



CORPORATE SOCIAL RESPONSIBILITY: A CASE STUDY OF TISCO

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Abstract

Social responsibility shows the awareness of the corporate sector regarding the significant effect of their activities on the social system. The word responsibility emphasizes that the business has some moral obligations towards the society. Corporate Social Responsibility has gained a lot of importance due to immense growth witnessed in the corporate sector in the last decade or so. This paper provides a complete look about corporate social responsibility policy of Tata Iron and Steel Company Limited (TISCO).

Keywords: Corporate, Policy, Responsibility, Social, TISCO.

Introduction

The concept of Corporate Social Responsibility originated in the 1950's in the USA and the concept came into prominence in public debate during the 1960's and 1970's. During the 1980's to 2000, corporations generally recognized a responsibility towards society and weighed against the demands of being competitive in a rapidly changing global economy.

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According to the Keith Davis, "Social responsibilities refer to the businessman's decisions and actions taken to reasons at least partially beyond the firm's direct economic or technical interest."¹ Social responsibility contends that management is responsible to the organization itself and to all the interest group with which it interacts. Other interest groups such as workers, customers, creditors, suppliers, government, and society in general are placed essentially equal with shareholders.

Objectives of the study:

The focus of the study is on the following objectives:

- i) To study the concept of Corporate Social Responsibility (CSR).
- ii) To review the Corporate Social Responsibility practices adopted by TISCO.

Methodology Adopted:

Significant part of the study depends on secondary sources. But information has also been obtained from primary sources which include interviews, comments, observations, opinion, notes, etc. of the persons concerned. The primary information was also gathered. Materials for the present study were collected from the published records available in the library of Baba Ghulam Shah Badshah University, Rajouri (J&K), various Economic Survey, newspapers, websites, online database, magazines, journals, and periodicals, have also been gone through to derive information pertaining to the present study.

Limitations of the Study:

Nothing is perfect so is this study. The present study suffers from certain limitations. The study is based on the information from secondary source which reduce the degree of reliability. However, attempt has been made to collect maximum information on the various aspects of the study. Most of the departments neither publish the information nor do they allow the outsiders an access to their records, internal workings etc. on the pretext of maintaining secrecy. This restricts the data availability. It was difficult to collect all the necessary data from grass-root level.

Interest Groups

1. Shareholders
2. Workers
3. Customers
4. Creditors
5. Suppliers
6. Government and
7. Society



1. Shareholders

Management has a responsibility to provide proper safeguard to the money invested by shareholders.

2. Workers

Management should pay fair and reasonable wages, participation of workers in management, creating a sense of belongingness, and improving their working and living conditions.

3. Customers

Customers should be charged a fair and reasonable price, goods and services should be widespread, and not indulge in profiteering, hoarding, or creating artificial scarcity.

4. Creditors and Suppliers

Management should provide correct information to creditors and suppliers. Payments of materials, interest or borrowing should be prompt.

5. Government

Management should pay taxes, timely and obey the laws.

6. Society

Management should maintain fair business policies and practices. It should provide and promote general amenities.

TATA IRON AND STEEL COMPANY LIMITED (TISCO)



Tata group is built on a foundation of trust and transparency. Founded by Jamsetji Nusserwanji Tata in 1868 and headquartered in India. It is a global business conglomerate operating in over 100 countries across five continents. From an early foray into steel and automobiles, to staying abreast of the latest technologies, the Tata group today has a strong presence across diverse industries such as agrochemicals, automotive, chemicals, construction, finance, consumer products, and hospitality.

There are twenty nine publicly listed Tata enterprises, which include Tata Steel. Tata Iron and Steel Company Limited (TISCO), one of the first companies in India to adopt the concept of social responsibility in its management practices.

The company believes in discharging its responsibility towards:

1. Shareholders: by protecting and safeguarding their investment and ensuring to a fair return.

2. Workers : by providing adequate wages,

Good working conditions,

Job security,

Opportunities for promotion and

Self development.

Creating of belongingness.

3. Customers : quality product,

Fair price,

Continuously improving quality of products.

4. Community: encouraging talent etc.

The company has undertaken programmes like

- I) Smallpox eradication,
- II) Flood relief
- III) Drought and cyclone reliefs

Under rural development programme:

- I) Setting up of training centres of allied vocational such as
 - Poultry farming,
 - Establishment of village industries.

Community development and social welfare programme:

- I) Welfare of Adivasis
- II) Youth clubs.

Apart from the above TISCO supports various social welfare organizations. They are as follows:

- 1) Tata Steel Rural Development Society
- 2) Tribal Cultural Society,
- 3) Tata Steel Foundation for Family Initiatives,
- 4) National Association for the Blind
- 5) Shishu Niketan
- 6) Centre for Hearing Impaired Children and
- 7) Indian Red Cross Society.
- 8) Facilitation of Child Education
- 9) Immunization and childcare,
- 10) Plantation activities
- 11) Creation of awareness of AIDS
- 12) Promotion of Sporting activities



Conclusion:

Corporate Social Responsibility is fostering globally and competition increasing worldwide and India is no exception. In the era of internationalization, India has more challenging opportunities. We should strive to grab opportunities by overcoming their challenges with a view to make them competitive globally. In order to attract more and more customer we should discharge the corporate social responsibility and it is the need of the hour.

Corporate Social Responsibility is the need of the hour to keep up with the changed circumstances. Every organization should come forward for establishment of basic social responsibility in rural area.

CSR has an important role to play in the development of a country. It is one of the most important inputs in economic development.

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