



THE MEASUREMENT OF CORPORATE SOCIAL RESPONSIBILITY IN NESTLE INDIA: CHALLENGES AND SUGGESTION

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ABSTRACT

The corporation has progressed as an imperative unit stirring every aspect of human presence. The initial establishments developed as charitable purpose or associations permissible being was accredited when projected corporations came into presence. Regulation was invented to give the corporate being a life of its own and to detached ownership form management and that is how the concept of bonds and shares came into presence. Contemporary businesses are based on the concept of imperfect liabilities. Management and authority are two separate activities of the company. The managements have to follow the belief, which states that those who have been assigned with powers for the aids of the others are under a general unbiased responsibility when dealing with those controls to act honestly in what they consider to be in the interest of others. CSR is the important part of ascendancy and contemporary corporations can not overlook it. Corporations have to balance the growth of ethics and services to attain accomplishment, which is really a stimulating value, when joint with solemn assembly can create the souring superb organization that can endure contest as it would be strongly entrenched in its endogenic communal value classification.

Keyword: *Company's corporate social responsibility, Sustainable development, economic and social value, public sector's*

INTRODUCTION

Nestle India Ltd is one of the leading corporations in the fast-moving consumer goods (FMCG) industry. The company has activities in the milk and nutrition, drinks, prepared foods and cooking aids, and chocolate and confectionery markets, among other markets. In some manner, the company can be seen working in the food industry. The food sector encompasses a wide variety of product categories, some of which are dairy and nutritional products, beverages, ready-made meals and cooking aids, chocolate and confectionery, and others. Nestle India produces goods that are sold under many brand names, including Nescafe, Maggi, Milkybar, Milo, Kit Kat, Bar-One, Milkmaid, and Nestea, amongst others.

In addition, Nestle has developed products for regular use and consumption, such as Nestle Milk, Nestle Slim Milk, Nestle Fresh 'n' Natural Dahi, and Nestle Jeera Raita, amongst other things. These products may be found in many different countries. Milk and nutrition goods, prepared meals and culinary aids, drinks, chocolate and confectionery are some of the products that are sold under the many trademarks owned by the corporation. Nestle is known for producing a variety of milk products and nutritional supplements, some of which are Nestle Everyday Dairy Whitener, Nestle Everyday Ghee, Nestle Milk, Nestle Slim Milk, and Nestle Dahi. There is a selection of beverages available, some of which include Nescafe Cappuccino, Nescafe Sunrise Premium, and Nescafe Sunrise Special. Nestle S.A., which has its headquarters in Switzerland, operates a business in India under the name Nestle India.

The manufacturing facilities and branch offices of the company are spread out across India in such a way as to give the corporation a significant presence in every region of the country. The company's products are sold and marketed with the assistance of its four branch offices, which are located in various parts of the country. Cities such as Delhi, Mumbai, Chennai, and Kolkata are among those that have them, amongst others. The city of Gurgaon, which is located in the state of Haryana, is home to the company's main office.

Nestle S.A. initiated the establishment of Nestle India Ltd. in the year 1956. In 1961, the company constructed their first manufacturing plant in Moga, Punjab, which is still the location of all of their factories to this day. In the year 1967, they created a second factory in Choladi, Tamil Nadu, which served as a trial plant for the production of soluble tea from the tea that was cultivated in the surrounding area. This plant was eventually enlarged to produce more soluble tea. They opened a factory at Nanjangud, which is located in Karnataka, in the year 1989 in order to better serve the community there.

REVIEW OF THE LITERATURE

Pandit and Sharma (1991) conducted an investigation into the use of CSD by both public and private sector Indian companies. He came to the conclusion that disclosures were made in a variety of areas, including environmental considerations, community development, and human resource development. According to the findings of the study, private enterprises and smaller businesses disclosed less information than public corporations and larger businesses. The company further argued that the rate of return and the earning margin had no impact on the disclosures made.

Purushotahman (2000) examined corporate social reporting in Singapore, focusing on five areas that included the environment, human resources, energy, community involvement, products and services, and products and services that were available. A relationship between the size of the company and CSR was presented as a conclusion to the study. Relationships with regard to the industry and corporate social responsibility were in doubt. Companies with stronger financial performance were found to be more receptive to corporate social reporting, according to the study. It further said that the issue of human resources was the most frequently mentioned, and that award-winning firms were more likely to engage in corporate social responsibility measures.

Arora and Puranik (2004) conducted a review of modern corporate social responsibility trends in India and concluded that the business sector in India. He came to the conclusion that while the Indian corporate sector has benefited much from the emancipation and privatisation processes, its move from philanthropic mindsets to corporate social responsibility (CSR) has lagged behind the country's outstanding financial progress.

D.Y. Chacharkar and A. V. Shukla (2004) attempted to demonstrate theoretically the benefits of corporate social responsibility (CSR) through the use of an "iceberg effect" diagram in their paper entitled "A study of Corporate Social Responsiveness." The findings revealed that, like the tip of an iceberg, aside from the recognition and appreciation, the majority of CSR initiatives for the company are intangible, manifesting themselves in the form of publicity, image building, customer base expansion, and profit.

OBJECTIVES OF THE STUDY

1. "To study the various theories and guidelines for CSR practices at national as well as international level".
2. "To study the CSR practices as per GRI (global reporting initiative) guidelines being taken by Nestle India Limited".
3. "To analyse the effect of CSR practices on profitability of Nestle India Limited".
4. "To study the stakeholders perception as well as attitude towards CSR practices in Nestle India Limited".

METHODOLOGY OF THE STUDY

1. The research is based only on secondary data.
2. The research is only done on Nestle India Limited thus no comparison with other companies could not be taken for the activities done on corporate social responsibility.
3. There are very less Indian studies conducted on corporate social responsibility.

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY: KEY CONCERNS

According to this definition, sustainable development refers to growth that both meets current demands and does not harm future generations' capacity to meet their own. This definition underpins what is known as corporate social responsibility (CSR). Sustainable business practises meet the current demands of stakeholders while ensuring, protecting, and enhancing the future needs of stakeholders. Corporate social responsibility and sustainability show how corporations can establish a balance between their business imperatives and their stakeholders' expectations while maintaining high ethical standards. For the sake of its stakeholders, these are the company's provable commitment to operating in an environmentally, fiscally and socially sustainable manner.

CSR and sustainability both recognise that the health of the community and the natural environment in which a company conducts its operations are critical to the prosperity of that company. Nevertheless, sustainability goes beyond this by also taking into account the requirements that would be placed on succeeding generations.

- i) **Economic Responsibility:** Being economically responsible involves making it a priority to ensure that a company is successful to the point where it can generate enough profits to benefit its stakeholders over the long term. A company has a duty to its shareholders and other interested parties to maximize long-term profitability in order to fulfil its economic obligation.
- ii) **Social Responsibility:** To have social responsibility means to make it your mission to work toward the collective and equitable advancement of all segments of society. A company has a duty to its community in which it works to foster inclusive growth in that community as part of its social obligation. The primary social interest of the organisations is the improvement of the local community by means of the administration of social welfare and development programmers, charitable donations, and volunteer work.
- iii) **Ethical Responsibility:** Integrity in business dealings and a commitment to upholding moral standards are essential components of the concept of ethical responsibility. It is a company's ethical responsibility to produce a code of conduct that specifies its commitment to moral values and compliance with applicable laws. This responsibility falls under the category of "ethical responsibility."
- iv) **Environmental Responsibility:** Environmental responsibility refers to operating business in a way that has as little of an effect as possible on the surrounding environment and that strives toward more efficient use of natural resources as well as lower levels of waste and emissions. A company has a duty to the surrounding natural world to take precautions to preserve it even while it goes about conducting its daily business.

CONCLUSION:

New CSR regulations in India aren't an abdication from responsibilities by the government to the corporate sector, as some have claimed. Based on the government's overall social sector investment, CSR spending by corporations is only about 2% of what publicly traded firms would have paid had they met the conditions set forth in Section 135. As a result, the government's new CSR regulations should be viewed as an attempt to have the private sector support the public sector's goal of inclusive development. The new CSR standards provide enterprises more leeway in picking and monitoring projects, which is likely to result in greater efficiency and effectiveness in project implementation without putting the CSR requirements in direct conflict with the core goal of increasing shareholder value. Social and economic incentives have been well-balanced in the new CSR laws; one hopes that the corporate sector would offer a helpful hand in promoting inclusive growth for all citizens.

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