

Corporate Social Responsibility: Entrepreneurial initiatives of Indian FMCG Industry

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Abstract:

Nowadays business is not just for profit making. Rather, business houses across the globe are realizing their stake in the society and hence they have started undertaking various CSR initiatives voluntarily. As per the clause 135 of the Companies Act, 2013 any company having a turnover of Rs 1000 crore or more or a net worth of Rs 500 crore or more or a net profit of Rs 5 crore or more should mandatorily spend at least 2% of their net profits per fiscal year on various CSR activities. Presently in India, CSR initiatives are taken by many companies. Especially, in the FMCG companies where reducing the packaging material is posing a major challenge. Hence, these companies are working in the field of environment, community welfare, health care, education, women's empowerment and girl child care. The present study explores the existing literature available on Corporate Social Responsibility. The contribution of various renowned researchers towards CSR, starting from the first definition given by Bowen (1953), has led to the development of existing concept of CSR. Further, the study also elaborates upon the various CSR initiatives taken by the two leading Indian FMCG companies: Dabur India Limited and Hindustan Uniliver Limited in different areas.

Keywords: Corporate Social Responsibility, The Company's Act 2013, FMCG industry, CSR initiatives.

Corporate Social Responsibility: An Introduction

Since 1950s, many academicians as well as researchers have contributed towards Corporate Social Responsibility by providing various definitions of CSR. These definitions were based on social, economical, political and environmental context of that particular period. The very first definition of Corporate Social Responsibility was proposed by Howard R. Bowen in 1953, which was a great contribution towards academic literature of CSR. Hence, Bowen is also seen as the father of

CSR. Carroll (1991) gave the 'Pyramid of Corporate Social Responsibility' where he elaborated four distinct stages of business-economic, legal, ethical and philanthropy. Thereafter, many researchers have contributed towards the concept of CSR. Howard Bowen (1953), Heald (1957), Frederick (1960), Keith Davies (1960), Milton Friedman (1970), Carroll (1979), Hopkins (1998), etc. are some of the renowned researchers who have contributed in the field of Corporate Social Responsibility. Hence, the present concept of CSR has evolved over a period of time.