

Corporate Social Responsibility-Implications and Challenges of the Regulatory Intervention in India: The World's First

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Abstract

For the first time in the world, a state, India, has introduced a mandatory obligation on the corporate sector to discharge social responsibility through the Companies Act, 2013. The mandate has become effective on April 1, 2014. Thus the current financial year 2014-15 is going to be the first year of operation of mandatory CSR norms. This working paper attempts to 1) disseminate the provisions of the Indian regulatory CSR norms in a simpler, devoid of legal jargon, and clarificatory manner with suitable examples, 2) carry out a critique on the implications of the regulatory norms and to raise the concerns posed by them and discuss and analyses the challenges and opportunities thrown by these norms in the sphere of corporate social responsibility. It is hoped that the researchers, not having a legal background in particular and others in general, wishing to pursue research in this area of contemporary significance will benefit from this paper.

Key Words: Average Profit, Companies Act, 2013, Corporate Social Responsibility (CSR), Philanthropy