable water to rural communities.

Support for Social Welfare Organisations

Tata Steel provides support for a number of social welfare organisations, including;

- Tata Steel Rural Development Society
- Tribal Cultural Society
- Tata Steel Foundation for Family Initiatives
- National Association for the Blind
- Shishu Niketan School of Hope
- Centre for Hearing Impaired Children
- Indian Red Cross Society, East Singhbhum

Healthcare Projects

The facilitation of child education, immunisation, and childcare, planting operations, raising awareness of AIDS, and other healthcare projects are some of Tata Steel's charitable endeavours.

Economic Empowerment

In Jharkhand, Orissa, and Chhattisgarh, three backward tribal blocks, improvised agriculture is being used as a means of economic empowerment for 40,000 tribal members living in more than 400 communities.

Government assistance

Twelve Lifeline Expresses have been hosted by Tata Steel in association with the Ministry of Railways, the Impact India Foundation, and the Government of Jharkhand.

2. Tata Motors

Pollution Prevention The first Indian company to release vehicles meeting Euro standards is Tata Motors. It has enlisted the aid of renowned engine specialists like AVL and Ricardo in order to create environmentally sustainable engines. It released a CNG version of their passenger car, the Indica, and produced CNG versions of buses. Tata Motors has also invested in the development of a cutting-edge emission-testing facility over the years.

Maintaining Ecological Balance

Over 2.4 million trees have been planted in the Jamshedpur region, including 80,000 trees planted by Tata Motors. In the Poona area, almost 500,000 trees have been planted. The

business has instructed all of its suppliers to stop using wood for product packaging. Pune has lakes where the cleaned water is kept, attracting different bird species from all over the world.

Employment Generation

The Tata Motors Grihini Social Welfare Society provides assistance to female dependents of employees. They produce a range of goods, such as pickles and electrical wire harnesses, and as a result, they are able to provide for them financially.

Economic Capital

For rural areas' health, education, and female emancipation, Two Societies —Samaj Vikas Kendra and Jan Parivar Kalyan Santhan—have been established in Lucknow.

Human Capital

The organisation offers 211 students financial aid through the Vidyadhanam scholarship programme. 132 of these students come from socially and economically disadvantaged groups. Ten Industrial Technical Institutes (ITI) across the nation will be upgraded thanks to a Public-Private Partnership (PPP) established by the firm.

3. Tata Chemicals LTD (TCL)

In addition, Tata Chemicals Limited was the first company to operate the Life Line Express, the world's first hospital on wheels, across Jamnagar district between November 21 and December 21, 2004. Tata Chemicals is attempting to be sustainable. For the group, sustainability means being truthful and open with all parties involved, protecting the environment, producing economic value, advancing human rights, and building social capital. Overall, they follow the avoid, minimise, and reuse philosophy. At Okhamandal and Babrala, the business operates a rural development programme.

4. Tata Tea

Since the 1980s, Tata Tea has been making a dedicated effort to meet the requirements of those with disabilities. It has established the Srishti Welfare Centre in Munnar, Kerala; via its several programmes, it educates, trains, and rehabilitates kids and teenagers with special needs. There are some projects in it:

- The DARE School gives children instruction in fundamental academic subjects as well as practical life skills including cooking, gardening, and weaving.
- Athulya offers vocational training in the creation of recycled paper to people with physical disabilities.
- Aranya People with disabilities receive training in a variety of natural dyeing processes, such as batik work and block printing.

5. Tata Relief committee

In disaster-affected areas, the Tata Relief Committee (TRC) strives to offer aid. There are two phases of aid during natural disasters: (a) relief efforts and (b) rehabilitation initiatives. In the two years following the Gujarat earthquake, the organisation constructed 200 schools and provided assistance to those affected by the Orissa floods who had lost animals. Members of the TRC arrived at the locations right away and provided the necessary items even after the Tsunami calamity.

Conclusion

Every company has a duty to give back to the society, country, and world at large that have given it all of its natural, material, and human resources. In order to achieve and maintain a balance between the business world and society, the current generation and the next, as well as between man and nature, new policies must be developed and effectively implemented. This is because long-term growth and sustainable development according to CSR principles are essential. Regarding the Tata Group, it should be noted that it has carried out its obligations and assumed its responsibilities in support of social development in a very true and honest manner. It has been made available to the general public in an effort to raise living standards, realise dreams, and make use of employable talents. The Tata group's "give back to the people what you have earned from them" credo is correctly being applied by TATA Group through CSR," according to a statement on the website www.Tata.com.

References

1. Agarwal SK. *Corporate Social Responsibility in India*, New Delhi: Response Books, 2008.
2. Sarkar CR. "Social Responsibility of Business Enterprises," New Delhi: New Century Publications, 2005.
3. Arora B, Puranik R. An analysis of corporate social responsibility in India. *Development*.2004;47:93- 100.
4. Creyer E, William TRJr. Consumers' Firm Behavior and Purchase Intention: How Important Is Business Ethics? *Journal of Consumer Marketing*,1997:14(6):421-432.
5. Hay RD, Gray ER. Gates JE. *Business and Society*. Cincinnati, 1976.
6. Southwestern Publishing. www.tcs.com
7. Corporate social responsibility report by TCS.
8. TCS Corporate Social Responsibility 2010-11
9. TCS Corporate Social Responsibility 2011-12
10. TCS Corporate Social Responsibility 2012-13