



A CASE FOR FOCUS OF CSR ACTIVITIES ON INITIATIVES FOR ELDERLY POPULATION IN INDIA

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Abstract

The Corporate Social Responsibility (CSR) activities as mandated by the Companies Act 2013 makes available huge resources that can be utilised in addressing a range of development needs, in furthering the goals based on social justice and equity and in augmenting Governments' initiatives in addressing social inequities. With India witnessing the trend of greying of its population, the consequent economic and social repercussions have brought to centre stage the need to address the issues concerning the wellbeing of the elderly. In the backdrop of fading support of the families and inadequate public infrastructure for elder care, the CSR can be channelled to provide support to this segment of the society. This paper focuses on the issues involved, the opportunities and the concerns in the status of CSR addressing the needs of the elderly in India.

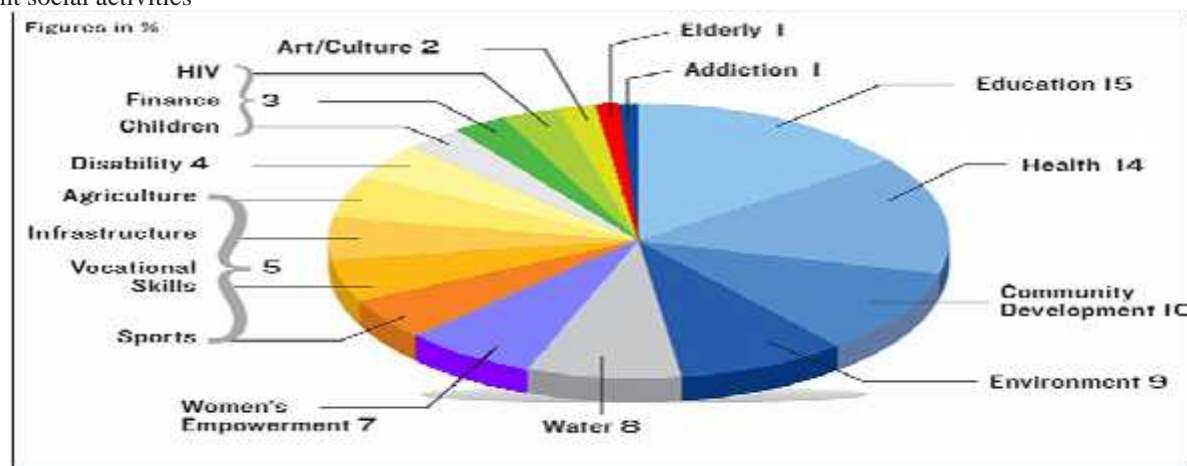
Introduction

The concept Corporate Social Responsibility (CSR) which is primarily an integration of business interests with the societal needs has come a long way from the time it was considered just as a act of business philanthropy and as obligation of businessmen to pursue policies, to make decisions or to follow their lines of action which are desirable in terms of the objectives and values of society (Bowen). The advent of globalisation and the increased competition has led to the adoption and integration of CSR initiatives into the core business strategies at all levels by business enterprises. The latest trends point to the contribution of CSR activities to strengthening the inclusive development agenda world over.

The Indian CSR Regulation

In India it has been made a legal requirement for the companies to comply with corporate social responsibility. It is worth highlighting that India is the first and only country in the world to make CSR a mandatory requirement. The Companies Act as amended in 2013 requires companies with a networth of 500 crores or more, or a turnover of 100 crores or more, or a net profit of 5 crore or more to spend 2% of average profit of immediate preceding three years on CSR activities. The financial year 2014-15 was the first year of mandatory compliance of the CSR requirements by the companies. The amount which is estimated to be made available through CSR funds every year is more than Rs. 20,000 crores. Apart from huge resources being made available to address the development concerns in the country the thrust of CSR activities is to augment the delivery of 'public goods' through the channelled use of corporate innovations and management skills. Schedule VII of Companies Act specifies the activities that a company may choose to involve in for the CSR initiatives.

According to a survey undertaken by Forbes India magazine less than 1% of CSR has been directed to address the needs of the elderly. Many companies have taken the easy route of discharging their obligation by contributing to Central Government schemes such as Swatch Bharat or Cleaning Ganga etc. While some of the CSR activities have been towards the education sector and health sector, the core concern areas of the social sector such as women empowerment, welfare of widows, elder care, issues of the ageing society, promoting gender equality etc., have not received any assistance through CSR. The following diagram worked out by CSRidentity.com shows comparative spending under CSR by the Indian Companies for different social activities



Source- 'CSR initiatives require direction to meet regional needs' by R.N.Mital



The issue of Ageing Population

One of the remarkable developments of twentieth century has been the emergence of the phenomenon of greying population worldwide. Population ageing is compared to a silent revolution that has a multi-dimensional effect over all facets of a society. This is a worrying demographic trend especially in India which is already reeling under pressure to ensure growth and development in its various sectors. The emerging demographic phenomenon of this century will have a profound effect on the society at large and the elderly population in particular. According to an UN publication in 2015, there are 901 million people aged 60 or over, comprising 12 per cent of the global population. The population aged 60 or above is growing at a rate of 3.26 per cent per year. In India age distribution of the population as per census 2011 records shows 8.6 % are in 60+age group and projections point to an increase of 20 per cent by the year 2050. In absolute numbers, the population of the elderly is expected to be more than 315 million by 2050. The projected increase of elderly population over the next few decades is a development concern that warrants priority attention for economic and social policies to become senior citizen-friendly as only about 30% of the aged are covered by formal pension schemes and 70% of the aged reside in rural areas and most of them belong to BPL category or are very close to it. Global Age Watch Index (GAWI) 2015 supported by UN, ranks India a poor 71 out of the 96 countries sampled. The major concerns highlighted in this index are income insecurity and health of the elderly in India.

Initiatives to Address the Concerns of the Elderly

Apart from the Constitution of India which is the guarantor of fundamental rights, the Maintenance and Welfare of Parents and Senior Citizens Act 2007, the first elder law of India provides relief to senior citizens who are neglected by their families. Apart from the legal framework of protection that exists, the Government of India has implemented an array of measures to secure the wellbeing of the elders in India. The Ministry of Social Justice and Empowerment is the nodal Ministry for the welfare of senior citizens. The Ageing Division in the Social Defence Bureau of the Department of Social Justice and Empowerment develops and implements programmes and policies for the senior citizens in close collaboration with State Governments, Non-Governmental Organisations and civil society. "Integrated Programme for Older Persons" (IPOP), the flagship scheme is implemented with the objective of improving the quality of life of senior citizens by providing basic amenities like shelter, food, medical care and entertainment opportunities etc. The following projects are being assisted under the IPOP Scheme:

1. Maintenance of Old Age Homes;
2. Maintenance of Respite Care Homes;
3. Running of Multi Service Centres for Older Persons;
4. Mobile Medicare Unit;
5. Day Care Centre for Care of Old Person with Dementia;
6. Multi Facility Care Centre for Older Widows;
7. Physiotherapy Clinics;
8. Regional Resource and Training Centres;
9. Helplines and Counseling for Older Persons;
10. Programme for Sensitization Schools/College Student;
11. Awareness Projects for Older Persons;
12. Volunteers Bureau for Older Persons;
13. Formation of Vridha Sanghas/Senior Citizen Associations/Self Help Groups;
14. Any other activity, which is considered suitable to meet the objective of the Scheme.

Again a survey conducted by an NGO in the year 2014 in India presents a gruesome picture of the state of the elderly in India with reportedly nearly 50% of elders surveyed had experienced abuse. And it also reported that incidence of abuse of the aged had doubled compared to the previous year. Verbal Abuse (41%), Disrespect (33%) and Neglect (29%) were ranked as the most common types of abuse experienced by the elderly. The elder victims cited that the primary reasons underlying their abuse are: 'emotional dependence on the abuser' (46%), 'economic dependence on the abuser' (45%) and 'changing ethos' (38%) and also the awareness of the elder Act of 2007 among the elders according to the survey was only around 19%.

It is evident that there exists a huge gap in the implementation of all the welfare schemes in India. The CSR initiatives of corporate houses with their sound managerial and marketing skills if propelled channelled would go a long way in addressing this lacuna but the diagram referred above clearly indicates that the issues concerning the Aged have not been prioritised by the CSR.

Conclusion

The situation of the elderly population in India has been adversely impacted with the advent of globalisation. The traditional family system which hitherto formed the support base for the elderly is fast disappearing from the landscape of Indian



modern society. The aged bereft of support from their families have started to depend on the Government to cater to their needs. But it is disheartening to note that Government support is inadequate in addressing the needs of the elderly segment of the population. Therefore it is imperative that CSR funds and activities are channelized in this sector to cater to their needs. The expertise of the corporate would greatly help augment the Government's efforts in creating a dignified environment for the elderly through the various projects under the IPOP scheme. A clear directive under the CSR regulations specifying that at least a minimum of 10% of CSR initiatives of companies must cater to the projects under IPOP is the need of the hour. It is hoped that in time India becomes a favoured destination for people to age gracefully with dignity and honour and in a secure environment. To make this a reality CSR initiatives have a pivotal role to play and to quote Ralph Waldo Emerson:

“you cannot do a kindness too soon for you never know how soon it will be too late”.

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