### **Short Communication**

# **CSR** and Empowerment of Marginalised Sections

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#### **Abstract**

Corporate Social Responsibility (CSR) is a notion that emboldens organisations to protect the interests of every member of the community or society by taking responsibility for the impact of the organisational activities on customers, employees, their family, the local community, shareholders and in all aspects of its operations. The present paper attempts to explore CSR practices in support of the development of Marginalised Sections in India. This Paper is designed with the use of secondary sources, academic articles, online journals, expert's expressions and self-observations to comprehend and analyse the new wave of improving the life style of the weaker sections, down-trodden, orphans and other Marginalised Sections in India.

**Keywords**: CSR Empowerment Marginalised Sections Companies Act.

## Introduction

The Ministry of Corporate Affairs has notified in Section 135 and Schedule VII of the Companies Act 2013 and the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014 to come into effect from April 1, 2014.

The Act describes and directs that, private or public limited, which either has a net worth of 500 crore or a turnover of Rs 1000 crore or net profit of Rs 5 crore, essential to employ at least 2% of its average net profit for the immediately preceding three financial year on CSR activities. Further Act suggest that, activities should not be undertaken in the normal course of business and must be with respect to any of the activities mentioned in Schedule VII of the 2013 Act. Therefore, Contribution to the various relief funds like prime ministers national relief fund, socio-economic development fund, relief fund, and funds for the welfare of the SC, ST, OBC, Tribes, minorities and women could encompass a wide range of activities in the benefit of the marginalised sections.. This clearly states that, there should be a mandate investment by the corporate on the empowerment of marginalised sections and this rule will work out most, in the benefit of them.

**Objectives of the study:** i. To develop an understanding of corporate Social Responsibility. ii. To examine the range of roles of CSR in Development of Marginalised Sections.

### Methodology

The study was conducted by secondary sources of existing literature through descriptive approach. Descriptive method was taken in to the consideration to examine relevant literature deeply, for this study purpose.

To select adequate literature for the paper, two methods were followed i.e.: i. Systematic search of academic literature on Corporate Social Responsibility (CSR). ii. Random search of research articles on CSR and empowerment of Marginalised Sections.

## **Conceptual Framework**

Corporate Social Responsibility: According to world business council for sustainable development (WBSCD) corporate social responsibility is the continuing commitment by the business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large (WBCSD Stakeholders Dialogue on CSR, The Netherlands, Sept 6-8, 1998)<sup>1</sup>.

**Marginalised Sections:** According to the business dictionary, marginalised sections means the process whereby something or someone is pushed into the edge of the group and accorded lesser importance. This is predominantly a social phenomenon by which a minority or subgroup is excluded, and their needs or desires are ignored<sup>2</sup>.

CSR and Empowerment: Empowerment is the enhancement of the social status, economic condition and political participation of individuals groups and communities. Empowerment envelops developing and building capacities of individuals, groups and communities' to make them part of the main stream of the society<sup>3</sup>. In Indian situation marginalised refers to sections like Schedule caste (SC), schedule tribes (ST), other backward classes (OBC), Religious minorities and women as they are highly away from the social, political, and economic

opportunities and rights. These sections are encountering with the several issues like discrimination and violence on the basis of gender, religion, caste, and cultural practices. Health access denied by the governments in most of remote areas also private services are not affordable. The strict practice of social stratification is reason for the lag behind the economic status of them. Education as a Master key of empowerment denied for them since thousands of years, even if it is available to all, there is no uniformity in quality of it or quality education by the private institution is not affordable for them.

Empowering the various segments of the society is the key responsibility of the government, but to achieve the so called concept empowerment of marginalised sections, private initiation is also expected. Diversity of these sections may be a major obstacle to Govt. for implementation of universal programme for the well-being of them. Perhaps private sectors are very good in dealing with these sections as they concentrate only on a particular community where they are located. Short universe of work, trained CSR team, and result oriented direct supervision by the employer are the major attributes of corporate sector to achieve the targets related with empowerment of these sections. Corporate companies also have their social responsibility towards all the stakeholders, like employees, customers, community, and governing bodies. There for corporate social responsibility (CSR) has got wider scope and responsibility of community development and welfare of the of marginalised sections.

Voluntary guidelines of CSR introduced in the year 2009 by the ministry of the corporate affairs. These guidelines have been incorporated with the Companies Act 2013. Also in it directed in the Act is during any financial year companies shall constitute the CSR committee of the board. Committee essentially needs to comprise the three of more directors, out of which, one director should be an independent. The composition of the committee shall be included in the board's report. This committee shall be formulating the policy, including activities specified in schedule VII, which are as follows:

Eradicating extreme hunger and poverty: Along with eradicating extreme hunger and poverty, corporates needs to concentrate on creating awareness on prevention of food waste, impact of extreme hybridisation of food grains. In order to work on poverty corporates need to provide job opportunities to non-skilled labours and reduce the use of machines and robots where human resource is workable, such efforts can create job opportunity and poverty can be reduced considerably.

**Promotion of education:** Indian national education policy is provided with the free and compulsory education up to the certain level, but syllabus, quality and medium of instructions are divert from school to school and state to state. Right to education is the best step taken by the Govt. in ensuring seats for marginalised sections in private schools but public expecting uniformity in syllabus and quality of education. Corporates

should promote these areas with high potentiality, and people expecting education and training programmes by the corporates which can make them globally competent<sup>4</sup>.

Promoting gender equality and empowering women: Sex ratio and ratio between Crude birth rate (CBR) and Crude death rate (CDR) are in pathetic condition, huge differences of these ratios will create various social traumas in the near future. Corporates should carry serious responsibility of changing the orthodox mind set of the people which discriminates the girl child in all the aspects of the life. Corporates must create social, economic, and cultural provisions exclusively for women and confirm their empowerment.

Reducing child mortality and improving maternal health: Child mortality rate (CMR) is reduced un-doubtably. It does not mean that India is in good position in this regard. WHO and UNISEF are not happy with CMR of India. Maternal health conditions are very poor in rural sector in comparison with the urban community, most of pregnant women found with the calcium constraints and anaemic. Therefore corporates have to design new policy and programmes, by which future generation prepared with strong health and maternal and reproductive health, should be promoted<sup>5</sup>.

Combating HIV/AIDS, malaria and other diseases: Combating with the HIV/AIDS has become a global issue. NAACO and other domestic agencies in India are putting their sincere efforts towards preventing and spreading of the HIV. Recent reports are denoting that India will be HIV free by 2030. Other communicable health issues are also major constraints of development of the country. Hence corporate sector also need to invest both human and financial resources to combat with all the health issues for development of the country and process of increasing the life span and improving the quality of life of the citizens of the nation. Particularly socially and economically deprived classes must be taken more care as they are less aware of impact of these kinds of issues, even if, it's not affordable for them.

Ensuring environmental sustainability: Making out of optimum use of the environmental resources for personal benefit and protecting them for future generation without any compromise is the major motto of the environmental sustainability. In other hand we are taking extreme use of them and not giving back. These things will lead the major environmental issues which may result in to threat to the human entity. Therefore corporates should look after the guarding and developing the forest, protecting the wildlife, declaiming less carbon to the environment, controlling and checking the global warming and humidification, as a major social responsibility.

**Employment enhancing vocational skills:** Training and development is the major activity conducted by the corporates for their employees. Such trainings should be organised for the local youth to hunt job in all the sectors, and for the self-

employment too. This may help the local community to sustain economically, hence vocational, non-vocational, employment trainings should be organised for the benefit of the marginalised sections of the local community.

**Social business projects:** Mixed economy is the best policy for the consistent economic growth. Hence youths and women's from the marginalised sections should be promoted for both jobs and self-employment. Nowadays traditional businesses are emulating corporate sector, cottage industries have become area of social business. Therefore, corporates must be shown true concern in providing financial and technical assistance for the business and any kind of social projects taking out by the people belonging to the marginalised sections of the society.

Project or Programme sanctioned for community benefit is always headed by the professional social workers. Social worker have vital role in the need analysis, implement and manage the project, as they trained in preparing and administrate projects and they know the every pulse of the individual, group and community. Active participation with the various groups of the communities they can contribute extremely well for community development as well as welfare of marginalised sections<sup>6</sup>.

Contribution to the various relief funds like prime ministers national relief fund, socio-economic development and relief fund, and funds for the welfare of the SC, ST, OBC, Tribes, minorities and women could encompass a wide range of activities in the benefit of the marginalised sections.

## **Conclusion**

Except women empowerment activities, so far no serious effort has been done by the Indian corporate sector for the empowerment of marginalised sections. New provisions of companies Act 2013 may boost the welfare activities to achieve empowerment of marginalized sections; Govt must seriously monitor the activities implemented by the corporate and

evaluate them regularly. Govt efforts through corporates support marginalised sections can be promoted in many ways like Make in India, Start-up and so on are some initiatives taken towards empowerment of these sections. Such programmes can generate job opportunities, and marginalised sections should be given priority for employment on the basis of their skill and ability. Social projects should be designed, and implemented properly by the corporate sector, particularly having concern of welfare of the marginalised sections. Development is the only key solution for the all kind of social ills. Hence it is the major social responsibility of private sector to invest and involve in the development of marginalised section in true spirit.

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