



INTERNATIONAL LAW
JOURNAL

**WHITE BLACK
LEGAL LAW
JOURNAL**
**ISSN: 2581-
8503**

Peer - Reviewed & Refereed Journal

The Law Journal strives to provide a platform for discussion of International as well as National Developments in the Field of Law.

WWW.WHITEBLACKLEGAL.CO.IN

DISCLAIMER

No part of this publication may be reproduced or copied in any form by any means without prior written permission of Editor-in-chief of White Black Legal – The Law Journal. The Editorial Team of White Black Legal holds the copyright to all articles contributed to this publication. The views expressed in this publication are purely personal opinions of the authors and do not reflect the views of the Editorial Team of White Black Legal. Though all efforts are made to ensure the accuracy and correctness of the information published, White Black Legal shall not be responsible for any errors caused due to oversight or otherwise.

WHITE BLACK
LEGAL

EDITORIAL **TEAM**

Raju Narayana Swamy (IAS) Indian Administrative Service **officer**



a professional
Procurement from the World Bank.

Dr. Raju Narayana Swamy popularly known as Kerala's Anti-Corruption Crusader is the All India Topper of the 1991 batch of the IAS and is currently posted as Principal Secretary to the Government of Kerala. He has earned many accolades as he hit against the political-bureaucrat corruption nexus in India. Dr Swamy holds a B.Tech in Computer Science and Engineering from the IIT Madras and a Ph. D. in Cyber Law from Gujarat National Law University. He also has an LLM (Pro) (with specialization in IPR) as well as three PG Diplomas from the National Law University, Delhi- one in Urban Environmental Management and Law, another in Environmental Law and Policy and a third one in Tourism and Environmental Law. He also holds a post-graduate diploma in IPR from the National Law School, Bengaluru and diploma in Public

Dr. R. K. Upadhyay

Dr. R. K. Upadhyay is Registrar, University of Kota (Raj.), Dr Upadhyay obtained LLB , LLM degrees from Banaras Hindu University & Phd from university of Kota.He has succesfully completed UGC sponsored M.R.P for the work in the ares of the various prisoners reforms in the state of the Rajasthan.



Senior Editor

Dr. Neha Mishra



Dr. Neha Mishra is Associate Professor & Associate Dean (Scholarships) in Jindal Global Law School, OP Jindal Global University. She was awarded both her PhD degree and Associate Professor & Associate Dean M.A.; LL.B. (University of Delhi); LL.M.; Ph.D. (NLSIU, Bangalore) LLM from National Law School of India University, Bengaluru; she did her LL.B. from Faculty of Law, Delhi University as well as M.A. and B.A. from Hindu College and DCAC from DU respectively. Neha has been a Visiting Fellow, School of Social Work, Michigan State University, 2016 and invited speaker Panelist at Global Conference, Whitney R. Harris World Law Institute, Washington University in St.Louis, 2015.

Ms. Sumiti Ahuja

Ms. Sumiti Ahuja, Assistant Professor, Faculty of Law, University of Delhi,

Ms. Sumiti Ahuja completed her LL.M. from the Indian Law Institute with specialization in Criminal Law and Corporate Law, and has over nine years of teaching experience. She has done her LL.B. from the Faculty of Law, University of Delhi. She is currently pursuing Ph.D. in the area of Forensics and Law. Prior to joining the teaching profession, she has worked as Research Assistant for projects funded by different agencies of Govt. of India. She has developed various audio-video teaching modules under UGC e-PG Pathshala programme in the area of Criminology, under the aegis of an MHRD Project. Her areas of interest are Criminal Law, Law of Evidence, Interpretation of Statutes, and Clinical Legal Education.



Dr. Navtika Singh Nautiyal

Dr. Navtika Singh Nautiyal presently working as an Assistant Professor in School of law, Forensic Justice and Policy studies at National Forensic Sciences University, Gandhinagar, Gujarat. She has 9 years of Teaching and Research Experience. She has completed her Philosophy of Doctorate in 'Intercountry adoption laws from Uttranchal University, Dehradun' and LLM from Indian Law Institute, New Delhi.



Dr. Rinu Saraswat

Associate Professor at School of Law, Apex University, Jaipur, M.A, LL.M, Ph.D,

Dr. Rinu have 5 yrs of teaching experience in renowned institutions like Jagannath University and Apex University. Participated in more than 20 national and international seminars and conferences and 5 workshops and training programmes.

Dr. Nitesh Saraswat

E.MBA, LL.M, Ph.D, PGDSAPM

Currently working as Assistant Professor at Law Centre II, Faculty of Law, University of Delhi. Dr. Nitesh have 14 years of Teaching, Administrative and research experience in Renowned Institutions like Amity University, Tata Institute of Social Sciences, Jai Narain Vyas University Jodhpur, Jagannath University and Nirma University.

More than 25 Publications in renowned National and International Journals and has authored a Text book on Cr.P.C and Juvenile Delinquency law.



Subhrajit Chanda

BBA. LL.B. (Hons.) (Amity University, Rajasthan); LL. M. (UPES, Dehradun) (Nottingham Trent University, UK); Ph.D. Candidate (G.D. Goenka University)

Subhrajit did his LL.M. in Sports Law, from Nottingham Trent University of United Kingdoms, with international scholarship provided by university; he has also completed another LL.M. in Energy Law from University of Petroleum and Energy Studies, India. He did his B.B.A.LL.B. (Hons.) focussing on International Trade Law.

ABOUT US

WHITE BLACK LEGAL is an open access, peer-reviewed and refereed journal provided dedicated to express views on topical legal issues, thereby generating a cross current of ideas on emerging matters. This platform shall also ignite the initiative and desire of young law students to contribute in the field of law. The erudite response of legal luminaries shall be solicited to enable readers to explore challenges that lie before law makers, lawyers and the society at large, in the event of the ever changing social, economic and technological scenario.

With this thought, we hereby present to you

CORPORATE SOCIAL RESPONSIBILITY: SUSTAINABLE DEVELOPMENT & CORPORATE GOVERNANCE

AUTHORED BY - ANSHITA SIKARWAR

Abstract

Corporate Social Responsibility (CSR) is a business model in which the companies combine social, environmental and ethical concerns into their operations and interactions with the stakeholders. It reflects the complete dedication of corporations to contribute to sustainable development beyond profit-making and legal obligations. This paper introduces the meaning and definition of CSR, that discovers its evolution from early efforts to a strategic approach from central to corporate governance. The study explores the legal framework governing CSR in India, particularly focusing on Section 135 of the Companies Act, 2013 which requires certain companies to allocate a percentage of profits for CSR activities. The paper examines the implementation challenges faced by businesses, including structure of CSR initiatives with core business strategies, transparency and stakeholder engagement. It highlights the positive impacts of CSR on society, such as improved community welfare, environmental sustainability and corporate reputation, as well as benefits to stakeholders including employees, customers and investors. The research further provides recommendations to strengthen CSR effectiveness through improved regulatory oversight, multi-stakeholder involvement and impact assessment mechanisms. The conclusion emphasizes that CSR, when sincerely integrated into business strategies and monitored effectively, can serve as a powerful tool for encourage sustainable development and corporate governance.

Keywords: *Corporate Social Responsibility, CSR, sustainable development, Companies Act 2013, corporate governance, stakeholder engagement, social impact, India.*

Introduction:

Corporate Social Responsibility has become an important part of how businesses operate in today's life. It means that the companies have responsibilities beyond just making profits. They also need to consider their impact on the society and the environment. CSR shows how companies commit to sustainable development by including social and environmental concerns in their business plans. This will help to meet the needs of different groups affected by the company, while also improving how the company is managed through responsibility and fair decision making process.

CSR is closely linked to sustainable development and corporate governance because responsible business practices helps to balance economic growth with fairness and protection. As the world becomes more aware of challenges like climate change, poverty and inequality. The CSR has moved from being a choice to have strategy that connects business with social good in society.

In India, CSR has become even more official with the Companies Act of 2013. This law has speed up the adoption of CSR, making it a vital part of how the companies are governed. This paper looks at how CSR has developed the laws, the challenges in putting it into the practice in real life and its role in promoting sustainable growth and better corporate governance.

The Evolution and Concept:

Over the years, the Corporate Social Responsibility has changed a lot. At first, it was mostly the companies donating money and helping out people and environment through charity, without connecting these efforts to their main business. But slowly, CSR grew rapidly and it also includes doing business ethically, caring for the environment and nature and taking responsibility for everyone affected by the company like employees, customers and local communities. Today, CSR is seen as a smart strategy that creates social and environmental concerns into everyday business decisions.

This change shows that the sustainable development fulfilling today's needs without harming the future needs to actively participate in today's business. CSR also supports good corporate governance by promoting honesty, responsibility and fair management. By embracing CSR, companies don't just focus on making profits but also help promote social fairness and protects

the environment that balances their business goals.

Legal and Regulatory Framework in India:

India was one of the first country in the world to make Corporate Social Responsibility (CSR) a legal requirement. Under the Companies Act, 2013 especially under Section 135 certain companies must spend at least 2% of their average net profits on their activities every year. This rule applies to companies that meet specific financial standards. These companies also need to set up a committee to plan and monitor their CSR efforts. The law allows companies to support causes like education, healthcare, environmental protection, rural development, poverty reduction and skill-building. These efforts are meant to promote sustainable development. Companies must also share details about their plans and spending in their annual reports and on their websites, which helps ensure honesty.

Apart from this, the Ministry of Corporate Affairs (MCA) gives further guidance on CSR and Schedule VII of the Act lists approved CSR activities.

Although this law has increase CSR participation in India, there are still challenges in this system like how well projects are carried out and whether they are truly involve the community and society. Still, the legal framework has made CSR an vital part of how the companies are governed better, also encourages them to support society while being transparent, fair and responsible within the society.

Implementation of CSR Policies:

- **Challenges:**
 1. **Lack of skilled people:** There are no enough trained professionals and skilled people in the company to plan and run effective programs of CSR.
 2. **Weak local partnerships:** Companies often miss out on working closely with THE NGOs and community groups who know the local needs better and helps them.
 3. **Difficult to measure results:** There's no clear way to track the result whether a CSR project truly works or not.
 4. **One-size-fits-all approach:** Some companies try to copy-paste the same CSR model everywhere without modifying it.

- **Opportunities:**

1. **Build trust and goodwill:** Well-planned projects can improve a company's image and earn public trust.
2. **Strengthen community relationships:** Helping communities in meaningful and helpful ways that leads to stronger and long-term support.
3. **Encourage innovation:** Companies can come up with creative solutions to social and environmental problems through CSR.
4. **Collaborate for better results:** Working with NGOs, local leaders and governments can make CSR efforts more effective.

Impact on Stakeholders and Society:

Corporate Social Responsibility helps build a strong connection between businesses and the people around them. When companies take social and environmental responsibilities seriously, it benefits everyone like the employees, customers, communities, investors and even nature. Employees feel proud to work for a company that cares about them and everyone else more than just profits. Customers are more likely to trust and support brands that give back to society. Investors, too, prefer companies that are honest and socially responsible, as they are seen as safer and more stable in the long run. CSR also helps companies do the right thing in how they operate. It encourages transparency, fairness and accountability in decision-making now-a-days.

In short, when companies genuinely care about their social responsibilities, it's good for everyone. Society gets support and development and businesses earn respect, trust and long-term success.

Recommendations for Strengthening CSR in India:

1. **Make CSR rules stricter and clearer**

Although CSR is mandatory under the Companies Act, 2013, the way it's monitored needs improvement. The government should make reporting rules stricter and allow real-time tracking of CSR projects. There should also be penalties for companies that don't follow the rules. Making CSR reports public will increase transparency and accountability.

2. Involve more people in CSR planning

CSR should not be done in isolation by companies. Local communities, NGOs, experts and government officials should be part of the planning and review process. This helps make CSR projects more useful, relevant and aligned with real local needs.

3. Focus on results, not just spending

Companies should not only report how much money they spent but also what the results were achieved in the process. The Independent audits are the Certified public accountant and impacts the assessment that should be done to measure the effectiveness of CSR work. Having the third party reviews add the credibility and also helps to improve project quality.

4. Link CSR with the company's main goals

CSR should not be treated as just another legal formality. It should be part of the company's main business strategy. When CSR aligns with business goals, it benefits both the company and society. This approach can improve a company's image, build trust and lead to long-term success.

Conclusion:

In conclusion, the Corporate Social Responsibility has become an important part of how businesses grow responsibly while caring for the society as well as the environment. Instead of just focusing on making profits, companies are now expected to consider the well-being of people and the environment as well. In India, laws like the Companies Act, 2013 have made CSR mandatory, but the real difference comes from how carefully these policies are put into action.

CSR helps the companies to build trust with the customers and the communities and also tackles the key part like social and environmental problems. When companies include CSR in their main business plans, it encourages honesty, responsibility and fresh ideas for the well-being for everyone. To make the most of CSR, businesses need to treat it as a long-term commitment that involve all stakeholders to measure their impact carefully. Overall, CSR is more than just following the law and it's a chance to make a positive difference while strengthening good governance and a sustainable future.

References:

1. Ministry of Corporate Affairs, Government of India. (2021). *Corporate Social Responsibility Voluntary Guidelines*.
2. KPMG India (2020). *Corporate Social Responsibility: An Indian Perspective*.
3. Baxi, U. (2013). *Corporate Social Responsibility: Concepts and Cases from India*.
4. R. K. Mishra, *Corporate Governance and CSR in India*, Sage Publications.
5. Centre for Responsible Business (CRB), India. <https://www.c4rb.org/>
6. Sustainability Reports of Indian Companies.
7. Niti Aayog – Sustainable Development Goals (SDGs) India Index. <https://niti.gov.in/sdg-india-index>

