

## SOCIAL RESPONSIBILITY

Social responsibility is the obligation of the decision-makers to take actions that protect and improve society's welfare and company interests. Anyone engaged in supporting a decision-maker also should provide precise inputs to make socially responsible decisions.

Our business has a responsibility to our customers, workers, shareholders, and the community.

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### NEED FOR THE SOCIAL RESPONSIBILITY OF BUSINESS

- Impact of its Operations.
- Long life of the business
- Employee satisfaction
- Fair Pricing & Market dynamics
- Demand & Supply of goods & services
- Taxation & compliances towards Government
- Financial Support to Social & Cultural activities
- Support to Social causes like Poverty, Education, HealthCare, Environment Renewable Energy etc.

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### CONSIDERATION FOR THE CASES OF SOCIAL RESPONSIBILITY

- Public Image
- Resources
- Government Control
- Trusteeship
- Changes
- Consumer Movement
- Help to the Government.
- Pressure of trade unions
- Long term self-interest
- Globalization
- Role of Media
- Protection of Environment

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### TYPES OF SOCIAL RESPONSIBILITY

- Philanthropic
- Ethical
- Legal

- Economic

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## SOCIAL RESPONSIBILITY TOWARDS DIFFERENT GROUPS

Responsibilities towards:

- Owners
- Employees/Workers
- Consumers/Customers
- Community/Society/Public
- Investors/Shareholders
- Government

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## RESPONSIBILITIES TOWARDS OWNERS

- Profit maximization
- Exploit business opportunities.
- Expansion & diversification
- Careful use of capital
- Optimum use of resources
- Fair practice on the stock exchange
- Business efficiency
- Periodic Information and Creating Confidence
- Effective use of shareholder's fund
- Creating Goodwill

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## RESPONSIBILITIES TOWARDS EMPLOYEES

- Harmonious Employer-Employee Relation
- Job Security, Promotion & career opportunity
- Division of Labour & recognition to trade unions
- Good Working Conditions
- Protect Health & Provide Safety Measures
- Fair Remuneration and allowances
- Proper personal policies, education & training
- Code of conduct & proper grievance procedures
- Workers Participation in Management
- Opportunities for development

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## RESPONSIBILITIES TOWARDS THE CONSUMER/CUSTOMER

- Supply as per demand.



- Charging Fair price
- Honest Advertisement/ Advertisement ethics
- After Sales Service
- Reply to Complaints/ Customer Service Cell
- Good Quality Products & Services
- Avoid Monopolistic Competition
- Avoid Unethical Trade Practices
- Consumer Safety
- Accurate Information
- Consumer Welfare

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#### RESPONSIBILITIES TOWARDS THE COMMUNITY/SOCIETY/ PUBLIC

- Social & Cultural Activities
- Location of Industries/ Rehabilitation
- Development of Backward Area/Locality
- Financial Assistance
- Protect anti-social activities.
- Address Social Problem/Avoid Class conflict
- Help during Natural Calamities
- Proper use of economic power
- Providing Employment Opportunities
- Provide Employment & raise the standard of living.

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#### RESPONSIBILITIES TOWARDS INVESTORS

- Return on Investment.
- Stability
- Information
- Proper Disclosure
- Full and Factual Information
- Proper conduct of Shareholders Meetings
- Good Public Image
- Manipulation of Share Prices
- Maintain Transparency
- Handling Grievance
- Maintain Solvency and Prestige

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#### RESPONSIBILITIES TOWARDS THE GOVERNMENT

- Observance of Law and Order

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- Guidelines
- Payment of Taxes
- Avoid Unethical Practices
- Foreign Exchange
- Advice to Government
- Help in Emergencies.
- Extent Co-operation
- Respecting Rules & Regulations
- Political Stability
- Implementation of Socio-economic programmes

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#### ARGUMENTS AGAINST SOCIAL RESPONSIBILITY

- Violation of 'Profit Maximization' concept
- Burden on Consumer
- Lack of Social Skills
- Lack of Public Support