

# Implementing CSR Policy in an Indian Company

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**Abstract.** This business case explores the implementation of a Corporate Social Responsibility (CSR) policy within an Indian company. The case focused on a new CEO who discovered that the company lacked a structured CSR framework and instead paid two percent of its profits directly to the government as a compliance measure. To gather employee perspectives on this situation, the CEO conducted a meeting to understand their views on the previous payments of two percent of net profits into CSR activities. The varied views expressed by employees reflected the need for a comprehensive CSR policy that went beyond compliance measures. This case highlighted the importance of aligning social and environmental goals with business objectives, promoting innovation, enhancing reputation, and contributing to sustainable development. It also explored the potential benefits and challenges associated with implementing a dedicated CSR policy and how it could positively impact the organization's brand image, stakeholder engagement, and long-term growth.

**Keywords:** Corporate Social Responsibility, Companies Act, CSR policy, solar energy, sustainability.

## 1. Introduction

After a recent change in leadership, the organization found itself at a critical juncture concerning its Corporate Social Responsibility (CSR) practices. The newly appointed CEO of SolarTech Solutions Pvt. Ltd., Mr. Hemant, discovered that the company lacked a formal CSR policy and instead adhered to the requirement of directly paying two percent of its profits to the government in accordance with Indian regulations. Recognizing the necessity for a more proactive and strategic approach, the CEO conducted a meeting to gather insights from the management team. The team members actively shared their perspectives, drawing upon their respective experiences and understanding of the business landscape.

The CEO's objective was to promote collaboration within the management team, enabling the formulation of a thorough plan for creating a CSR policy and framework that harmonized with the organization's fundamental values, vision, and objectives. As a next step, the management team assumed the responsibility

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of crafting a comprehensive CSR policy and framework that would steer the organization's forthcoming CSR initiatives.

## **2. About the Company**

SolarTech Solutions, a prominent entity in the renewable energy sector, was recognized for its cutting-edge solar energy solutions. Their expertise ranged from installing solar panels for homes, businesses, and industries to the creation of large-scale solar farms, marking them as leaders in the sustainable energy revolution. More than just installers, SolarTech provided tailored consultations, encouraging clients to adopt environmentally friendly habits. At the core of their operations was a commitment to innovation. SolarTech actively invested in research and development, striving to improve solar panel efficiency and energy storage capabilities. This dedication not only set them apart but also reinforced their position as pioneers in the pursuit of a greener future.

SolarTech Solutions had humble beginnings as a startup, bolstered by enthusiastic support from the Government of Bihar and the Startup India initiative. Their initial venture revolved around installing solar panels on government buildings in Bihar, India. Guided by the vision of its founder, Mr. Sunil Kumar, who recognized the immense potential in green energy, the company embarked on this journey in 2016. In 2019, the company took a significant step forward by establishing a dedicated research division, geared towards pioneering innovative solutions in the solar energy domain. Their key areas of focus included:

- **Solar Panel Installation:** SolarTech offered residential, commercial, and industrial solar panel installation services. Their team of experts designed and installed solar panels on rooftops and open spaces, harnessing sunlight to generate electricity.
- **Energy Efficiency Consultation:** The company provided energy efficiency consultation services to clients, helping them optimize their energy consumption and reduce their carbon footprint. This included recommendations for energy-efficient appliances and practices.
- **Off-Grid Solutions:** SolarTech designed and implemented off-grid solar solutions for remote areas and locations without reliable access to traditional power sources. These solutions included solar panels, batteries, and backup systems.
- **Solar Farms:** In addition to individual installations, SolarTech developed and managed large-scale solar farms. These farms generated