Corporate Social Responsibility – First Things First

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ABSTRACT
The introduction of section 135 in The Companies Bill, 2012, making it mandatory for corporate to contribute 2% of their net profits to Corporate Social Responsibility (CSR) initiatives is a major step in the evolution of CSR in India. This is the right time to examine the concept of CSR, its broad scope, problems due to its broad scope and other basic issues with implementation. This article presents a certain macro and micro, facts and figures that point out towards the rather grim situation of Business ethics and legal compliance of the Corporate World. One obviously wonders, in the light of these facts, about what is being targeted through the new initiative? In fact, will it be simply another dimension to the already broad and hence quite vague concept of CSR? Will it divulge attention of the more critical and bigger issue of business ethics and legal compliance? An attempt has been made to critically examine the practicalities of CSR. A case has also been argued for a strategy of consolidation and integration by possibly making the concept of CSR trimmer, sharper and clearer in terms of adhering to basics like business ethics first rather than diluting the focus on core and significant issues of the concept.

KEYWORDS: Business ethics, Corporate Social Responsibility, Legal Compliance, Philanthropy, Taxes.

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