

Corporate Social Responsibility towards Environmental Sustainability - A covid 19 Scenario.Dr. Pushia. K.P.*¹ & Ravikanth Kuchibhotla²**Abstract**

Environmental Sustainability and corporate social responsibility are very significant for an economy. The responsibility of every individual is to conserve natural resources and protect global systems from supporting health and wellbeing, now and in the future is defined through environmental sustainability. Whereas CSR indicates the company's commitment to practice environmental and social sustainability. The role of CSR activities makes a difference in the pandemic scenario. This paper analyses the relationship between CSR towards environmental Sustainability during the covid -19 pandemic. The role of CSR spending on Eco-friendly practices increases awareness, supporting sustainable development goals. During this period, the environment had an opportunity to rest & recoup, mitigating the environmental hazards and slowing the progression of climate change impacts. Both concepts are fundamental to the survival of the total ecosystem.

Key Words: Corporate Social Responsibility, Environmental Sustainability, Coronavirus.

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1. Introduction

Environmental Sustainability is defined as the responsibility of every individual to conserve natural resources and protect global systems from supporting health and wellbeing, now and in the future. Profit, People, and the Planet are used in the economy, society, and environment. In his book ("Small is beautiful"), E F Schumacher provides the First attempt, which gave importance to the environment. Schumacher was part of a new movement that questioned whether economic growth increased human welfare.

Including market decisions in Environmental economics broaden the neo-classical economics view, for example, Pigouvian taxes to reflect social costs. Initially, it is few people ventured into start enterprises. As time grows, stakeholders increase from various sectors, ranging from individuals at the micro level to organizations at the macro level. It is the holistic efforts that manifest into the complex organizational structure. As the entities made profits, Turing into a successful business started sharing a certain percentage of earnings for welfare activities across the organization vicinity.

Environmental Sustainability expanded significantly over time. It inculcates the scarcity of resources and reducing of environmental damages. Environmental sustainability is directly or indirectly affected by factors that include governance, property rights, income inequality, social inclusiveness, and women empowerment. Whereas corporate social responsibility implies that practices and policies undertaken by corporations are intended to have a positive influence on the world. One of the major highlights of CSR is to reduce environmental externalities. CSR business's efforts will have positive environmental and social impact. By implementing a CSR program, businesses become aware of the positive impact they can have on society. Philanthropic, ethical, and environmental are the three aspects of CSR.

CSR towards environmental sustainability is a concept of conducting business activities and concerned about the effects of their strategies on the environment in their business decisions. All these actions advance to enhance the quality of life and execute the concept of sustainable development. CSR's impact on psychological capital is not well established. There is a positive impact like resilience, optimism by the actions of corporates from CSR activities. CSR expenditure on education reduced from 5718 crores, FY 19 to 5244, FY 20. MCA (Ministry of Corporate Affairs) paved a new mode of spending for health care infrastructure like oxygen plants, concentrators, ventilators. The government amended Schedule vii activities by including contributions 'Prime Minister's Citizen Assistance and Relief in Emergency

Situations Fund’ (PM CARES). These funds can further help in improving the primary and secondary health care sector. Inclusion of spending’s on environmental activities as CSR, addresses social risk mitigation, at the broader view.

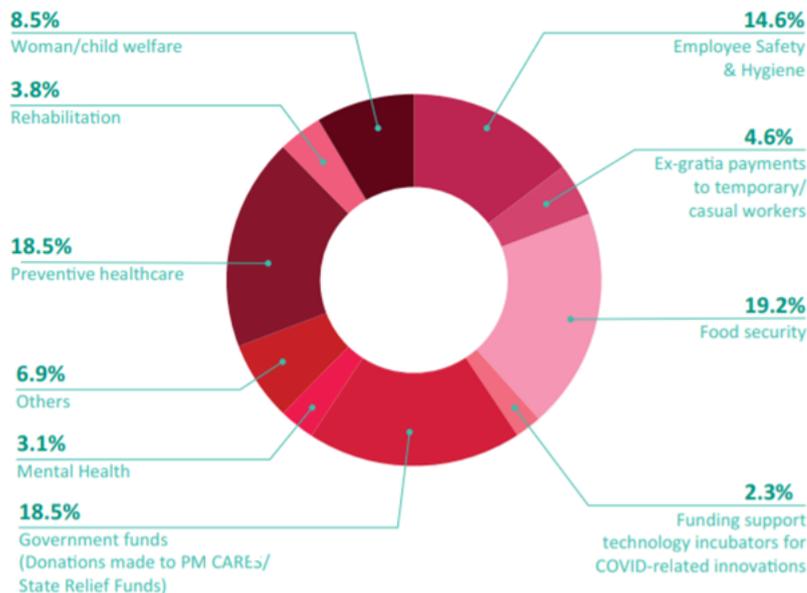


Figure 1 COVID-19 related CSR efforts

Source: Invest India

As per the Invest India report,19.2 percent were spent on Food security,18.5 percent on preventive health care. Employee safety and hygiene were given on 14.6 percent and 75 % of companies have planned CSR spending on covid- 19 issues in some manner. This pandemic made organizations make CSR spending on social issues. Organizations, whether big or small had supported government efforts by their CSR policies. The new changes will augment companies spending CSR by addressing environmental and social issues. As contextual, this paper focuses on the relationship between CSR towards environmental Sustainability.

2. Objectives

- To examine the trends of corporate social responsibility towards environmental sustainability.
- To analyze the correlation between CSR and Environmental Sustainability.

3. Literature review

The concept of corporate social responsibility linked with the concern of the environment, justice, and social order, and ethical conduct of enterprises generate a real-life to implement principles of sustainable development at the lowest level -enterprises and entrepreneurs, employees, and residents. Economy, society, and the environment are the areas based on an effective scale of measuring corporate social responsibility to evaluate the results of an implementation of the “Green Human Resources Management” (GHRM).

It is assumed that socially responsible entities bear the consequences of ecological effects of their activities, strive to eliminate pollution, emission of harmful substances, and take steps to maximize the efficiency of using natural resources and minimize the negative impact on the environment. This is the reason why, for some authors, the concept of corporate social responsibility is a synonym of the concept of sustainability, translated as sustainable development.

Covid pandemic has disrupted lives, especially the lower crust of the society, making them more vulnerable. It had badly disrupted the supply chain workers in the bottom line in terms of lack of pay, job retrenchment. From the supplier’s point of view, delayed payments cancelled orders. The onus of companies not only to comply with CSR provisions but also give safeguard measures and protect stakeholder rights. This has also led corporations to produce socially desirable goods (Dr. Amit Kumar Thakur, Apoorva Bamal)

4. Methodology

4.1. Types and sources of data: This study uses secondary time series data of a total period of 6 years from 2014-15 to 2019-2020. The required data was obtained from various sources such as United Nations Industrial Development Organization, the Indian Government CSR portal.

4.2. Data analysis: Correlation analyses are used to examine the influence of CSR on environmental sustainability. Percentage method and Trend analysis were also used to assess their performance in overall sustainable development.

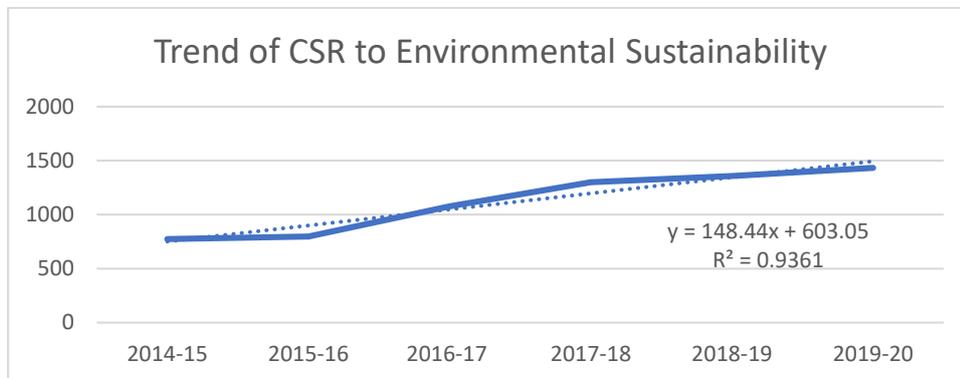
5. Results and Discussions

Among the major areas of CSR activities, item four refers to activities directly relating to environmental sustainability. The broad areas include ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry. Table 5.1 represents the percentage analysis of CSR to agroforestry, Animal welfare conservation of natural resources, and environmental sustainability. The amount of CSR spent on agroforestry is highest in 2015-16 (5.96). It came down to 3.30 and again 4.03. Finally, 3.31 percent in 2019-20. In the case of agroforestry, the amount spend shows a declining trend except 2015-16. Other activities of CSR on the conservation of natural resources show the highest trend in 2016-17. CSR amounts spend on Environment sustainability show a declining trend from 90.63 in 2014 -15 to 81.82 in 2019-2020.

Subfields	Argo Forestry	Animal Welfare	Conservation of Natural Resources (CNR)	Environmental Sustainability (EST)	Total	Percentage of CSR to Agroforestry	Percentage of CSR to Animal Welfare	Percentage of CSR to CNR	Percentage of CSR to EST
2014-15	18.22	17.29	44.6	773.99	853.99	2.13	2.02	5.22	90.63
2015-16	57.85	66.67	49.85	796.69	971.06	5.96	6.87	5.13	82.04
2016-17	43.45	78.7	119.09	1076.46	1317.7	3.30	5.97	9.04	81.69
2017-18	66.79	63.52	228.14	1299.18	1657.62	4.03	3.83	13.76	78.38
2018-19	64.75	97.93	172.68	1356.67	1692.02	3.83	5.79	10.21	80.18
2019-20	57.9	104.34	156.02	1432.53	1750.79	3.31	5.96	8.91	81.82

Table 5.1 Percentage analysis of Environment Sustainability

Figure 1



The trend of CSR to environmental sustainability shows an upward trend in Figure 1. The coefficient of determination explains variations in y are explained through variations in x. The Goodness of Fit (R^2) is 94. The CSR amount spent on environmental sustainability has also increased from Rs.773.19 crores in 2014-15 to 1432.53 crores in 2019-2020.

The integration of social responsibility and ensuring environmental sustainability is likely to help firms to manage environmental concerns alongside economic growth. Among the four major areas such as Agroforestry, Animal welfare, Conservation of natural resources, environmental sustainability, the coefficient of correlation between CSR and EST indicates a high positive correlation reflected in Table 5.2

Table 5.2 Correlation Analysis

Core areas of CSR	Correlation coefficient
Environmental Sustainability	0.99
Conservation of Natural Resources	0.91
AgroForestry	0.73
Animal Welfare	0.79

6. Conclusion

Incorporating environmental sustainability in CSR activities in the Companies Act 2013 and transforming it obligatory for the corporate sector is one of the encouraging steps to safeguard the environmental economics and society. Strategies for conserving, protecting, and enhancing these resources should be based on the specific resource constraints faced in any given location as well as the current and desired improvements in reversing depletion and degradation. This paper tries to address CSR towards environmental sustainability and its relationship at the Covid -19 scenario. The concept of CSR towards environmental sustainability leads to performing business activities and taking into their consideration the impacts of their operations on the environment in their business decisions. Such an approach contributes to improving the quality of life and implementing the concept of sustainable development.

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