

Centre for Responsible Business

The Institute realizes the fact that a “responsible business” approach is crucial for making ‘enterprise’ a sustainable activity which shapes the history of countries and peoples. While businesses need to be socially responsible in terms of internationally accepted principles of **corporate social responsibility (CSR)**, it is also important that such social responsibility should encourage emergence of new businesses at the “bottom of the pyramid “. The primary mission and major task of the Centre is to reinterpret responsible business agenda in the context of local economic development and nurturing of entrepreneurial capabilities at the local level.

Expertise and Track

ISED has pioneered the thinking on ‘responsible business’ in the context of micro small & medium enterprises (MSMEs) in India. While the concept of CSR is not very new in the Indian context, such practices regarding MSMEs were largely considered to be a luxury by corporate entities. This was essentially because of a poor understanding of the meaning and scope of the subject. While the small enterprises cannot afford to follow many of the so called CSR tools and techniques, as they have been mentioned in the literature, it is a fact that, they have some age-old practices that are truly ‘responsible’ in nature. In an emerging global environment, where the global value chains increasingly influence the rules of the game in business, production processes need to be managed the “responsible” way. MSMEs cannot shut their eyes to such practical realities. ISED is keen on bringing out such reality, and to sensitise the corporate and MSMEs on such emerging needs.

An early initiative of the ISED was an attempt to conceptualise ‘responsible business’ in the context of MSMEs. The International Conference on “Small and Medium Enterprises: Social Responsibility and Opportunities at the Bottom of the Pyramid”, was a major initiative that helped to spell out the basic parameters of the subject to the specific context of MSMEs in India. More on the Conference

- Photos
- Papers
- Publications
- News Scan
- Services

As an upcoming area, CSR offers multi-million opportunities to the corporate, as also to the MSMEs, in expanding their base of business goodwill. A best practise in CSR implies a major investment on the goodwill of the company. However, how to do this is a major task, which can be handled only by professionals. As such the CSR practitioners have great demand in the modern world. Gone are the days where the company has amassed a lot of profit, and having done that, think of spending a small part of that on “face- lifting” activities, such as financing festival in a local temple, organizing an ‘eye camp’ etc. For example, many of the public sector banks in India lament on falling MSMEs business portfolios, but at the same time are unwilling to shape a CSR strategy around MSMEs. Under the Companies Act, 2013, certain class of entities are required to shell out two per cent of their three year average annual profit towards corporate social responsibility (CSR) activities. Corporate would have discretion to decide on what can be considered as corporate social responsibility (CSR) activities under the Act.

In the modern world, where information is a powerful weapon in the hands of the general public, it is rather difficult to gain out of such old strategies of CSR. CSR does not mean altruism. On the other hand, the first principle of CSR, itself, is the so-called ‘business case’. Linking one’s CSR activities neatly with one’s core business is an extremely difficult task which a skilled professional CSR practitioner alone can do. Armed with such expertise, ISED is able to provide such services to a variety of clients, such as corporate entities, social enterprises, financial institutions and educational establishments. In this process, the Institute maintains close links with the International Centre for Corporate Social Responsibility (ICCSR),U.K., and agencies such as the Business in the Community(BITC), UK.

The menu of services offered by the ISED in the area of responsible business include:

- Formulation of CSR Plan and strategies for companies and organisations.
- Impact Assessment of CSR Programme
- Preparation of CSR Proposal
- Preparation of Annual CSR Report
- Training of CSR personnel
- General Consultancy and Liaison Services
- Identification and documentation of new CSR areas Documentation of best practices in CSR.



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