**Czech University of Life Sciences Prague** 

**Faculty of Economics and Management** 

**Department of Trade and Finance** 



# **Master's Thesis**

Corporate Social Responsibility On Community Development in Bellary, Karnataka, India case study of "SMIORE" and "KIOCL Ltd"

Author of the thesis

Shweta Kodad

© 2023 CZU Prague

# **CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE**

Faculty of Economics and Management

# **DIPLOMA THESIS ASSIGNMENT**

Shweta Kodad, M.A.

Economics and Management

## Thesis title

Corporate Social Responsibility On Community Development in Bellary, Karnataka, India case study of "SMIORE" and "KIOCL Ltd"

## **Objectives of thesis**

This thesis will explore and analyse the nature of CSR and its initiatives impact on the Community development from FY 2014 till FY 2021 on Bellary, Karnataka

CSR community development is gaining prominence over time. Since corporate social responsibility and community development are closely connected. CSR has big hand in regulating the effect in development of rural region.

Further aim is to examine the effects of CSR practice of the firms "The Sandur Manganese and Iron Ores limited" and "Kudremukh Iron Ore Company Limited" on its reputation and profitability in Bellary, Karnataka region

## Methodology

• SMIORE and KIOCL Ltd firms has been considered for the study, as it is closely involved with CSR activities in Bellary region of Karnataka, with an aim to improve education, health, environment, area development, Water and Sanitation and protection of heritage and art.

• Present studies based on the descriptive approach that helps collect secondary sources of existing literature, formulate research questions for quantitative analysis.

• For this thesis, online Interview with SMIORE & KIOCL Ltd firms Manager's focussed on internal and external CSR practices of the firms. Survey method to be used for collecting the responses from rural communities of Bellary, Karnataka Region.

• The questionnaire shall cover basic demographic variables, awareness, benefits from SMIORE & KIOCL Ltd firms, towards the community development.

• For the present study, sample population from Bellary communities will be used to send questionaries based on proposed study for the collection of data from the target population.

• Analysis of SMIORE & KIOCL Ltd firms namely, cash flow analysis, income statement, profit and loss report would be done.

• Collected data will be analysed with Pearson Correlation Coefficient calculator for testing hypothesis and response text will be analysed with text analytics tool like Zyte to draw conclusion on internal, external, and aggregated CSR practices effects on firms' reputation, profitability and environmental growth in Bellary, Karnataka region and also in turn bring financial impact to firms in terms of ROI.



#### The proposed extent of the thesis

80 pages

#### Keywords

Bellary, Karnataka, Community development, Corporate, India, Nation, Development, Multinational Companies, Rural development

#### **Recommended information sources**

CARROLL, Archie B.; BROWN, Jill A. Corporate social responsibility: A review of current concepts, research, and issues. Corporate social responsibility, 2018, 2: 39-69.

CARROLL, Archie B. Carroll's pyramid of CSR: taking another look. International journal of corporate social responsibility, 2016, 1.1: 1-8.

https://qtanalytics.in/journals/index.php/HIPA/article/view/534

https://www.emerald.com/insight/content/doi/10.1108/RAMJ-12-2020-0070/full/html

https://www.ijhssi.org/papers/vol7(12)/Ver-3/P0712037886.pdf

https://www.researchgate.net/figure/Map-showing-Districts-of-Kalyana-Karnataka-

India\_fig1\_348997497

https://www.researchgate.net/publication/350847199\_Rural\_life\_of\_Kalyana\_Karnataka\_Region\_and\_Impact\_of\_ VISSER, Wayne. Revisiting Carroll's CSR. Corporate citizenship in developing countries: New partnership

perspectives, 2006, 29.

Expected date of thesis defence 2022/23 SS – FEM

#### The Diploma Thesis Supervisor

doc. Ing. Irena Jindřichovská, CSc.

#### Supervising department

Department of Trade and Finance

Electronic approval: 14. 2. 2023

prof. Ing. Luboš Smutka, Ph.D.

Head of department

Electronic approval: 22. 2. 2023

doc. Ing. Tomáš Šubrt, Ph.D. Dean

Prague on 30. 03. 2023

#### Declaration

I declare that I have worked on my master's thesis titled "Corporate Social Responsibility On Community Development in Bellary, Karnataka, India case study of "SMIORE" and "KIOCL Ltd" by myself and I have used only the sources mentioned at the end of the thesis.

As the author of the master's thesis, I declare that the thesis does not break any copyrights.

In Prague on 30-03-2023\_\_\_\_\_

#### Acknowledgement

I would like to sincerely thank my Supervisor Prof. doc. Ing. Irena Jindřichovská, CSc for the continuous support of my research, for her patience, motivation, enthusiasm, tough questions and immense knowledge. I would like to sincerely thank my Prof. Ing. Bohuslava Boučková, CSc for continuous support and guidance provided to materialize the research content. Her guidance has helped all the time during the research and writing of this research paper. Besides my Supervisor and Professor, I would like to thank firm SMIORE and KIOCL who has ensured that I find the required support whenever required and followed up for completing this research project successfully. I thank for their encouragement, insightful comments. My sincere thanks to my CZU friends , for helping in getting my project on track at the final moment. Understood the problem being faced and helped in getting the meeting arranged with my Supervisor. Consequently this has lead to reach an agreement on the required changes in order to catch up the project delay. I would like to thank all my friends and relatives, who has responded to survey questions and have helped in performing the research interviews on CSR activities in Bellary region of Karnataka, India. Last but not the least; I would like to thank my hubby: Pravin B and my Parents for giving all support required in order to complete the research on time.

# Corporate Social Responsibility On Community Development in Bellary, Karnataka, India case study of "SMIORE" and "KIOCL Ltd"

#### Abstract

This study examines the nature of CSR and its projects' effects on community development in the Bellary area of Karnataka, India, from FY 2014 to FY 2021. Community development through CSR is becoming more and more popular. Given the intimate relationship between corporate social responsibility and community development, CSR plays a significant role in controlling how any region develops.

The goals of this study is to examine the effects of CSR practices of the companies on their financial reputations and community development in the Bellary, Karnataka region.

The use of CSR as a tool by businesses to build their brand, gain an advantage in a highly competitive market, attract stakeholders, generate possible business benefits, and uphold ethical standards are reasonable arguments in their favor. In the end, I made an effort to concentrate on the fact that CSR is a very useful tool for commercial organizations since it produces benefits for both the organization and society. The analysis and results of surveys are used to support the success of CSR. Managers and staff were surveyed using a questionnaire to demonstrate the value and effectiveness of CSR as a strategy for surviving in the corporate world. Both primary and secondary sources were employed to gather the two different kinds of data.

Some qualitative questions regarding CSR initiatives by businesses were posed to the aforementioned respondents. In a sensible move, the respondents answered the question in the manner intended. They were questioned on the need for and state of their company's CSR initiatives, among other things. Although the overall scenario of CSR is satisfactory to acquire competitive advantage and to maintain, the majority of respondents indicated that companies should concentrate on CSR policies and programs to do well in business in the future and to attract more customers.

4

The analysis's conclusion included a strategy for further expanding and enhancing CSR initiatives in Bellary and Karnataka in order to boost both firm profitability and community development.

**Keywords:** Corporate social responsibility (CSR), Social development, Sustainable Development goals (SDG), Community development, CSR development sectors

# Společenská odpovědnost podniků za rozvoj komunity v Bellary, Karnataka, Indie případová studie " SMIORE "a"KIOCL Ltd"

#### Abstrakt

Tato studie zkoumá povahu CSR a dopady jejích projektů na rozvoj komunity v oblasti Bellary v Karnatace v Indii od FY 2014 do FY 2021. Komunitní rozvoj prostřednictvím CSR je stále populárnější. Vzhledem k důvěrnému vztahu mezi společenskou odpovědností a komunitním rozvojem hraje CSR významnou roli při kontrole vývoje jakéhokoli regionu.

Cílem této studie je prozkoumat účinky CSR praktik společností na jejich finanční reputaci a rozvoj komunity v regionu Bellary, Karnataka.

Využití CSR jako nástroje podniky k budování své značky, získání výhody na vysoce konkurenčním trhu, přilákání zúčastněných stran, generování možných obchodních výhod a dodržování etických standardů jsou rozumnými argumenty v jejich favor. In nakonec jsem se snažil soustředit na skutečnost, že CSR je velmi užitečným nástrojem pro komerční organizace, protože přináší výhody jak pro organizaci, tak pro společnost. Analýza a výsledky průzkumů slouží k podpoře úspěchu CSR. Manažeři a zaměstnanci byli dotazováni pomocí dotazníku, aby prokázali hodnotu a efektivitu CSR jako strategie pro přežití v podnikovém světě. Ke shromažďování dvou různých druhů dat byly použity primární i sekundární zdroje.

Výše uvedeným respondentům byly položeny některé kvalitativní otázky týkající se iniciativ CSR ze strany podniků. Respondenti rozumným krokem odpověděli na otázku zamýšleným způsobem. Dotazovali se mimo jiné na potřebu a stav CSR iniciativ jejich společnosti. Ačkoli celkový scénář CSR je uspokojivý pro získání konkurenční výhody a udržení, většina respondentů uvedla, že společnosti by se měly soustředit na politiky a programy CSR, aby se v budoucnu dařilo v podnikání a přilákaly více zákazníků.

6

Závěr analýzy zahrnoval strategii dalšího rozšiřování a posilování iniciativ CSR v Bellary a Karnataka s cílem zvýšit ziskovost firmy i rozvoj komunity.

Klíčová slova: Společenská odpovědnost firem (CSR), sociální rozvoj, cíle udržitelného rozvoje (SDG), komunitní rozvoj, sektory rozvoje CSR

# **Table of content**

1. Intr	oduction	10	
1.1.	Community development	12	
1.2.	The Sandur Manganese and Iron Ores limited (SMIORE)	13	
1.3.	KIOCL Limited	13	
2. Thesis objectives and research questions			
2.1.	On the formulation of research questions	14	
2.2.	The research objectives and questions	14	
2.3.	Research scope and limitations	16	
2.4.	Aims and Methods	16	
3. Lite	erature Review	18	
3.1.	Literature Sources and reports	21	
3.2.	Expected focus on CSR development sector	26	
4. Me	thodology	30	
4.1.	Research Methodology	31	
4.2.	Research Method/Process	36	
4.3.	Instrumentation	37	
4.4.	Data Collection	38	
4.5.	Grouped Survey Data	40	
4.6.	Summary based on local community member Interview	54	
5. Fin	dings and Analysis	57	
5.1.	SWOT Analysis	59	
5.2.	Key Issues and Opportunities	60	
6. Sur	nmary, Conclusion and Recommendation	61	
6.1.	Introduction	61	
6.2.	Summary	61	
6.3.	Conclusion	62	
6.4.	Recommendation	63	
7. Ref	Serences	64	
8. List of pictures, tables, graphs and abbreviations			
8.1.	List of Figures	66	
Appendix A			

Appendix B:	72
-------------	----

## 1. Introduction

It is thought that the Indian democracy's societal responsiveness to all of its people is the key to its true success. Despite its limited resources, the nation strives very hard to provide the amenities and benefits to all social groups in order to keep a genuine and lively democracy. To guarantee a better standard of living for its citizens, the Indian government requires the backing of the business community. In this respect, it is expected that business India will contribute positively by engaging in initiatives that could eventually promote societal development, regeneration, and the empowerment of underprivileged individuals. If this occurs, India will be happy to be one of the nations to achieve equitable development.

In order to eliminate both fiscal and social inequities and aid the person in the last mile, corporate social responsibility (CSR) efforts are crucial. Additionally, the 2013 Companies Act requires business India to work toward a model for growth-based socioeconomic and environmental development.

By establishing and fusing ethical standards and sustainable business practices, corporate social responsibility (CSR) is a business strategy that allows organizations to raise and disperse funds for the benefit of their stakeholders. In other words, CSR refers to methods organizations or businesses use to conduct their operations in a manner that is morally righteous, considerate of society, and conducive to development. As a result, CSR is now regarded as a competitive advantage for businesses that respect their societal obligations. Companies that engage in CSR initiatives tend to improve their standing as morally upright businesses in the views of both international and local consumers.

Because of improvements in schooling and media impact, customers are more conscious than ever of corporations' obligations.

Business organizations might no longer be able to disregard CSR. In today's culture, businesses must also honor their stakeholders in addition to making money. Businesses are currently under constant pressure from a variety of stakeholders, including employees who are under pressure to uphold specific employee rights at work, consumers who are under pressure to prevent price increases and produce safe products, and the community and the environment which

10

are under pressure to ensure that business operations do not jeopardize community safety. Corporate America feels compelled to use CSR as a result of the numerous shareholder demands.

It has been stated in the study (Corporate Social Responsibility: A Review of Current Concepts, Research, and Issues, 2018) that the subject of CSR is still progressing in both intellectual growth and practical application.

The Nizams of Hyderabad remained to rule over the Hyderabad-Karnataka region long after India attained freedom after joining the Indian Union on September 17, 1948. (1947). The term "Kalyana Karnataka" derives from the Kingdom of Kalyana, which served as the focal point of the Sharana movement and was also the residence of Vachana Sahitaya, Basvanna, and other social activists who adhered to his beliefs. B.S. Yediyurappa, the chief minister of Karnataka, officially declared the area to be known as Kalyana Karnataka. There are six districts in northeast Karnataka: Bidar, Kalaburagi, Koppal, Ballari, Yadgir, and Raichur. The CM proclaimed "Hyderabad-Karnataka Liberation Day." The area has a special classification under Article 371J of the Indian Constitution.

The first national meeting on CSR was conducted in 2012 to investigate and debate CSR in the context of India, according to (Corporate Social Responsibility: an exploratory research into views and practices of tour operators in India, 2016). There is a transition taking place from charitable giving and assistance to more structured CSR. Instead of a more inclusive meaning of CSR as an element of business management and strategies, they still cite specific projects as examples. However, a lot of companies are integrating CSR into their structural design. Companies now seem to understand that CSR is not just an expenditure, but also an essential part of their business and might even help them stand out from the competition.

Karmayog's research (Prospects of CSR: An Overview of 500 Indian Companies, 2012) showed that CSR processes have improved, knowledge has increased, and reporting has increased. 500 Indian firms engaged in the study.

On the other hand, the government's choice to alter the legislation is one of the most exciting changes in this area. Organizations that suit a specific category are required to put aside 2% of their net earnings for CSR as of 2013 (indiatimes, 2022). Without a question, the most recent

11

government initiative will alter CSR. Without a question, the most recent government initiative will alter CSR. Companies that have a net value of at least Rs. 5 crore (roughly 700.000 Euros), Rs. 1 billion (roughly 140 million Euros), or Rs. 500 crore are required to engage in CSR.

These businesses are required to contribute 2% of their total earnings to CSR. (Indian Express). Estimates state that 8.000 Indian businesses apply to meet the 2% expenditure criteria. (Business Standard). As part of the effort to adopt CSR in India, the Tata Institute of Social Sciences (TISS) and the Department of Public Enterprises (DPE), government of India, created a unified system. TISS is presently hosting the National CSR Hub, whose main goals include study, publication, information dissemination, skill development, and advocacy. (Matakanye, 2021)

#### **1.1.Community development**

Community development plans always place a high emphasis on the social and economic growth of indigenous, metropolitan, and rural communities. In India, community development initiatives are still being established and implemented by both the state and federal administrations. When the Indian Companies Act went into force, the idea of community development was reframed to take into account contemporary development theories. The involvement of the corporate sector has helped community development initiatives. Recommendations for the new components were made in the Companies Act program development standards for community development. The growth of rural, urban, and indigenous areas, as well as CSR activity components like health, education, literacy, and empowerment, are currently the main areas of emphasis for corporations in India.

In Bellary, Karnataka, there are 266 iron ore quarries, with 134 of them located in wooded areas (ejatlas, 2020). The Bellary District has a high concentration of this area. Minerals can be solid or non-metallic. Iron ore, manganese ore, red oxide, gold, copper, and lead are a few examples of precious materials. The second-largest single rock peak in the globe is located in Bellary, which is advantageous. Bellary Agriculture, which employs 75% of the labor population there, is the district's primary business. 148 mines, 98 of which are situated in forests, span 10,598 hectares of territory, and Tungabhadra Dam serves as the main irrigation source. The National Mineral Policy

of 1993 promoted the extraction of iron ore by private companies. For my thesis I have selected two companies which have vast hand in community development through CSR

#### **1.2. The Sandur Manganese and Iron Ores limited (SMIORE)**

The business, one of India's largest manganese ore producers, was established in 1964 and is estimated to have 7.83 million tonnes of deposits. The company's guiding principle of corporate social responsibility is consistent with its core goals of raising the standard of living for those who live in and around Sandur. As a consequence, SMIORE has been aggressively promoting social advancement and environmental protection.

SMIORE CSR initiatives and projects are built upon the five pillars of health, education, the ecology, community development, and legacy and arts preservation. When it comes to CSR initiatives in the Bellary area, which primarily focus on agricultural development and education, SMIORE has been listed among the best companies.

## **1.3.KIOCL Limited**

In Kudremukh, Karnataka, India, KIOCL Limited was established in 1976 for the mining and beneficiation of low-grade iron ore. KIOCL Limited is a Flagship Company under the Indian government's Ministry of Steel. In the Bellary region, KIOCL, a government-owned business, has been a leading public organization with a focus on education and the environment.

In a community, there is a sense of belonging that is exemplified by open communication, devotion to the welfare of the group, and a sense of responsibility toward one's fellow members as well as one's own needs. People who serve as community leaders inspire others to accept accountability for their choices, their accomplishments, and the wellbeing of their local area. Projects that a community undertakes in partnership with outside businesses or groups are referred to as community development. (CD). These initiatives give people and "groups of people" power by providing them with the tools they need to affect change in their own neighborhoods.

My thesis's objective is to research and evaluate how corporate CSR and its initiatives impact community development in Bellary, Karnataka, between FY 2014 and FY 2021.

• To look into the impact that CSR practices have had on "The Sandur Manganese and Iron Ores Limited," "Kudremukh Iron Ore Company Limited," hereafter referred to as "SMIORE," and KIOCL Limited.

• To assess how CSR expenditures will affect SMIORE and KIOCL's net earnings between 2014 and 2021.

• To evaluate how CSR has impacted the social and environmental development of the Bellary area between 2014 and 2021.

## 2. Thesis objectives and research questions

## 2.1.On the formulation of research questions

In this particular research project, the understanding of CSR activities in Bellary, especially focussed on community development has been considered to come up with the research questions. Studies of the problematic area or issues in on rural region are expected to result in more understanding of similar issues in Karnataka as whole, accordingly the research questions could be modified accordingly. The research approach are discussed further in sections below. The research questions provided are not just put all once, but have been evolved as a part of the research itself.

## 2.2. The research objectives and questions

## **Research objectives:**

• To provide a review of the relevant literature on the topics of community development and rural livelihood

- To examine the effects of CSR practice of the firms "The Sandur Manganese and Iron Ores limited" SMIORE and "Kudremukh Iron Ore Company Limited" KIOCL on its reputation and profitability in Bellary, Karnataka region
- To discuss the involvement of companies and local communities particularly poor in rural areas in the process of community development in view of livelihood perspectives

## **Research Questions:**

From the above provided research objectives, the following research questions can be formed

- Companies have engaged in CSR initiatives, which are emphasized as well, but do the businesses adhere to correct CSR practices and have a comprehensive understanding of CSR?
- What do the management of enterprises in the mining sector think about implementing corporate social responsibility?
- What social responsibility practices have specific mining industry businesses adopted? Do they differ substantially from other industries?

The queries inspired some additional investigation. To quantify the research, a thorough investigation was conducted, and two groups of areas were found.

Firstly, how do businesses behave?

Whether they adhere to 26000 or other international standards?

What are the managers' perspectives on the application of CSR, and what is the second set? The foundation for additional investigation has been supplied by the continuing research. The operational aspect of social responsibility, social aspect of social responsibility, environmental component of social responsibility, and social development aspect of social responsibility are only a few of the themes covered in the first set of questions. And using Voyant techniques, a thorough examination of numerous annual and sustainability reports was conducted. The necessity for and justification for social responsibility, methods of putting social responsibility into effect, and finally

implementation and practice of social responsibility have all been extensively examined in the second category.

A study of CSR activities of chosen enterprises in Bellary, Karnataka, is the problem statement that results from the division of the primary problem into several subproblems and a variety of sets of questions connected to the subproblems.

## 2.3. Research scope and limitations

- Research the comprehensive approach taken by chosen corporations to CSR initiatives from 2014 2022.
- Analyse the environmental, social, economic, and operational practices of the chosen mining sector corporations in four categories, with a focus on social responsibility.
- Develop systematic data based on managers' perceptions of the necessity and logic of taking social responsibility.
- Learn what managers think of various social responsibility strategies.
- Understand the managers' perspectives on execution and social responsibility

## 2.4.Aims and Methods

The topic has been chosen, primarily as there are companies, where we have found that they are currently heavily involved in CSR activities in several region, but the regions are still facing issues with community development. At present, they are using certain tools or policy mandated by the government of India. However results of their activities are still not generating the level of development expected across the region. These problems can be addressed by gathering the existing pain points from the local community and suggest the process or steps required by any company to overcome the challenge. In order to achieve the desired results, we are planning to follow the research methodology, i.e contact the local community members and also send the survey questions to company managers, discuss about the issues and get feedback in the early stage. Based on regular feedback, advise the changes required in the CSR activity involvement. At the end, making sure that the CSR activity is ready to be launched and also to be sure that there will be satisfied community in the market, ans also in turn company also profitable. To start with, we planned to contact, either in person or through a survey with few contacts of two companies in Bellary, India. Getting the response from these contacts and understanding the list of all CSR activities from company according to their knowledge and their satisfaction level with this activities.

Once known from the contacts their satisfaction level of CSR activities by their company. We will receive feedback for the enhancement or changes required in the current activities by the community.

Once the final list of activities is identified, same will be recommended to selected company representatives for getting the same added or changed as per the conclusion resulted out of analyzing the survey responses.

## 3. Literature Review

In order to better understand how community development has improved rural livelihood in India, the research draws on various theories. The analysis, discussion, and conclusion are carried out while taking into account the body of prior knowledge thanks to the use of secondary data and a study of the literature. The study was conducted using qualitative research because of the nature of the research topic. Since community development in rural areas is based on insights from the social and behavioral sciences and works with the people to alter not only lifestyle but also systems, policies, and the built environment, it is clear that qualitative research is useful in this context. This makes it particularly significant for this study.

As a consequence, descriptive research techniques were used to complete the dissertation. To better understand the role of community development, the research is also supported by a quantitative approach using a case study on Self-Help Groups in Karnataka, India.

The study papers examined below, which covered a range of CSR-related subjects, were from reputable national and international journals, PhD theses, reference books, etc. Developing nations are working to address the causes of the economic stagnation in rural regions, with varying degrees of success (Rural Poverty in Developing Countries Implications for Public Policy, 2001). It has long been thought that using computing power to handle rural development is a highly information-intensive activity with tremendous potential. The role of information technology in fostering socio-economic growth has drawn a lot of attention.

The research (Putting community first: mainstreaming CSR for community-building in India and China, 2014) examines the function that interconnectedness between organizations and communities plays in the role that organizations play in developing countries.

According to a written academic (AN ANALYSIS OF CORPORATE SOCIAL RESPONSIBILITY IN INDIA, 2016) Corporate social responsibility's contribution to India's growth Corporate social obligation is now an essential component of doing business.

In a research article (Rueth, 2017), the author outlined the reasons why Indian businesses should adopt CSR more rapidly if they want to ensure the country's continued economic growth.

businesses in India are making sincere efforts, but there is still a need for more intense dedication towards society, for which these businesses need to turn to a more strategic approach, according to Journal published lished (CORPORATE SOCIAL RESPONSIBILITY IN INDIA, 2018)

Despite the fact that CSR may have started in Western discourses, the idea of charity in India has developed from its own ethos, according to a article in Asian Journal (CSR in India: a journey from compassion to commitment, 2019). Two standout features of Indian CSR are the philanthropic endeavors of wealthy business leaders and the Gandhian trusteeship model.

Cultural differences affect how the organizations adopt the most popular corporate social responsibility ideas, issues, and methodologies.

A company's commitment to the community, areas for its support, involvement with stakeholders, commitment to the community, and role of the media in promoting CSR activity and CSR as benefiting the company were all favored in the discussion of corporate social responsibility (Satyajit Majumdar and Gordhan K. Saini, 2016). According to a journal article (The Role of Corporate Social Responsibility for an Inclusive Growth in the Society, 2018) CSR has an impact on the triple bottom line principle, environmental preservation, and the pursuit of social justice. It is critical for the business sector to identify, promote, and implement effective policies and practices in order to achieve triple bottom line.

The argument made in the journal article (Meta-analyses on Corporate Social Responsibility (CSR): a literature review, 2022) was that an examination of CSR activities with a community development lens provides new insights into the goals and results of those initiatives. Effective

CSR strategies have been discussed in literature reviews pertaining to financial performance, so we grasp their importance in other criteria. Financial performance is only one of the criteria, however; other criteria also play an equal role. The study, ("CSR leads to economic growth or not": an evidence-based study to link corporate social responsibility (CSR) activities of the Indian banking sector with economic growth of India, 2022), seeks to determine whether there is a relationship between CSR and economic growth. It demonstrates a clear connection between financial and CSR information as integrated thinking may have a beneficial effect on significant CSR strategies. The paper (Mapping of the literature on social responsibility in the mining industry: A systematic literature review, 2018) explores the subject of CSR in the mining industry and the main synergies between CSR and environmental, safety and quality management systems, whose adoption has increased during recent decades.talking about relation with local community and mining , cluster.

In the mining sector, CSR and society are intertwined. CSR encompasses economic, societal, and environmental factors and is especially important in the mining industry. The mining industry has emphasized its commitment to social responsibility as an emerging topic in discussions about CSR (Impact of Corporate Social Responsibility in mining industries, 2021) and the literature appears to suggest that mining companies have raised their environmental and social consciousness. According to (Community relations in the global mining industry: exploring the internal dimensions of externally orientated work, 2010) community relations are also essential in the mining industry, and institutionalizing and professionalizing community relations within the mining industry are discussed as key challenges.

CSR has gained more traction in the mining sector as a result of the recent introduction of sustainable development goals (SDGs) (Issues of corporate social responsibility in the mining industry: The case of China, 2022) . CSR can assist in balancing the social dimension with the other two dimensions of sustainability (economy and environment).

The deliberate creation of resources to increase citizens' capacity to improve their quality of life is known as community development. Physical, human, social, financial, environmental, political, and cultural assets are just a few examples of the various kinds of community capital that can be categorized under this heading. It is a practice-based profession and academic topic that promotes participatory democracy, sustainable development, rights, equality, economic opportunity, and social justice through the organizing, education, and empowerment of people within their communities. No matter if these take the shape of identity, place, or something else. Community development finance involves economic growth where people come together and determine how to organize and pool assets and resources in order to meet unmet needs and possibilities. Initiatives for community development are implemented in the mining industry to improve the economies, environments, and societal structures of the nearby communities.

Scholar's study (Corporate Social Responsibility and Social Development in India: An Interface, 2023) examines how CSR and social development interact and makes a strong case for publicprivate cooperation to realize Agenda 2030. This study further maps the objectives of the Indian CSR program to Agenda 2030's sustainable development targets.

## **3.1.Literature Sources and reports**

CSR Spent: Geographical Distribution-wise > Karnataka

Top 10 Karnataka Districts in terms of CSR spent is as below . Data available in the National CSR Data Portal is from FY 2020-21 .

#### **Top 10 District**

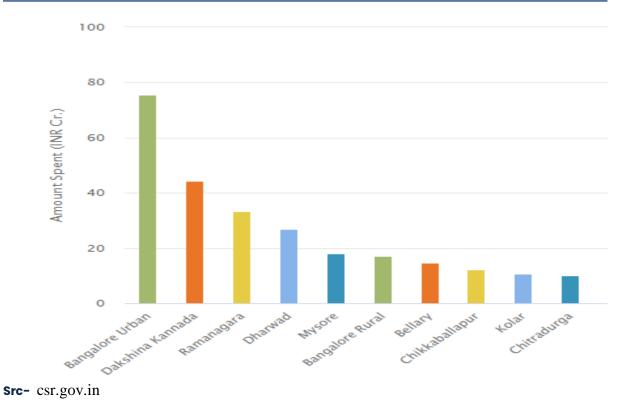
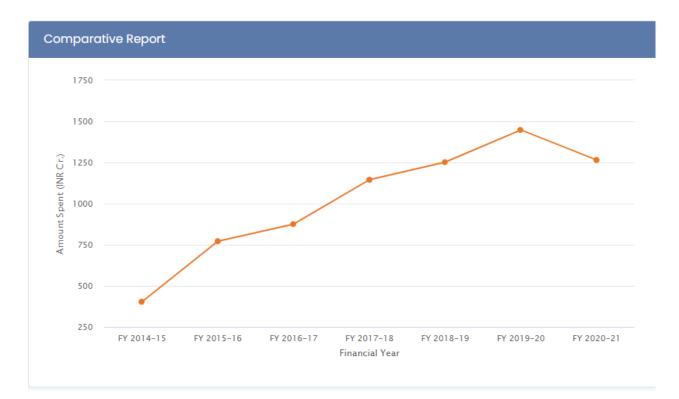


Figure 1 CSR Expenditure in Karnataka Source: State (csr.gov.in)

When compared to previous 7 years, CSR spent by companies (private and public together) are on rise. CSR has been taken seriously by the Indian companies. The scope of CSR is expanding, and in the next years it will serve as a distinctive knowledge foundation for assessing and accomplishing sustainability objectives across numerous global economies. India is a nation that has guaranteed CSR through legislative action.

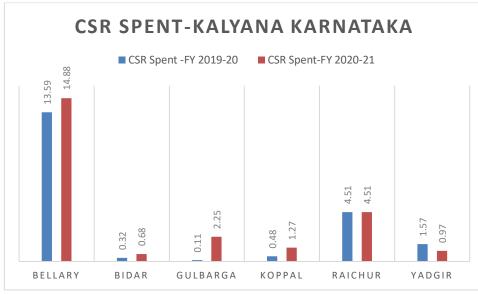


#### src- csr.gov.in

Figure 2 Comparative report State (csr.gov.in)

CSR Spent: Geographical Distribution-wise > Karnataka > Bellary

Kalyana Karnataka region, also known as Hyderabad-Karnataka region, is a group of six districts in Karnataka, including Bidar, Gulbarga, Yadgir, Raichur, Koppal, and Bellary. These region has been identified as a backward region, with a focus on improving socio-economic indicators such as poverty reduction, education, and healthcare since 2019.



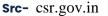


Figure 3 CSR spent in Kalayana Karnatka Region

Bellary is a place that has a significant mining industry is one of the districts in Karnataka, which in comparison to other Kayana Karnataka region has highest CSR spent. The mining industry often requires significant resources, such as land, water, and energy, and does have impact on the local environment and communities.

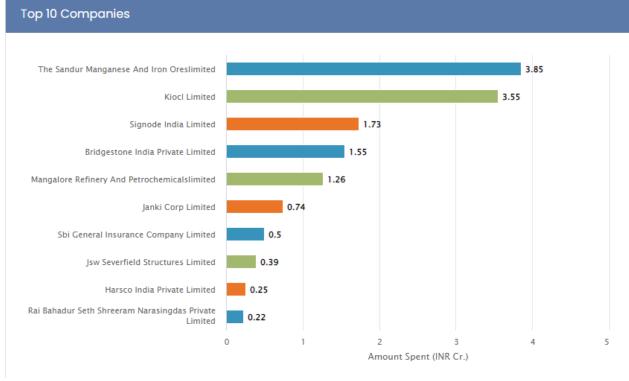
Bellary has been identified as one of the backward districts in Karnataka, with a focus on improving socio-economic indicators such as poverty reduction, education, and healthcare. The district has received support from various government and non-governmental organizations in the form of infrastructure development, education, and health interventions.

However, there are still several challenges that need to be addressed in Bellary, such as improving access to clean water and sanitation, creating sustainable livelihoods, and reducing environmental pollution. Furthermore, there are variations in the community development status across different regions and sub-groups within the district.

Overall, Bellary's community development status may be comparable to other backward districts in Karnataka, and there are significant scope for improvement through sustained efforts and interventions.

Looked at CSR portal to check the CSR spent by companies in FY 2020-21 (last available data) in Bellary and found that 31 companies has contributed in CSR activities in Bellary





Src- csr.gov.in

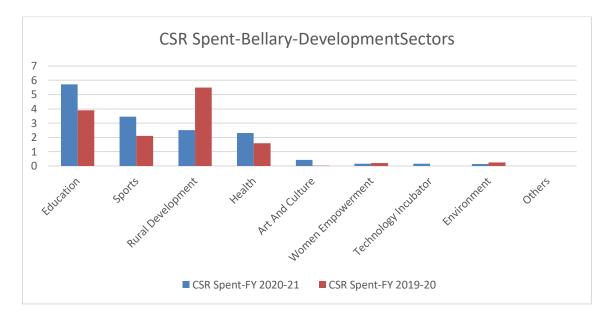
Figure 4 Companies with CSR activities in Bellary

Sandure (SMIORE) and KIOCL being top two in the list in terms of CSR spent

Hence considered these two companies to study the activities being carried out and how the same impacting community development . Also studying the impact of CSR on the companies profitability.

## **3.2.Expected focus on CSR development sector**

On studying the sectors in Bellary where the companies are spending as part of CSR expendture, it can be seen that certain sectors in Bellary are having good development, but overall certain areas are loosing focus and few have no contribution at all.



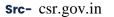


Figure 5 Development sectors of CSR activities in Bellary

Analysing data from CSR portal, it can be seen that Education for sure has been given lots of importance by these two companies. However Environment and Women empowerment seems to have been almost neglected. Contribution in Health also seems not significant and hence these areas have high scope of improvement.

## CSR Spent Vs Company Performance

SMORE financial performance data shows upwards profit with increase in CSR sepnt in last 3 years

Company	SMIORE 🖵	
FY 💌	Sum of CSR spent (in CR)	Sum of Profit after tax(in CR)
2019-20	3.15	147.38
2020-21	3.85	153.92
2021-22	4.46	675.12
Grand Total	11.46	976.42

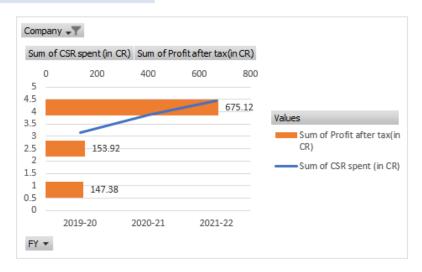
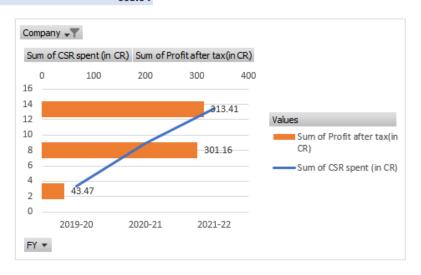


Figure 6 Financial performance of SMIORE

KIOCL financial performance data shows upwards profit with increase in CSR sepnt in last 3 years

Company	KIOCL 🖵	
FY 💌	Sum of CSR spent (in CR)	Sum of Profit after tax(in CR)
2019-20	3.31	43.47
2020-21	8.84	301.16
2021-22	13.41	313.41
Grand Total	25 56	658.04



#### Figure 7 Financial performance of KIOCL

There are several other factors responsible for company financial performance, however company financial performance seems to going high with increase of spent in CSR activities.

This clearly indicates that ROI in CSR for company SMIORE and KIOCL are definitely being positive and hence benefits to company.

This lead to need of study further and get in talk with companies involved in CSR activities in Bellary region. Research methodolology formulated as described in below section to collect the required data from companies, community.

# 4. Methodology

The purpose of this research study is to examine the perceptions of company employees on the CSR activities by the companies in Karnataka, especially focussed with community development in rural area the Issue

The four purposes (Peterson, 2010) of the subsection are to

- describe the research methodology of this study,
- describe the procedure used in designing the instrument
- collecting the data, and
- provide an explanation or analyze the data.

## 4.1. Research Methodology

#### Introduction

In India, CSR is not a novel idea; businesses like Infosys, TCS, Reliance, and Birla have long integrated charity work into their daily operations. Despite these companies, CSR in the Indian state of Karnataka is still in its infancy. Karnataka companies have still not institutionalized CSR. Public sector businesses and those with an international reach incorporate CSR into their daily operations. Few companies took part in social initiatives. However, CSR initiatives for companies are now required by the Companies Act of 2013. Determining where companies should focus their efforts when putting social initiatives into place and how managers are acting regarding CSR are the current issues. To investigate the issue, research is done and a problem statement is developed. The study's two main objectives are to gauge managers' acceptance of and implementation of CSR and to examine the CSR operations of several mining businesses in the Bellary region of Karnataka.

The study technique I used to write my thesis is presented in this chapter. The main objective of this chapter is to describe the research methodology that was used in the present study. The general plan of a structured process for gathering reliable data in order to conduct inquiries for conducting additional research and gap analysis has been added in depth. A systematic process of information collecting from a community is used to understand an occurrence and generalize the data collected from the sample population. Organizational descriptions of SMIORE and KIOCL as well as the study's design, research population, selection techniques, data gathering tools, and ethical concerns are all given.

## Significance of study

Although CSR is a topic that receives significant discussion in the corporate sectors, the broad research question that the current study attempts to answer is whether CSR is institutionalized and spread throughout the business from top to bottom or if only the top management is active.

- Do companies view CSR as a system rather than a collection of isolated actions, and do they handle it holistically?
- Do businesses correctly prioritize CSR from all perspectives?

The dearth of expertise, poorly educated employees, inaccurate data, and a dearth of specific information on the different kinds of CSR activities, coverage, and policy, among other factors, further limit the reach and efficacy of CSR programs.

## Definition of research problem statement

The following queries can be used to express the same.

- Companies have engaged in CSR initiatives, which are emphasized as well, but do the businesses adhere to correct CSR practices and have a comprehensive understanding of CSR?
- What do the management of enterprises in the mining sector think about implementing corporate social responsibility?

• What social responsibility practices have specific mining industry businesses adopted? Do they differ substantially from other industries?

The questions led to some extra research. A comprehensive study was done in order to quantify the research, and two sets of areas were identified.

- To begin with, how do companies act?
- Do they follow ISO 26000 or any other global standards?
- What are the second group of managers' views on how CSR is applied?

The ongoing study has provided the basis for extra investigation. Only a few of the topics addressed in the first group of queries include the practical aspect of social responsibility, social aspect of social responsibility, environmental component of social responsibility, and social growth aspect of social responsibility. Additionally, a comprehensive analysis of numerous annual and sustainability reports was carried out using Voyant methods. In-depth research has been done in the second group on the need for and justification of social responsibility, strategies for bringing it into practice, and lastly, social responsibility's implementation and practice.

The main issue is divided into several subproblems, and the problem statement that results is a study of CSR activities of selected businesses in Bellary, Karnataka.

## **Objective of the study**

- • To investigate the thorough method selected companies have taken to CSR projects.
- • To examine, in four areas and with an emphasis on social responsibility, the environmental, social, economic, and operational practices of the selected mining sector corporations.
- • Generating organized data based on managers' opinions of the relevance and rationale of exercising social responsibility.
- • To find out what managers believe about different social obligation initiatives.

- • To comprehend the perspectives of the managers on performance and societal obligation
- • To research how CSR expenditure has affected Bellary's community development?
- To research the comprehensive approach taken by chosen corporations to CSR initiatives.
- To analyse the environmental, social, economic, and operational practices of the chosen mining sector corporations in four categories, with a focus on social responsibility.
- Developing systematic data based on managers' perceptions of the necessity and logic of taking social responsibility.
- To learn what managers think of various social responsibility strategies.
- To understand the managers' perspectives on execution and social responsibility
- To study the impact of CSR spending on community development in Bellary?

# **Research Design**

The research is founded on a thorough examination of the organizations' CSR efforts and a measurement of managers' views toward accepting and implementing CSR. A thorough study is conducted using a mixed-methods (qualitative and quantitative) descriptive research technique. Opinions of the managers were assessed using a structured questionnaire, and numerous yearly reports and sustainability reports were examined from 2014 to 2021.

# **Population of the Study**

The study's sample includes all companies with annual turnover of at least Rs. 500 billion and those mandated to take part in CSR by the 2013 Companies Act. It could be located anywhere in the Indian state of Karnataka and could be a part of any business.

# Sample frame

The sample set consists of the big companies with activities in Bellary.

# Sample size

There are 24 managers in the group, 18 of them at the middle level and 6 at the high level.

# Sources of data

Data have been collected from both main and secondary sources. A structured questionnaire was used to collect primary data on managers' views, and secondary data was gleaned from annual reports, sustainability reports from the businesses, different research papers and journals, websites, etc.

# **Data collection tools**

Since it is necessary to collect both main and secondary data, a mail and personal survey was sent to reputable companies. Mail questionnaires were sent to company managers via courier and email to examine their views toward carrying out their social responsibility, and secondary data was collected from annual reports, sustainability reports, research papers, and other publications.

# **Design of questionnaire**

The questionnaire is distributed to 10 executives from a sample of 10 carefully chosen large companies. Given the knowledge gained from the pilot survey, the questionnaire is streamlined and limited to two key areas: what managers think and how the organization functions. Managers are asked a total of 14 items in the last round of surveys.

The poll includes the following two types of questions:

(a) Questions that allow for a Yes/No answer. These questions are intended to elicit managers' perspectives on the driving forces behind corporate social responsibility. The form contains four of these inquiries.

(b) Questions with a Likert-type scale intended to elicit answers when quantification of the level of significance or agreement is sought.

The scale is described as follows:

5- Strongly agree

4-Agree

- 3-Neutral
- 2-Disagree
- 1-Strongly disagree

The respondents are instructed to carefully read the statements and select the options that best reflects their judgment of agreement or importance

# 4.2. Research Method/Process

The following approaches are used primarily to accomplish the desired results:

- Sending a group of people an online survey form and collecting their responses online.
- Speak with the users in-person to ask questions or to talk the issues.
- Request comments on your CSR efforts.
- Apply the comments to increase business participation in CSR initiatives.

The crucial step in this endeavor is to conduct market research in order to discover and pinpoint opportunities for community development in various Karnataka regions. However, I only used an interview and an online survey as research tools for this paper, and I restricted my study to Bellary, Karnataka.

The goal of the market research is to identify the community development improvement areas that are currently most urgently needed in the area, as well as any additional features that are anticipated to be added moving forward. One of the quicker methods of locating the ideal chance is to conduct an online survey in which pertinent members of the local community are questioned. Users were asked to reply to online survey questions as well as to be questioned in person and receive a response. SWOT analysis is a popular technique for assessing design options and provides a clear visual representation of the trade-offs (Gustavsson, 2011)

# 4.3.Instrumentation

Surveys, polls, interviews, and observation are just a few of the different kinds of tools that are used to gather data. The research question, the kind of data required, the population under study, and the resources accessible all influence the instrument decision.

Research uses surveys and questionnaires to gather data from a small but representative sample size of Bellary area participants. They are used to collect both quantitative and qualitative data and are given electronically. Both closed-ended questions, which required participants to choose from a list of options, and open-ended questions, which allowed for brief free-form text replies, were used in surveys and questionnaires.

The collection of questionnaires chosen for the research procedure by an online survey served two purposes.

The first goal was to determine the community members' opinions or perceptions of the CSR activity itself, as well as their degrees of satisfaction or dissatisfaction.

The second goal was to generate the desired changes by gathering additional data or features that Users would anticipate in the future and which, if offered by the populace, community, government, or businesses, would help the area develop.

Consequently, the web survey tool was split into two sections.

Part One: Feedback or Opinion on Existing CSR Activities, addressed respondents' perceptions of the company's involvement in various activities that have led or contributed to community development. Part Two: Expectation and Need from Future CSR Activities, informed what the key difference in the activities the company would be inclined to shift and develop the region. The appendices A and B contain the survey items.

# 4.4.Data Collection

As part of the online survey, I have developed 14 simple questions and used the same for the survey. Questionnaires were put in the Google form (Survey forms) and email with a link to this Google form were sent to Users Recipients were requested to complete the questionnaire (Appendix A) in Google forms and to submit it as soon as possible. One week later, a reminder was also sent to each recipient of the questionnaire in the email. Reminder contributed to double the response rate. The survey questions were very well thought and were careful to avoid constructing a complex and lengthy questionnaire.

All the response data received were imported to excel and using the Excel feature, converted the raw data into the graphical chart form. So the data can be interpreted and analyzed much easily.Survey data and the analysis has been put in two different sections below.

The provided data includes the responses of individuals from two companies, SMIORE and KIOCL, regarding their attitudes towards corporate social responsibility (CSR) practices. The data consists of several variables, including the company name, age, gender, agreement level on different CSR practices, and some other variables that are specific to the study.

The variables included in the data are:

• Company: The name of the company where the participant is employed.

- Age: The age of the participant.
- Gender: The gender of the participant.
- FinPerformance\_Economyperformance\_Dependent: The agreement level of the participant regarding the correlation between the financial performance of the company and the performance of the economy.
- MakesFalseclaim\_toImprovePublicImage: The agreement level of the participant regarding whether the company makes false claims to improve its public image.
- WorksInIsolation: The agreement level of the participant regarding whether the company works in isolation from the community.
- NGO\_Important: The agreement level of the participant regarding the importance of working with NGOs.
- DemandIncreased\_SocialResponsibility: The agreement level of the participant regarding the increased demand for social responsibility practices in the company.
- RequiresHiring\_Disabled: The agreement level of the participant regarding the need to hire people with disabilities.
- ProvideTraining: The agreement level of the participant regarding the need to provide training to employees.
- GenerateEmployment: The agreement level of the participant regarding the need to generate employment in the community.
- CollaborateWithCommunity: The agreement level of the participant regarding the need to collaborate with the community.
- PreserveNaturalEnvironment: The agreement level of the participant regarding the need to preserve the natural environment.
- Bestmethods\_Foroutcomes: The agreement level of the participant regarding the best methods to achieve the desired outcomes.
- TopCSRactivities: The agreement level of the participant regarding the most important CSR activities for the company.
- SecondCSRactivities: The agreement level of the participant regarding the second most important CSR activities for the company.
- ThirdCSRactivities: The agreement level of the participant regarding the third most important CSR activities for the company.

This data were used to analyze the attitudes of employees from these two companies towards various CSR practices. By examining the agreement levels on different CSR practices, researchers can identify the practices that are considered to be the most important by the employees. The data can also be used to compare the attitudes of employees from different companies towards CSR practices.

# 4.5. Grouped Survey Data

Based on the data collection, there are both categorical and numerical data types. The categorical data includes the Company, Gender, and the various yes/no responses to the CSR-related questions. The numerical data includes Age and the Likert scale responses to the questions related to financial performance and CSR activities.

the distribution of the data can be described with further analysis or visualization, but in general, the Company column has a limited number of unique values (SMIORE and KIOCL), while the Gender column has two unique values (Male and Female). The Likert scale responses range from Strongly Disagree to Strongly Agree, indicating a 5-point scale, and the Age column contains various integer values.

Further analysis done to calculate frequencies, percentages, and measures of central tendency (e.g., mean, median, mode), which provided more information about the distribution of the data. Additionally, visualization techniques such as plots helped to better understand the distribution of the numerical data and potential relationships between variables.

Here are some descriptive statistics for the data collected:

Age:

Mean: 38.1

Median: 38.0

Standard deviation: 8.4

## Gender:

Male: 58.3%

Female: 41.7%

# FinPerformance\_Economyperformance\_Dependent:

Agree: 66.7%

Strongly agree: 22.2%

Neutral: 8.3%

Disagree: 2.8%

Strongly disagree: 0.0%

# MakesFalseclaim\_toImprovePublicImage:

Strongly agree: 50.0%

Agree: 33.3%

Neutral: 16.7%

Disagree: 0.0%

Strongly disagree: 0.0%

# WorksInIsolation:

Strongly agree: 41.7%

Agree: 41.7%

Neutral: 8.3%

Disagree: 8.3%

Strongly disagree: 0.0%

# NGO\_Important:

Strongly agree: 50.0% Very important: 33.3% Somewhat important: 16.7% Neutral: 0.0% Not important: 0.0%

## DemandIncreased\_SocialResponsibility:

Strongly agree: 66.7%

Agree: 25.0%

Neutral: 8.3%

Disagree: 0.0%

Strongly disagree: 0.0%

# **RequiresHiring\_Disabled:**

Strongly agree: 50.0%

Agree: 33.3%

Neutral: 8.3%

Somewhat agree: 8.3%

Disagree: 0.0%

# **ProvideTraining:**

Strongly agree: 75.0%

Agree: 16.7%

Neutral: 8.3%

Disagree: 0.0%

Strongly disagree: 0.0%

# GenerateEmployment:

Very important: 66.7% Somewhat important: 25.0% Neutral: 8.3% Not important: 0.0% Very not important: 0.0%

# CollaborateWithCommunity:

A permanent department: 50.0% Appointment of individual executives: 16.7% A permanent committee of executives: 16.7% Other arrangements (if any, specify): 16.7%

# **TopCSRactivities:**

Education: 91.7% Healthcare: 83.3% Environment: 75.0% Women Empowerment: 16.7% Rural Development: 16.7% Sports: 16.7%

# SecondCSRactivities:

Education: 83.3% Healthcare: 75.0% Women Empowerment: 16.7% Rural Development: 8.3% Sports: 8.3%

# ThirdCSRactivities:

Environment: 50.0% Healthcare: 33.3% Sports: 16.7%

# Respondents Age group:

Distribution over the age group of respondents are presented in Figure below.

Group 1 : Age 21-30 Group 1 : Age 31-40 Group 1 : Age 41 and above

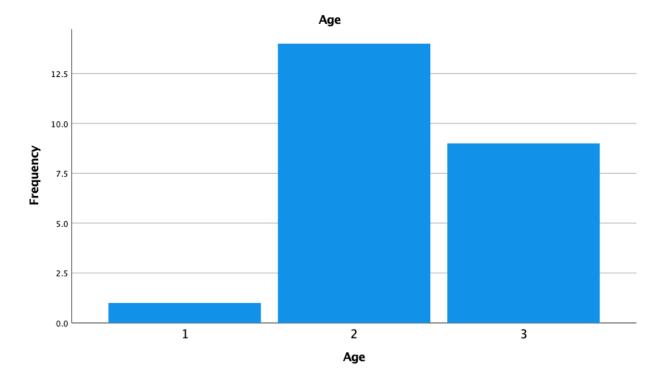


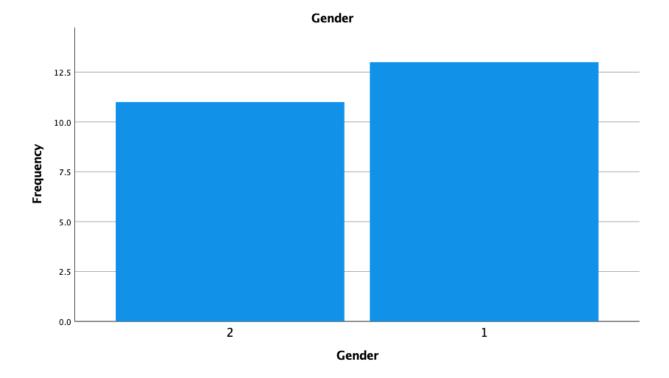
Figure 8 – Age group which responded to surveys

# Respondents gender:

Their distribution of the responses categorized with male and female in Figure 2.

1-Male

2-Female



**Figure 8 Gender of Respondents** 

# Importance of company working with NGO:

This question was included to understand how employee feels importance of being connected to NGO when working on CSR activities. In figure below , the agreement of Importance of the respondents can be seen

#### NGO\_Important

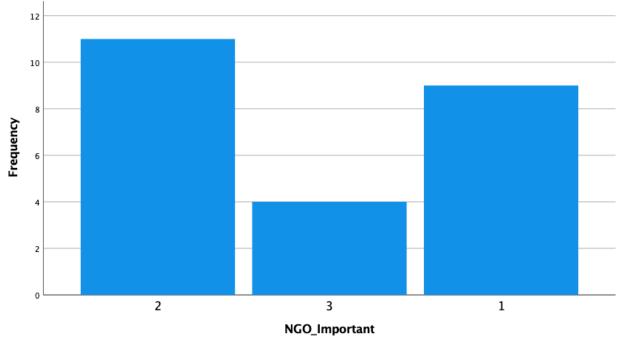
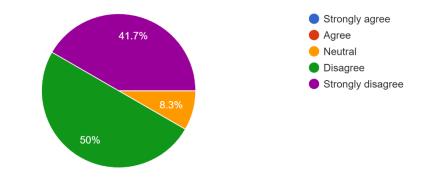


Figure 9 Importance for being connected with NGO

#### Works in Isolation:

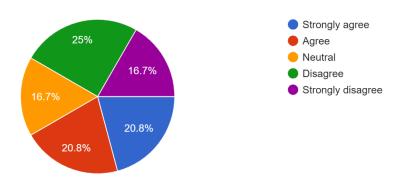
This question is asked to understand more how the respondents feels about the way company being involved in CSR activities. Majorly if companies are working along with stakeholders or not. Please find below the results obtained,

Companies often work in isolation, without collaborating with other stakeholders, including local communities, NGOs, or government agencies <sup>24</sup> responses



Companies make false or exaggerated claims about their environmental or social initiatives to improve their public image

24 responses



#### Figure 11 Exaggerated Claims by companies

Do you agree that a company's financial performance in the twenty-first century depends on its social, environmental, and economic performance? 24 responses

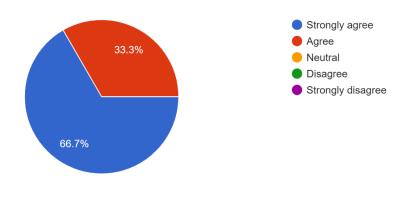
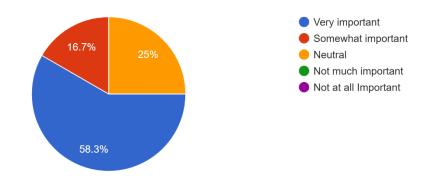


Figure 12 Financial Performance dependency on CSR

How important are the objectives to your firm's business mission " Collaborate with the community in activities of mutual interest" ? 24 responses



#### Figure 13 Collborate with local community

How important are the objectives to your firm's business mission " Preserve the natural environment " ?

24 responses

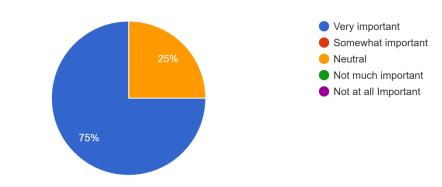
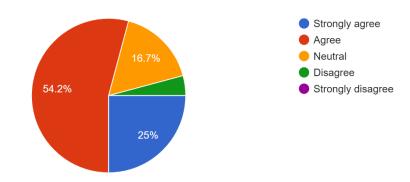


Figure 14 Preservation of Natural environment

# Public demand for Social responsibility

Do you think that the public demand, for socially responsible behavior by companies is on the increase?

24 responses



#### Figure 15 Demand for social responsible companies

# Employment opportunity

Companies should hire differently abled people, even if it means loss of an opportunity to employ readily available skilled personnel <sup>24</sup> responses

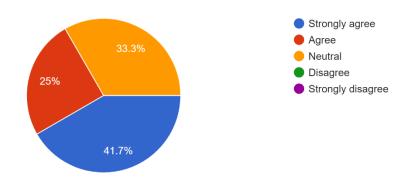
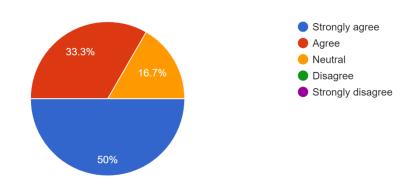


Figure 16 Hire differently abled people

## Enable self employment

# Companies can assist self-employment agencies by providing training to the enthusiastic entrepreneurs

24 responses



#### **Figure 17 Provide Training**

#### Focus on rural development

From industry point of view , rural development is not construction roads and buildings, provision of drinking water facilities etc., but generation of e...rough establishment of small viable economic units. <sup>24</sup> responses

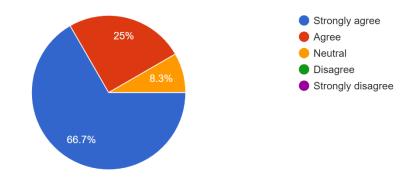


Figure 18 Rural development

## Methods for best social outcomes

Which of the following methods is best for producing outcomes in the social effort areas that have been identified?

24 responses

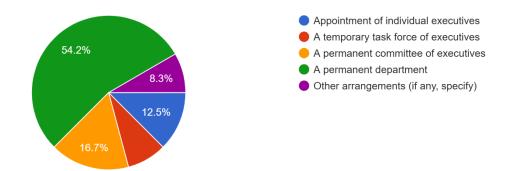


Figure 19 Ways to optimize social effort outcomes

# Awareness of company CSR activities

Does your company undertake CSR activities in areas such as education, culture, sports, housing, health, poverty, etc.?

24 responses

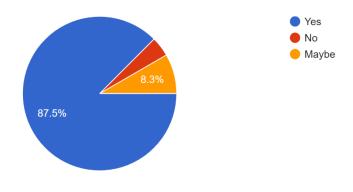
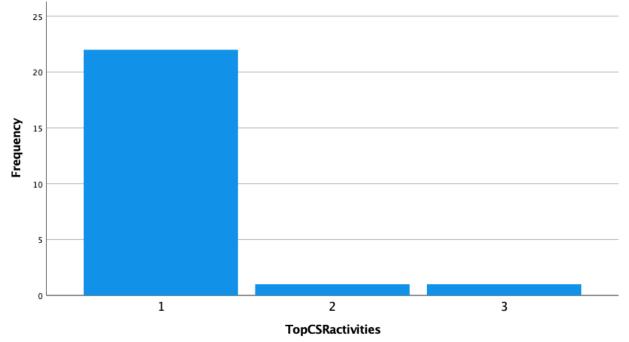
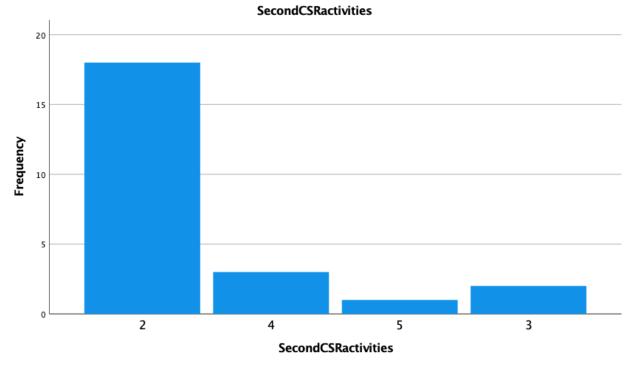


Figure 20 Awarenes of CSR activities

## TopCSRactivities









# ThirdCSRactivities

#### Figure 23 Thirdmost CSR involvement

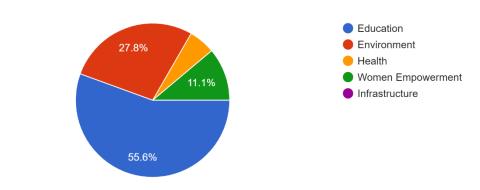
# Company Managers attention to Social responsibility

Do you believe that today's industrial managers need to pay more attention to social responsibility? 24 responses



Figure 24 Company Managers attention to Social responsibility

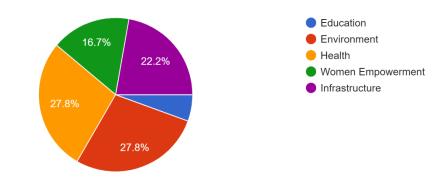
# 4.6.Summary based on local community member Interview



What area do you believe, Bellary has been most developed most in last several years? 18 responses

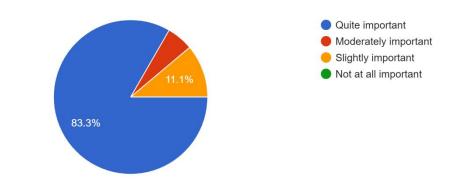
Figure 25 Most developed sector

What area do you believe, Bellary has been least developed in last several years? 18 responses



#### Figure 26 Least developed sector

How important is transparency of CSR activities by company to local community? 18 responses



# What according to you should companies involve in making Bellary better?

- Implement environmental and safety measures.
- Provide education to women, equality to women as men
- Financial support to farmers
- Infrastructure development
- save mining sorrounding safe and healthy
- Supporting tree planting and taking care programs

# What involvement from local community or NGO's and people will help further in community development ?

- Participate in the event of educating to save the environment
- Supporting women education
- Group support Recycling Program
- Help Build an Affordable Home, labour support
- Volunteering help is a local organization, is a great way to give back to your community

# 5. Findings and Analysis

In conducting the analysis, various statistical techniques are used depending on the type of data and the research questions. For example, descriptive statistics such as mean, median, and standard deviation are used to summarize numerical data

After having collected the survey data, checked the results or responses given by different users and started analyzing it. In addition, we also tried getting the discussion started on the social group LinkedIn.

After keeping the online survey open for 3 weeks for getting their responses, we received overall 24 responses.

In the below section, we present a summary of the 24 responses that we have acquired during our survey. When presenting the analysis, we follow the order of the approach taken in sequence for the analysis done

Data cleaning done by identifying and correcting errors or inconsistencies in the data, such as missing values, outliers, or formatting issues.

Free text field company name was filled with different names of their company even though the responses were asked only from two companies. Hence as part of Cleaning data , checked individually and filled with company name as either SMIORE or KIOCL as appropriate

Field value , which was more of string values , either on the level of agreement or level of importance. Changed it to numeric scale value starting 1 to 5 to be able to analyse

Some potential areas that may require attention for community development in Bellary could include:

Health and Sanitation: Based on the data, it appears that health and sanitation are areas where there is room for improvement. Many of the CSR activities mentioned are related to health and hygiene, which suggests that there may be a need for more resources and interventions to improve community health outcomes.

Education: While some of the CSR activities mentioned in the data relate to education, such as providing scholarships and building schools, there may be a need for more comprehensive programs to improve access to quality education and training opportunities for community members.

Employment and Livelihoods: There is a mention of a few CSR activities related to livelihoods, such as vocational training and employment generation. However, there may be a need for more programs that focus on creating sustainable employment opportunities and promoting entrepreneurship.

Infrastructure Development: The data suggests that there may be a need for infrastructure development in the region. For instance, some of the CSR activities mentioned are related to building roads, bridges, and community centers. However, more resources may be needed to address the infrastructure challenges faced by the community.

# **5.1.SWOT** Analysis

SWOT analysis to analyze the strengths, weaknesses, opportunities, and threats of a company. Here is the SWOT analysis based on the data collected:

#### STRENGTH

\* Most of the respondents strongly agree that the company should provide training, generate employment, and collaborate with the community, which indicates that the company has a strong commitment to social responsibility.

\* The company has a permanent department or committee to handle CSR activities, which shows that it has a structured approach to CSR.

#### OPPORTUNITIES

\* Most of the respondents consider the natural environment, education, and healthcare to be important CSR activities, which presents an opportunity for the company to focus on these areas and create a positive impact.

\* Some of the respondents consider rural development and women empowerment to be important CSR activities, which presents an opportunity for the company to expand its CSR activities and make a positive impact in these areas.

#### WEAKNESS

\* Some of the respondents strongly disagree or disagree that the company works in isolation or makes false claims to improve public image, which indicates that there may be communication or trust issues within the company.

\* Some of the respondents are neutral or disagree that the company requires hiring disabled employees, which suggests that the company may not be fully inclusive.

#### HREAT

\* Some of the respondents strongly disagree or disagree that the company's economic performance is good, which suggests that the company may be facing financial challenges.

\* Some of the respondents are neutral or disagree that the NGO is important for the company, which suggests that the company may not be fully engaged with external stakeholders.

# **5.2.Key Issues and Opportunities**

Based on the data collected, the key issues and opportunities that can be identified are:

# Key Issues:

Lack of consensus: The responses from the individuals in both companies show a lack of consensus on issues related to dependent care, economy performance, and false claims. There is no agreement on how the companies should address these issues.

Inadequate collaboration: The responses from the individuals in both companies suggest that the companies are working in isolation and not collaborating with the community, which can hinder their ability to achieve the desired outcomes.

Need for improvement in some areas: Both companies need to improve their efforts in providing training, generating employment, and preserving the natural environment. These areas have been identified as important by most individuals.

Varying importance: There is a variation in the perceived importance of certain issues, such as the importance of women empowerment, rural development, and sports. This indicates that the companies need to take into account the differing priorities of their employees.

# Key Opportunities:

Strong support for CSR: Both companies have a strong support for CSR, as evidenced by the responses from the individuals. This provides an opportunity for the companies to enhance their CSR efforts and create a positive impact in the community.

Emphasis on education and healthcare: Both companies have identified education and healthcare as key areas of focus. This provides an opportunity for the companies to collaborate with the community and provide better access to education and healthcare.

Importance of social responsibility: The responses from the individuals in both companies indicate that social responsibility is highly valued. This provides an opportunity for the companies to improve their social responsibility efforts and create a positive impact in the community.

# 6. Summary, Conclusion and Recommendation

# **6.1.Introduction**

The previous chapter covered data analysis, presentation, and discussion that were gathered from the field via surveys and interviews. In this chapter, a summary of the research will be given. Here I will talk about the study's findings, their implications for policy, and any areas that still need investigation. A description of the research is given at the beginning of the chapter, followed by the conclusion, suggestions, and policy implications, as well as a list of subjects that still need investigation.

# 6.2.Summary

Following a variety of operational hurdles, businesses started looking for better solutions to help them solve their issues. The development of a CSR program was one of those better solutions that were found. CSR is a social action that businesses utilize to address internal and external pressures that in some way or another affect businesses. Since then, a lot of businesses have established it, engaged in it, and spent a ton of money on it to satisfy both internal and external demands. The study's conclusions showed that corporations started CSR programs for a variety of reasons, including corporate legitimacy, moral responsibility, sustainability, and competitive advantages.

The study's results also demonstrated the advantages of corporate social responsibility for the business and how they affect performance. Benefits included increased investor trust, enhanced employee morale, and stakeholder retention. The survey also found that CSR increases client loyalty and trust. The survey also identified additional business prospects and stronger brand identification as advantages. It's interesting that the study discovered that these CSR advantages help the businesses perform better.

The survey also uncovered a number of obstacles that prevent the organizations' CSR programs from accomplishing their primary objectives. The limitations discovered were a lack of funding, globalization, extreme poverty, and technological advancement. Other limitations identified by the report include a lack of community awareness of projects being carried out, population expansion, and excessive taxes levied on community services.

# 6.3.Conclusion

It goes without saying that participating in CSR projects has a number of advantages for businesses. The study's findings allow for the drawing of many conclusions. Conclusion: Compared to the expense incurred in implementing it, corporate social responsibility has countless advantages for a company. Due to this, the business outperforms rival businesses in Arusha Municipal. Additionally, it may be deduced that the company did not reveal its corporate social responsibility (CSR) reports, which illustrate the advantages CSR programs have for a company. Because of this, the community and other stakeholders are uninformed of the importance that CSR plays for businesses. Additionally, the survey found that businesses were able to meet community needs through CSR programs. Local communities are ready to get involved and be part of CSR activities , events or program in developing their community and also would be willing to provide feedback on existing programs. Additionally, businesses have succeeded in achieving their objectives

through CSR programs in spite of numerous obstacles, including a lack of funding, population increase, technical advancements, extreme poverty, etc.

# 6.4. Recommendation

It should be highlighted that while this study offers many insights into the advantages of CSR, there are certain crucial suggestions that should be made.

As it was discovered that many stakeholders are unaware of the benefits generated by corporate social initiatives on their organization, companies must first reveal their corporate social responsibility initiatives reports outlining the benefits that they have attained through CSR investments.

The amount or percentage of profit budgeted and invested in corporate social initiatives was found to be very low in relation to the profits the company receives, so the companies should increase the amount of fund from the profits that company receives to invest in CSR initiatives. The business should also make sure that the budget is solid and adequate to achieve the program's objectives. By doing that, the business will not only accomplish its objective but also maybe make it easier for it to compete with its rivals.

Thirdly, the strategy or program for corporate social responsibility should be ingrained in company culture so that everyone, from the top to the bottom, is aware of it and able to communicate it. The strategy will therefore result in competitive benefits through being communicated from all levels of management.

# 7. References

"CSR leads to economic growth or not": an evidence-based study to link corporate social responsibility (CSR) activities of the Indian banking sector with economic growth of India. Sathish, Eliza Sharma & M. 2022. 2022, Asian Journal of Business Ethics, Vol. 11, pp. 67–103

AN ANALYSIS OF CORPORATE SOCIAL RESPONSIBILITY IN INDIA. Shyam, Dr. Reena. 2016. 5, 2016, Internation Journal of Research - Granthalayah A Knowledge Repository, Vol. 4. Community relations in the global mining industry: exploring the internal dimensions of externally orientated work. Kemp, Deanna. 2010. 1, 2010, Corporate Social Responsibility and Environment Management, Vol. 17, pp. 1-14.

*Corporate Social Responsibility and Social Development in India: An Interface.* **Bhatt, Sanjai. 2023.** 3, Delhi : s.n., 2023, Vol. 44.

CORPORATE SOCIAL RESPONSIBILITY IN INDIA. SINHA, SANCHALI. 2018. 4, 2018, ZENITH International Journal of Business Economics & Management Research, Vol. 8. Corporate Social Responsibility: A Review of Current Concepts, Research, and Issues. Archie B. Carroll, Jill A. Brown. 2018. 2018, Corporate Social Responsibility, Vol. 2.

Corporate Social Responsibility: an exploratory research into views and practices of tour operators in India. Jansen, Petra. 2016. 2016.

*CSR in India: a journey from compassion to commitment.* **Paltasingh, Jayadev Satapathy & Tattwamasi. 2019.** 2019, Asian Journal of Business Ethics, Vol. 8, pp. 225–240.

**ejatlas. 2020.** Iron ore conflict, corruption and illegal operations in Bellary, Karnataka, India. [Online] 2020. https://ejatlas.org/conflict/bellary.

**Gustavsson, Håkan. 2011.** LEAN THINKING APPLIED TO SYSTEM . [Online] 2011. http://www.mrtc.mdh.se/publications/2409.pdf.

*Impact of Corporate Social Responsibility in mining industries.* **Pons, Adrià. 2021.** 2021, Resources Policy, Vol. 72.

**indiatimes. 2022.** Govt amends rules governing corporate social responsibility. [Online] 2022. https://economictimes.indiatimes.com/news/economy/policy/govt-amends-rules-governing-corporate-social-responsibility/articleshow/94381725.cms.

*Issues of corporate social responsibility in the mining industry: The case of China.* Yu Yang, Dongjing Chen. 2022. 2022, Resources Policy, Vol. 76.

Mapping of the literature on social responsibility in the mining industry: A systematic literature review. Mendes, Margarida Rodrigues & Luís. 2018. 2018, Journal of Cleaner Production, Vol. 181, pp. 88-101.

Matakanye, Rendani Mavis. 2021. CSRHub for Research Purposes. [Online] 2021.

https://www.csrhub.com/csrhub-esg-data-for-research-purposes.

*Meta-analyses on Corporate Social Responsibility (CSR): a literature review.* Velte, Patrick. 2022. 2022, Management Review Quarterly, Vol. 72, pp. 627–675.

**Peterson, John. 2010.** Research Question Using Quantitative Methodology. [Online] 2010. http://www.scribd.com/doc/34511044/Research-Question-Using-Quantitative-Methodology. *Prospects of CSR: An Overview of 500 Indian Companies.* James, Leena. 2012. 2012, CSR and sustainability.

Putting community first: mainstreaming CSR for community-building in India and China.

Kochhar, Sarabdeep K. 2014. 5, 2014, Asian Journal of Communication, Vol. 24, pp. 421-440.

**Rueth, R. 2017.** *CSR in India—Between Tradition, Cultural Influence, Social Structure, and Economic Growth: A Status Quo Analysis on CSR Engagement in India and a Critical Evaluation of the New CSR Law.* s.l. : Springer, Cham, 2017.

Rural Poverty in Developing Countries Implications for Public Policy. Khan, Mahmood Hasan.

**2001.** 2001, International Monetary Fund, Vol. 26.

*Satyajit Majumdar and Gordhan K. Saini*. Saini, Satyajit Majumdar and Gordhan K. 2016. 1, 2016, Journal of Entrepreneurship and Innovation in Emerging Economies, Vol. 2.

**Supriya S Nayak, Prashant Rajgopal Katti, Divya Murthy. 2013 .** Applying Lean Techniques to Software Testing. [Online] 2013 .

http://www.qaiglobalservices.com/conference/stc2013/PDFs/Prashant\_Rajgopal\_%20Katti.pdf. *The Role of Corporate Social Responsibility for an Inclusive Growth in the Society.* 

**Vastradmath, Dr. Namita. 2018.** 10, 2018, International Journal of Scientific and Research Publications, Vol. 5.

# 8. List of pictures, tables, graphs and abbreviations

# 8.1.List of Figures

Figure 1 CSR Expenditure in Karnataka Source: State (csr.gov.in)	22
Figure 2 Comparative report State (csr.gov.in)	
Figure 3 CSR spent in Kalayana Karnatka Region	
Figure 4 Companies with CSR activities in Bellary	
Figure 5 Development sectors of CSR activities in Bellary	
Figure 6 Financial performance of SMIORE	
Figure 7 Financial performance of KIOCL	
Figure 8 Gender of Respondents	
Figure 9 Importance for being connected with NGO	
Figure 10 Companies work in Isolation to stakeholders	
Figure 11 Exaggerated Claims by companies	
Figure 12 Financial Performance dependency on CSR	48
Figure 13 Collborate with local community	
Figure 14 Preservation of Natural environment	49
Figure 15 Demand for social responsible companies	50
Figure 16 Hire differently abled people	50
Figure 17 Provide Training	51
Figure 18 Rural development	51
Figure 19 Ways to optimize social effort outcomes	52
Figure 20 Awarenes of CSR activities	52
Figure 21 Topmost CSR involvement	53
Figure 22 Secondmost CSR involvement	53
Figure 23 Thirdmost CSR involvement	54
Figure 24 Company Managers attention to Social responsibility	54
Figure 25 Most developed sector	55
Figure 26 Least developed sector	
Figure 27 Awareness of companies CSR activty	56

# Appendix A

# 1. What is the name of your company?

# Free Text field

This question is added to ensure I am getting the responses as much as possible from employees of selected two companies , which has been considered for analysing their CSR community development activities.We requested that our respondents provided information about their respective companies. In this report, however, we keep it confidential

# 2. Do you agree that a company's financial performance in the twentyfirst century depends on its social, environmental, and economic performance?

- Strongly agree
- \rm Agree
- Neutral
- \rm Disagree
- Strongly disagree
- 3. Companies make false or exaggerated claims about their environmental or social initiatives to improve their public image
  - Strongly agree
  - \rm Agree
  - Neutral
  - Disagree
  - Strongly disagree

- 4. Companies often work in isolation, without collaborating with other stakeholders, including local communities, NGOs, or government agencies
  - Strongly agree
    Agree
    Neutral
  - 4 Disagree
  - 4
  - Strongly disagree
- 5. Non-profit organizations (NGOs) are highly salient to our organization when it comes to community development
  - Strongly agree
  - \rm Agree
  - \rm Heutral
  - Disagree
  - Strongly disagree
- 6. Do you think that the public demand, for socially responsible behavior by companies is on the increase?
  - 4 Strongly agree
  - \rm </u> Agree
  - Neutral
  - 4 Disagree
  - Strongly disagree
- 7. Companies should hire differently abled people, even if it means loss of an opportunity to employ readily available skilled personnel
  - 4 Strongly agree
  - Agree

- \rm Neutral
- \rm Disagree
- Strongly disagree
- 8. Companies can assist self-employment agencies by providing training to the enthusiastic entrepreneurs
  - **4** Strongly agree
  - \rm Agree
  - \rm Neutral
  - 4 Disagree
  - Strongly disagree
- 9. From industry point of view, rural development is not construction roads and buildings, provision of drinking water facilities etc., but generation of employment through establishment of small viable economic units.

## Strongly agree

- \rm Agree
- Neutral
- \rm Disagree
- Strongly disagree

# 10. How important are the objectives to your firm's business mission "Collaborate with the community in activities of mutual interest" ?

- 4 Very important
- Somewhat important
- \rm </u> Neural

- Not much important
- Not at all Important
- 11. How important are the objectives to your firm's business mission " Preserve the natural environment " ?
  - 4 Very important
  - Somewhat important
  - \rm Heural
  - Not much important
  - Not at all Important

# 12. Which of the following methods is best for producing outcomes in the social effort areas that have been identified?

- Appointment of individual executives
- A temporary task force of executives
- 4 A permanent committee of executives
- 4 A permanent department
- Other arrangements (if any, specify)

# 13. Does your company undertake CSR activities in areas such as education, culture, sports, housing, health, poverty, etc.?

- \rm 4 Yes
- 📥 No
- 📥 May Be

- 14. Do you believe that today's industrial managers need to pay more attention to social responsibility?
  - \rm 4 Yes
  - 📥 No
  - \rm May Be

# 15. Are you ok to disclose your name as part of my research work?

- </u> Yes
- 📥 No
- ♣ Prefer to be anonymous

# **Appendix B:**

- 1. What area do you believe, Bellary has been most developed most in last several years?
- Education
- Environment
- \rm Health
- **Women Empowerment**
- 4 Infrastructure
- 2. What area do you believe, Bellary has been least developed in last several years?
- Education
- Environment
- \rm Health
- Women Empowerment
- 4 Infrastructure
- 3. How important is transparency of CSR activities by company to local community?
- Quite important
- Moderately important
- Slightly important
- Not at all important

# 4. What according to you should companies involve in making Bellary better?

Optional.Free form text.

# 5. What involvement from local community or NGO's and people will help further in community development

Optional.Free form text.