



Manifesto for Changes in Corporates on CSR towards SHG

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ABSTRACT

A company's sense of responsibility towards the community and environment (both ecological and social) in which it operates is corporate social responsibility. Companies express this citizenship (1) through their waste and pollution reduction process, (2) by contributing educational and social programs, and (3) by earning adequate returns on the employed resources.

The new companies act 2013 enacted on 29th August 2013 by Honorable president aims to improve corporate governance and replaces nearly 60 years old companies act 1956. Now India is about to be the first country in the world to make CSR spending and reporting mandatory. This act is expected to facilitate business friendly corporate regulation.

Self-help groups, also known as mutual help, mutual aid, or support groups, are groups of people who provide mutual support for each other. In a self-help group, the members share a common problem, often a common disease or addiction. Self-help groups may exist separately or as part of larger organizations. They may operate informally or according to a format or program. The groups usually meet locally, in members' homes or in community rooms in schools, churches, or other centers.

The women are the pillars of the economy of the world. It is important to empower women. CSR believes that by providing women with primary help in order to start with the production facility it would supplement family income through community based micro enterprises. Different skill development training programmes are regularly organized to promote and upgrade their new and traditional skill. This is in a bid to empower our women.

This paper made an attempt to give some snapshot on the new companies act and discussed about the implication of a new act and corporate social responsibility with respect to self-help group.

INTRODUCTION

According to Companies Act 2013, Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility committee of the board constituting of three or more directors out of which at least one director shall be an independent director. The boards report under Sub-Section (3) of Sec 134 shall disclose the composition of the Corporate Social Responsibility Committee. The Board of every company shall ensure that the company in every financial year at least 2% of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its CSR policy. It is provided that the company shall give preference to the local areas around where it operates. It also provided further that if the company fails to spend such amount, the Board shall, in its report made under Clause(0) of the Sub-Section (3) of Sec 134 specify the reasons for not spending the amount.

ROLE OF SHGs IN SOCIAL DEVELOPMENT

SHG's and Politics

There are apparent synergies between SHG's and local politics since through membership of SHG's, or SHG clusters and federations, village women can gain experience of relevant processes (regular meetings, taking decisions, allocating money). They also become more 'visible' in the village,



which is important to build the awareness or experience to carry out an active role. building women awareness and involvement, which NGO's may seek to respond to. for election: informing SHG's about the election rules, how to register a nomination, and encouraging group members to campaign and to vote. networking could also make a difference in supporting effective action by the elected representatives – though this may be seen as part of a wider task of strengthening panchayatiraj institutions, including the men representatives.

Social Harmony

Indian society is split by a hierarchical caste system that has traditionally discriminated against those at the bottom – the Scheduled Castes – as well as those outside it. The fact that the majority of SHGs (two-thirds in the sample) are single-caste groups is based on the principle of ‘affinity groups’ and neighborhood proximity (members living nearby can more easily get together, and village neighborhoods are usually caste based). It also stems from government policies. Government benefits for SC/ST, BC and SGSY subsidies are easier to channel to the target population, if all members of a group belong to the same caste category. Otherwise, some benefits will go only to some members. SHG's are beginning to bridge such divisions, through mixed caste membership in some cases, and in others through joint actions across groups of different castes.

Social Justice

SHG's seem uniquely placed to support their members on issues of social justice affecting women. Nevertheless, we did not find that SHG's are dealing regularly with issues of social justice. Nor did many groups report such actions: 12% of sample SHG's (with some groups mobilising together on single issues) had taken up issues such as domestic and sexual violence, bigamy, and a few cases of dowry death, prevention of child marriage, support for separated women to remarry. Government and NGO programmes in the State, and numbers of SHG's mobilizing together.

Groups whose members already enjoy some ‘socio-economic’ status are able to assist their own members or extend support to other vulnerable women in the village, more Issues that can be dealt with through a specific action (preventing bigamy, obtaining compensation, marriage of an orphan girl or a separated woman) appear more successful with the action having an immediate result.

SHG's and Community Action

Women in SHG's can work together to address issues that affect not only their own members, involved: improving community services (such as water supply, education, health care, veterinary care, village road), trying to stop alcohol sale and consumption contributing finance and labour for new infrastructure, protecting natural resources and acts of charity .These were all actions by SHG women which represented some degree of agency by women, in terms of decision-making, and enhancing women contribution to community in a way that goes beyond traditional gender roles. Women now participating in campaigns or rallies - pulse polio, literacy, anti-dowry, - for which SHG's are becoming a means of mobilising women Community actions have mostly been one-off, and were usually effective.

The stories show that such community actions involve a new boldness and confidence for women; often involving putting pressure on the authorities officers, to do their job, whether through petitions or by staging rallies and blockades; and varying degrees of skill in negotiation by SHG leaders.

- (i) Collective organization of marketing for the produce of individual enterprises established using micro-credit, particularly milk collection centres/dairy cooperatives at village level.
- (ii) Collective activities by SHG;s using group credit to access larger natural assets for production, e.g., leasing land and ponds for cultivation and horticulture.
- (iii) other collective economic activities based on group credit that combined labour and management: stone-cutting, processing rice, managing a tent house.
- (iv) management of government contracts, such as running ration shops (as part of the Public Distribution System), cooking the mid-day meal for school children, or managing a subsidized



fodder department.

SHPA support seems critical in providing or facilitating ideas for group based enterprise. Though this does not in itself guarantee viability or effective returns, especially given the inherent difficulties of group based enterprises. Roughly half of the group enterprises appeared to be viable, though with relatively low earnings for SHG members.

CSR AND SHG

CSR in India has changed in the recent past with the introduction of the Companies Bill. Both markets and regulators have begun to demand greater responsibility and pro activeness from corporate. It is generally understood as being the way through which a company achieves a balance of economic, environmental and social imperatives (“Triple-Bottom-Line- Approach”), while at the same time addressing the expectations of shareholders and stakeholders. In true sense CSR may be called ‘corporate conscience, corporate citizenship, social performance, or sustainable responsible businesses.’

Among the private companies Tata Steel has an active CSR organization. Self Help Groups (SHG's) formed by Tata Steel through its Corporate Social Responsibility arm and Tata Steel Rural Development Society (TSRDS) have helped in providing sustainable livelihood opportunities to more than 3,000 rural households. More than 90% of these SHG's are run exclusively by women, thereby providing a significant fillip to women empowerment Tata Steel has been extending its educational facilities to the community, aided by many academic institutions and schools conceived under its agenda for social upliftment.

The digital foundation of MANSHA & SHG Portal was laid on the realization of a group of young social entrepreneurs that it was their Social Responsibility to give back to the society. In partnership with many corporate bigwigs, it has brought sea changes in the lives of more than one Million less privileged peoples.

Corporate Social Responsibility (CSR) has acquired new dimensions in the recent years. Today, companies are proactively taking up this good hearted investment and giving a social value to all their business endeavours.

In India, though corporate have a strong will to dedicate their resources for a social cause, they find it difficult to reach the right people considering the demography and diverse social problems of the country.

SHG Portal is one such catalyst that works towards the needs of development while helping corporate in investing in social initiatives. With multiple modes of partnerships like Payroll Giving, Cause Related Marketing, Direct Child Support and Youth Support, S-PORT (SHG Portal) helps corporate in strengthening their CSR programmes by letting them adopt, initiate or partner development projects. In other words, SHG Portal devises ways for its partners in which they can help and make a difference.

The uniqueness of SHG Portal lies in its working model - Social Venture Philanthropy. S-PORT seeks sustainability, scalability, accountability, transparency, credibility and effective leadership. Smile's governance structure has a 4 tier audit and evaluation mechanism to ensure right use of money and ultimately contribute a huge Social Return on Investment against traditional methods. Its working model has made SHG Portal one of the most sought for digital charity brand today.

CSR APPROCHES THROUGH SHG'S

CSR at JSPL has given importance to empower women and initiatives have been under taken across the area of operation. JSPL organizes various kinds of training programmes regularly to up grade their existing skills and promote new skills simultaneously through SHG.

Aparajita- A village based masonry training programme for vulnerable women has set up. This resulted in the formation of co operative societies masonry contract which help to improve the quality



of life of rural communities.

Swawlabam -This scheme helps the rural women by proper utilisation of available rural resources such as, livestock rearing, art and craft, food processing, paper plate making. They also help them in marketing these products.

Odifab-Jute the Golden Fiber,100% bio degradable natural fiber, the cheapest and strongest of all natural fibers. Available abundantly in this area helps the SHG's to manufacture diversified jute products and jute accessories by the rural women.

Odifab is a registered trade mark for the jute products manufactured here. It also helps in Zero-Polythene drive targeted by the company.

CONCLUSION

“Live and Let Others to Live”

India is the first country in the world to legally mandated corporate spending on social welfare but Indian corporate world is unhappy with the requirement of mandatory spend on CSR activities as they strongly felt that it is a matter to be left to share holders and board of directors. The company which takes the CSR as an inevitable part of its business process not only earns goodwill and image but also attracts all stake holders. Wealth is meant for use by self and the public. If CSR is incorporated with SHG's at the rural level then our country will develop as per the words Mahatma Gandhi. If women and rural areas are developed India will develop. Companies like Tata, JSPL, OIL, KPWCL, TVS have already taken their steps to implements CSR activities through SHG even before the companies act 2013. So let us expect that other corporates will also join the hands with SHG's and help the government in achieving balanced economic growth.

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