



**Title: Corporate Social Responsibility and Sports in India and its Developments So Far**

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**Abstract**

This paper is constructed on Corporate Social Responsibility (CSR) in the sports industry in India has been gaining attention in recent years. Companies have been increasingly investing in sports initiatives to promote social and economic development, as well as to enhance their corporate image. These initiatives include sponsoring sports events, building sports facilities, and supporting grassroots sports programs. The Indian government has also been promoting CSR in sports through policies and regulations. However, there is still a lack of clear guidelines and standards for CSR in sports, and more research is needed to understand the impact of these

initiatives on society and the sports industry. Despite these challenges, the trend of CSR in sports in India is positive and is expected to continue to grow in the future. It also talks about various organizations that have actively taken initiatives in the past and has huge potential to make decisions in the future as well. But there are also some drawbacks of the CSR sector as well. We have to look to have a better understanding to proceed in the future.

## **1. Introduction**

Definition of corporate social responsibility (CSR)

Despite there being numerous definitions according to my irrespective Corporate Social Responsibility (CSR) could refer to a company's commitment to operating in an ethical and sustainable manner and taking into account the social and environmental impacts of its business activities. This can include initiatives such as reducing carbon emissions, promoting diversity and inclusion, and supporting local communities through various activities like sports and academic workshops. CSR can also include philanthropic activities, such as charitable giving and volunteer work. It is a way for a company to be accountable for its actions and to take responsibility for the impact it has on society and the environment.

### 1.2 Understanding the legal aspects of CSR in India

“The Companies Act, 2013 provides for CSR under section 135. Therefore, it's obligatory for the companies covered under section 135 to misbehave with the CSR vittles in India. Companies are needed to spend a minimum of 2% of their net profit over the antedating three times as CSR.”

“It is mandatory for the companies covered under section 135(1) of the Companies Act, 2013 to spend 2% of their net profit over the preceding three years as per the CSR policy.”

“SR provisions apply to a company registered for a charitable purpose under Section 8 of the Companies Act, 2013. Section 135(1) of the Act states that every company having the specified net worth, turnover, or net profits must establish a CSR committee. Thus, Section 8 companies must also establish a CSR committee and comply with CSR provisions when it meets the specified net worth, turnover, or net profits.”

This initiative also helps in uplifting and managing many sensitive or neglected sectors in society from targeting the health of employees by conducting sports initiatives, education workshops in rural areas or cleanliness drives of environmental sustainability, etc

## **2. Some Major CSR initiatives are taken by various organizations in India (general)**

### 1. Reliance Industries Ltd

Targeted sector - education

Reliance contributes to the provision of high-quality education, skill development, and training in order to improve both the standard of living and the means of subsistence. The company's primary goals are to encourage primary and secondary education, higher education, the development of vocational skills, and scholarship support for universities and skill development through vocational training.

## 2. Vedanta Limited

Targeted sector - Community Development

Iron ore, gold, and aluminum mines in Goa, Karnataka, Rajasthan, and Odisha are the primary areas of operation for Vedanta Limited, an Indian multinational mining company with its headquarters in Mumbai. Vedanta has made it a point to conduct its business in a way that is ethical, socially responsible, and good for the environment. It also works constantly to improve the quality of life for the communities in and around its operational areas.

The business is always trying to make certain communities' environments safer and better. Vedanta's corporate social responsibility (CSR) mission is to work with marginalised and tribal communities to co-create transformative, effective, and long-lasting solutions to their development issues in order to achieve its vision of a just and enlightened society in which everyone can live up to their full potential in dignity.

## 3. JSW Steel

Targeted sector - Sports

Steel giant JSW is known for its continued efforts towards improving the sports scenario in India. The group has time and again undertaken projects to upscale the facilities for sportspersons.

JSW has tended to focus on strengthening the sports in India and has always remained as a key interest area for JSWHL/ JSW Group. Some of the sports faculties/ training that are contributing to the national sports include: Squash, Football, Volleyball, Swimming and Athletics.

Organisation	Location	Amount spent
Reliance Foundation	Across India	215 Cr
Vedanta limited	Across India	399 Cr
JSW Steel	Across India	311 Cr

### **3. CSR and sports**

Despite the other critical issues in the CSR sector, sports could be another relevant factor for the community and society. Just like other factors it initiates employability and promotes a healthy lifestyle.

If we try to focus on employability - Indian sports have a lot of untapped potential that has yet to be realized. But now is the time to reaffirm our commitment, change our perspective on sports, and make India's sporting future world-class.

Along with related sectors such as nutrition, equipment, apparel, medical services etc., the market size of the Indian sports sector was \$27 billion. This figure is likely to reach \$100 billion by 2027.

Over the last decade, four state universities dedicated exclusively to sports and physical education have come up. New sports universities are in various states of establishment in Delhi, Karnataka, Uttar Pradesh, Maharashtra, and Haryana.

This initiation results in building the base for the athletes who are to pursue their future in sports. Either way it also results in harnessing or focusing on the soft power in sports which our nation is looking for a long period of time.

Sports and games have always been an important part of an organisation's culture. Both private and public enterprises have always actively participated in intra- and inter-company sports competitions to increase employee engagement and improve the culture of their businesses but not only playing sports or indulging in sports-related activities has resulted in better physical and mental health thus promoting a healthy lifestyle.

### **4. Some reasons why the sports industry is regarded as important in CSR**

- I. **Developing the Community:** There are a lot of sports organizations that are active in their communities. They can make a positive contribution to society and improve the lives of the people in their community by participating in CSR initiatives.
- II. **Wellness and Health Promotion:** Sports organizations can encourage physical fitness and healthy lifestyles. They can contribute to reducing the burden of chronic diseases and improving the community's overall health by supporting health and wellness initiatives.

- III. Youth Formation and Education: Youth development and educational opportunities can both benefit greatly from sports organizations. They can assist in preparing young people for success in life by providing scholarship opportunities, mentoring programs, and other educational opportunities.
- IV. Sustainability of the environment: Sustainability of the environment is also a primary concern for many sports organizations. Recycling programs, energy efficiency, and lowering one's carbon footprint are all examples of this.
- V. Engagement among workers: Employees of sports organizations can also participate in CSR initiatives. This can contribute to the organization's sense of community and shared purpose, as well as positive brand awareness.

In general, the sports industry possesses a singular capacity to positively influence society. Sports organizations can support education and youth development, promote health and wellness, and help to improve the lives of people in their communities by participating in CSR initiatives.

## **5. Some organizations in India focuses and have focused in the past on CSR towards the grassroots level or Olympics**

### **I. The GoSports Foundation:**

The GoSports Foundation is a nonprofit organization that is independent and funded by donations. Its goal is to provide professional expertise and financial support for some of India's junior Olympic and Paralympic athletes.

This organization focuses on identifying and supporting talented young athletes in India, providing them with the resources and training they need to reach their full potential.

### **II. The Mittal Champions Trust:**

Indian athletes with the potential to compete at the highest levels were supported by the Mittal Champions Trust. It was started by his son-in-law Amit Bhatia and was funded by Lakshmi Mittal. Mahesh Bhupathi founded it on November 9, 2005. Joshna Chinappa, India's best squash player, was the first to benefit.

This organization was established by steel tycoon Lakshmi Mittal and his wife Usha to support Indian athletes in their pursuit of excellence in international competitions.

### III. The JSW Sports Excellence Program:

The sports division of the JSW Group, a \$22 billion conglomerate with operations in India, the United States, South America, Europe, and Africa, is SW Sports. The company, which was founded in 2012, aims to maximise the potential of Indian athletes and sports by playing a leading role in the development of a sporting culture in India.

This program, run by the JSW Group, is aimed at identifying and nurturing young talent in various sports, including football, hockey, and boxing.

### IV. The Olympic Gold Quest:

The Foundation for Promotion of Sports and Games is a not-for-profit organization that runs the Olympic Gold Quest program. Its mission is to help Indian athletes win Olympic Gold medals by bridging the gap between the best athletes in India and the best athletes in the world.

This organization was founded by former Indian athletes Prakash Padukone and Geet Sethi to support and nurture Indian athletes in their pursuit of Olympic glory. V.

### The Tata Trusts Sports for Development:

The Foundation for Promotion of Sports and Games is a not-for-profit organization that runs the Olympic Gold Quest program. Its mission is to help Indian athletes win Olympic Gold medals by bridging the gap between the best athletes in India and the best athletes in the world.

This initiative focuses on using sports as a tool for social development and community engagement in India.

## VI. The EdelGive Foundation:

EdelGive Foundation is a grant-making organization that supports the growth of small to medium-sized grassroots non-governmental organizations (NGO) dedicated to empowering vulnerable children, women, and communities in India. Because of this strategy, the foundation is now the preferred partner of choice for both Indian and foreign funders who are interested in interacting with the Indian development ecosystem. The foundation supports sports development programs that use sports to empower underprivileged children and youth in India.

These initiatives have taken place in the past 7-8 years and have a huge potential to uplift the sports sector in India by targeting sports that do not have high viewership and are majorly focused on Olympic sports.

Not every organization has taken initiative in their own hand to have monitored it by keeping it under their panel, there are many organizations that have taken initiatives in the past in the form of monetary sponsorship or sponsoring for a specific initiative.

### **6. Some organizations who had and have a lot of potential for sponsorship for local events to a mega sports event in the upcoming future.**

#### 1. ONGC

The Oil and Natural Gas Corporation is an Indian oil and gas explorer and producer, headquartered in New Delhi. ONGC was founded on 14 August 1956 by the Government of India. It is a public sector undertaking whose operations are overseen by the Ministry of Petroleum and Natural Gas.

#### Objectives

- I. To promote excellence in sports, games, and adventure activities within ONGC.
- II. To nurture and support upcoming talented sports persons to attain world standards.
- III. To raise national-level teams in identified games through scientific coaching, providing state-of-the-art equipment and infrastructure.

#### 2. Bhel



Bharat Heavy Electricals Limited is an Indian government owned engineering and manufacturing enterprise based in New Delhi, India. It is under the ownership of the Ministry of Heavy Industries, Government of India. Established in 1956, BHEL is India's largest power generation equipment manufacturer.

#### Objectives

- I. Inclusive India: Mitigation of hunger and poverty through livelihood promotion/augmenting income generation, Imparting vocational Skills;
- II. Healthy India: Promoting health care including preventive health care and sports;
- III. Clean India: Sanitation and making available Safe Drinking Water, Cleaning and preserving the Rivers, Clean surroundings; toilets in schools especially for girls;
- IV. Educated India: Promoting education with a thrust on informal education to reduce dropouts at the primary school level, value education, and digital education;
- V. Responsible India: Women Empowerment, Setting up old age homes, daycare centre and other facilities for senior citizens, Rural Development Projects, and Slum Development Projects;
- VI. Green India: Ensuring environmental sustainability with emphasis on projects based on Solar Energy;
- VII. Heritage India: Protection of national heritage, art and culture;

#### 3. Honda Motorcycle and Scooter India, Private Limited

Honda Motorcycle and Scooter India, Private Limited is the wholly owned Indian subsidiary of Honda Motor Company, Limited, Japan. Founded in 1999, it was the fourth Honda automotive venture in India, after Kinetic Honda Motor Ltd, Hero Honda, and Honda Sael Cars India. It is a well-renowned automobile and two-wheeler brand in India.

#### CSR Objectives

- I. Eradication Hunger, Poverty, Malnutrition.
- II. Armed Forces Veteran Welfare.
- III. Promoting national and rural sports, Paralympic, and Olympic sports. IV. Rural Development

#### 4. DLF Foundation

Delhi Land & Finance is a commercial real estate developer. It was founded by Chaudhary Raghvendra Singh in 1946 and it is based in New Delhi, India. DLF developed residential

colonies in Delhi such as Model Town, Rajouri Garden, Krishna Nagar, South Extension, Greater Kailash, Kailash Colony, and Hauz Khas.

Some initiatives by DLF

- I. Road Infrastructure Development (2019-20)
- II. Animal Welfare Program (2019-20)
- III. Sports Promotion (2019-20)
- IV. Environment Sustainability Developments (2019-20) ... V. COVID-19 Relief Activities (2019-20)

## 7. Potential Drawbacks

The sports industry participating in CSR initiatives has many advantages, but there are also some potential Drawbacks

- I. Resources are limited: Like any other type of business, sports organizations have limited resources. As a result, they might not have enough money or people to fully commit to CSR projects.
- II. The impact is limited: It's possible that some sports organizations don't have a significant enough presence in their local community for their CSR initiatives to have a significant impact.
- III. Management of reputation: Sports organizations are in the public eye, so their actions are closely watched. If they don't take their CSR initiatives seriously, it could be seen as "greenwashing," which could hurt their reputation.
- IV. Balancing competing interests: Sports organizations must strike a balance between the need to make money and their CSR initiatives. As a result, CSR initiatives may be viewed as less important than financial considerations.
- V. Unclear objectives: It may be challenging to evaluate the efficacy of CSR initiatives implemented by some sports organizations if those initiatives do not have definite objectives or measurable goals.
- VI. Unrealistic expectations: Stakeholders may be disappointed if CSR initiatives do not meet their expectations because they may have unrealistic expectations of the impact they can have.

Overall, while CSR initiatives can have a positive impact on society, sports organizations should carefully consider the potential drawbacks and ensure that their initiatives are well-planned, well-funded, and have clear goals that can be measured. Not every sports sponsorship could be considered as a CSR initiative

Example - In India, the professional Twenty20 cricket league known as the Indian Premier League (IPL) is not regarded as a CSR (Corporate Social Responsibility) initiative. The Indian Premier League (IPL) is considered a commercial and entertainment event rather than a CSR initiative because it is organized and governed by the Board of Control for Cricket in India (BCCI).

A company's efforts to improve the social and environmental well-being of the communities in which it operates are referred to as "corporate social responsibility." Although the IPL may have some beneficial effects on the economy and society, such as encouraging the growth of cricket talent and tourism, it is primarily a commercial endeavor.

However, some of the IPL franchisees may have their own parallel CSR initiatives. For instance, the Kolkata Knight Riders have the Knight Riders Foundation, which focuses on community development and welfare, education, healthcare, and sports development but is not directly related to the IPL.

### **7.1 There have been many instances as well in which CSR fund has been misused of exploited in our country**

Indian Premier League (IPL) spot-fixing scandal of 2013. Several players, team owners, and bookmakers were accused of participating in illegal betting and spot-fixing, which led to widespread condemnation and calls for stricter oversight of the league.

Another example is the Commonwealth Games Scandal of 2010, where several officials were accused of embezzlement and corruption in the organization of the games. This led to widespread public outrage and calls for greater transparency and accountability in the management of major sports events in India.

Also, the Indian Olympic Association (IOA) has been criticized for lack of transparency in their financial transactions, mismanagement, and lack of accountability, which led to the suspension of the IOA by the International Olympic Committee (IOC) in 2012.

The Govt must monitor and observe the activities of an organisation very closely while the

initiation of these activities

## **8. Brand promotion and CSR**

Irrespective of drawbacks brand promotion and CSR can work together:

There are many ways that brand promotion and corporate social responsibility (CSR) can work together. A company can do this in a number of ways by aligning its CSR initiatives with its brand's overall message and values. For instance, as part of its CSR efforts, a company that sells products that are good for the environment can also help save the environment. This helps to reinforce the values and message of the company's brand and can also help to build trust with customers, who are increasingly interested in buying products from companies that care about the environment and society.

Marketing that is related to a cause is another method. Marketing campaigns can be used by businesses to promote particular environmental or social causes that are in line with their brand and values. This can help build a positive image for the business and its brand while also raising awareness and funds for important causes.

Companies can also link their CSR initiatives to their sponsorship of sports. Sponsoring a sports team and utilizing the platform to promote a CSR initiative or even involving athletes in CSR campaigns are two examples.

In general, CSR initiatives can be a great way for businesses to promote their brand and make a difference in the world.

- I. Marketing focused on a cause: Aligning a brand's products or services with a specific social or environmental cause is this strategy. In addition to raising awareness and funds for the cause, this may foster a favorable association with the brand.
- II. Sustainable product development: By developing and marketing products that are made of environmentally friendly materials or have a low impact on the environment, brands can demonstrate their commitment to sustainability.
- III. Engagement in the community: Brands can engage with local communities and make a positive impact through CSR initiatives. Volunteering, giving back, and other ways to help the community are all examples of this.

- IV. Volunteer programs for employees: Employee engagement, a sense of purpose, and positive associations with the brand can all be cultivated by encouraging them to volunteer their time and skills in support of social and environmental causes.
- V. Transparency and disclosure: The brand's commitment to social and environmental responsibility can be promoted while also fostering consumer trust and credibility through clear and transparent communication about the brand's CSR initiatives and performance.

## **9. Outsourcing in CSR**

When some major organizations conduct these kinds of events, they outsource many outsourced companies who handle these events because of their expertise they could maximize the output in every aspect. Some start-ups are also emerging that could pose a maximized output by doing something other than the conventional activities which has been done so far.

### **9.1 Start-up and CSR**

Some start-ups who had and handled CSR sports events in India

#### **I. Chronicles Sporting Events Pvt. Ltd.**

Chronicles Sporting Events Pvt. Ltd. is a Sports event management firm based in Delhi, India. which Create-Manage-Supervise-Organise! The main goal of this organization is to professionalize the sporting platforms domestically and worldwide with innovation and perfection in sports.

Their prime focus is to create & work on different sports ventures that are growing worldwide & provide our clients best platforms and insights for future growth. Over the past 10 months, we have successfully organized, created, and collaborated on 4 sports ventures in central Delhi & Delhi NCR.

Differentiating factor -

This start-up focuses on creating innovative sports-based ventures which assist the hiring organization to do something creative in their events. They try to target every level from corporate to grassroots with the same professionalism.

## II. IOS Sports and Entertainment

IOS is committed to developing and managing talent, content, and infrastructure of international renown. IOS has a lot going for it: a team with a lot of experience, talent, and professionalism who are united by their love of sports and entertainment.

In addition, they have a proven record of executing in-film branding associations and delivering national and international events. At the moment, They manage over 200 brands, including some of the most well-known names in sports entertainment.

Differentiating factor - They work in the field of entertainment as well as sports which assist in uplifting sports that have less viewership. They could assist the various organizations who are looking forward to events at a larger scale.

### **10. Directions**

In context to the above paper which I wrote, I would like to conclude that CSR will play a major role in upcoming years in the development of sports in India in context to overall development covering rural areas, urban areas, private sector, and sports-oriented start-ups in India. It will play a major role in the upliftment of many sports that are not recognized in the country and will assist the athletes who play those sports for future endeavours. The Government of India should try to monitor all the activities done in the name of CSR as there are many fraudulent events that are done to cover the CSR fund. Start-ups who are looking forward to working in this sector can try to come up with innovation and tech for better reach as despite just the social cause many private organizations will also seek for the marketing and promotion of their organization as well.

### **11. Conclusion**

In conclusion, in recent years, sports and corporate social responsibility (CSR) have become increasingly intertwined in India. CSR has contributed significantly to the growth of sports in India through partnerships between businesses and sports organizations and initiatives like CSR funding for sports infrastructure and programs. However, there is still room for improvement when it comes to the effectiveness of CSR in sports and its implementation. To fully comprehend the impact of corporate social responsibility (CSR) on sports in India and to identify ways to maximize its potential to support the country's sports growth and development,

additional research is required. Overall, CSR should continue to be a priority for both the public and private sectors because it has the potential to significantly advance Indian sports. With all these aspects I would like to conclude this research paper with all reach done to form this paper

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