

CHAPTER: I

INTRODUCTION

1.1 Background of the Study

Industrialization acts as an engine of economic growth and development. It plays vital role to increase per capita income, employment opportunity, living standard of people etc. Industrial Peace and cooperative relation between the employers and workers is a necessary prerequisite for enterprise growth and socio economic development of the country. Ganga Devi Chaudhary Udyog Gram is one of the major private industry of Nepal which is situated at Nawalparasi district, 185 km by road from National Capital Kathmandu and 23 km west of Narayangarh, chitwan District. This udyog spans over 135 acre of land adjacent to Mahendra highway (www.chaudharygroup.com, 2013/03/30).

The first establishment of Chaudhary group is modern Hosiery industry in Birgunj in 1965 then the next development was biscuit factory and Maida Mill in Duhabi. The infrastructural development like transport, electricity, supply of water etc is the basic for the well establishment of any industry. According to the official document of Chaudhary Group the area of Nawalparasi District was very suitable to materialize the plan of establishing a world class industrial village since it was located at a terai land with the proper facilities of all the physical infrastructures. It was formally named as Ganga Devi Chaudhary Udyog Gram on 9th March 2003. During insurgency period the member of employees had 750 to 800 then after insurgency period the group installed one of the largest brown noodles plant and potato chips plant where the number of employees increased from 800 to above 1500.

In this udyog there are four noodles plants producing around 450 million packets per year, three broken noodles plants, above 1500 no of people are getting employed. More than 90% employees are from local village which helps to enhance socio economic progress of local people; there are also highly skilled technical and qualified manpower in noodle segment. 10-15% of manpower trained inside CUG are working abroad. The total no. of women employment in this udyog is around 370(www.chaudharygroup.com, 2013/03/30).

Corporate Social responsibility (CSR) has become a key issue for today's corporations. This type of responsibility refers to the continuing commitment of businesses to voluntarily behave ethically and contribute to economic development while simultaneously improving the quality of life of the workforce, families, local community and society at large. While traditional business models primarily emphasize the economic aspects of a company's activities (e.g. profitability and growth), the modern one stresses the social and environmental impacts. Recent scandals have put customers 'trust on the frontline, leading to an exponential growth in the interest of corporate social responsibility. Today, unethical behavior can no longer hide in the dark waiting around for an investigation to ensue. Wrongdoings are in an instant communicated to the world via computers and broadcasted by media. Consequently, it is no longer about what corporations say they will do but rather when and how they will do it.

Findings and resulting conclusions show that although there is a lack of definitional clarity of the notion of CSR, the concept is embodied by and refers to the triple bottom line: Profit, People and Planet. CSR can be implemented through codes of conduct, contracts, education, training, guidelines and principles. The benefits of

having a CSR engagement program are numerous and include strengthening profits, enhancing brand recognition and reputation, risk management and boosting employment relations. Motives behind having good CSR include social betterment and sustainable change. It is about building up a well-functioning corporation that possesses strong values and can manage risks and become a more competitive brand. The brands that will succeed in the future will be those that tap into the social changes that are taking place today.

Corporate social responsibility (CSR, also called corporate conscience, corporate citizenship, social performance, or sustainable responsible business/ Responsible Business) is a form of corporate self regulation integrated into a business model. CSR policy functions as a built-in, self-regulating mechanism whereby a business monitors and ensures its active compliance within the spirit of the law, ethical standards, and international norms (D.Wood, Corporate Social Performance Revised, 1991). CSR is a process with the aim to embrace responsibility for the company's actions and encourage a positive impact through its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere who may also be considered as stakeholders .

The term "corporate social responsibility" came into common use in the late 1960s and early 1970s after many multinational corporations formed the term stakeholders, meaning those on whom an organization's activities have an impact. It was used to describe corporate owners beyond stakeholders as a result of an influential book by R. Edward Freeman Strategic management: a stakeholder approach in 1984. Proponents argue that corporations make more long term profits by operating with a perspective, while critics argue that CSR distracts from the economic role of businesses. Others

argue CSR is merely window dressing, or an attempt to pre-empt the role of governments as a watchdog over powerful multinational corporations

CSR is titled to aid an organization's mission as well as a guide to what the company stands for and will uphold to its consumers. Development business ethics is one of the forms of applied ethics_ that examines ethical principles and moral or ethical problems that can arise in a business environment. ISO 26000 is the recognized international standard for CSR. Public sector organizations (the United Nations for example) adhere to the triple bottom line (TBL). It is widely accepted that CSR adheres to similar principles but with no formal act of legislation. The UN has developed the principles for responsible investment as guidelines for investing entities.

Increasing numbers of businesses realize that a competitive advantage and growth in Profitability are dependent upon the corporation being responsible for the social and environmental consequences of its transnational businesses. For instance, the 100 companies Pronounced the Best Corporate Citizens in the Business Ethics' list were proven to be more Profitable than all other corporations (Clark, 2006, p. 42). Thirty hospitality and travel brands listed in the Fortune Corporate Reputation have reported a strong correlation between CSR and their bottom-line. The same research also suggested that larger company size benefited more from better CSR performance (Pinkston & Carroll, 1996). In fact, there are increasing numbers of top hospitality companies Including Marriott, Hilton, Starwood, Choice Hotels, Starbucks, and McDonald's constantly Sharing CSR performance information on company Websites or publications(Freeman, Harrison, Wicks, Parmar & Colle, 2010).s Organizational commitment to CSR has also become an issue that is important to Prospective

employees, and a good CSR reputation of an organization might be beneficial in recruiting excellent candidates (Aupperle, Carroll & Hatfield, 1985) . People would rather) work for Companies that care about consumers, employees, and the general public for the sense of being valued and respected. In fact, the development of CSR has considerable influences on many functions of Human Resources Management (HRM). HRM's functions are accomplished by various CSR-related tasks that range from maintaining a company's ethical Principles when interact with major stakeholders to fostering employment practices that enable employees to become socially involved by volunteering (Wood ,1991). For instance, local restaurants may incorporate CSR activities into business by encouraging customers to be involved in the farmers' market events or other communities' charitable activities. In 2006, the IRS Employment Review conducted a survey of 58 organizations to investigate their ethical employment practices and how they benefited from utilizing those strategies ((Hale & Wills, 2005. p. 104). Twenty-three of the survey's respondents believed that their ethical practices had improved the commitments of their employees, and the overall result indicated that employee commitment was the area most positively affected by the implementation of ethical policies ,Freeman (1994).

Therefore, companies need to integrate CSR into their organizational culture and operating policies for satisfying both external and internal stakeholders' demands.

McWilliams and Siegel (2001) have also confirmed that employees are one major group of stakeholders demanding CSR. When companies fulfill their employees' expectations about CSR, they can achieve better work attitudes, greater productivity, and decreased turnover rate (Trevino & Nelson, 2004; Tuzzolino & Armandi, 1981, p. 21). Those results are very similar to the positive feedback related to ethical

organizational cultures (Koh & Boo, 2001, p. 320; Trevino, Butterfield, & McCabe, 1998, p. 447; Valentine & Barnett, 2003, p. 359). For example, the Pacific Northwest Bell's research suggested that employee volunteer activity was significantly associated with employees' commitment and their job satisfaction (Peterson, 2004, p. 616).

Carrying out business in socially and environmentally responsive manner sharing its good fortune with the people, Chaudhary Group has been fulfilling its social responsibility even before it got actually institutionalized as Corporate House. Even then as an Enterprise, it was conducting a lot of activities in the field of health, arts and sports. It had also hosted ample no. of initiatives- small and large for community as charity and welfare. Today, CG has structured its CSR Initiatives and established standard operating procedure for CSR. In the beginning of every year, the CSR and Code of Conduct Committee sits together to decide on the activities and programs to be taken up for the year under the long term plan framework. The focus areas for the year with defined beneficiaries are agreed and then the execution starts after a proper evaluation of the proposed effectiveness. CG has identified the various areas as under mentioned and adopts one area per year as focus. However, regular activities and ongoing programs remain continuous. The following is just a quick CG Medicare center; an NGO has been set up at the industrial village, Chaudhary Udyog Gram to provide primitive, preventive and curative medical facilities to its manpower and the local.

1.2 Statement of the Problem

Ganga Devi Chaudhary Udyog Gram is one of the largest private industry of Nawalparasi District and as well as in the whole country which helps to create

employment opportunities accumulate capital, generate incomes etc. since it plays crucial role to develop Nawalparasi District but there are various problems and obstacles i.e. :

Does CUG really follow the norms of CSR as reported in national news media centers?

1.3 Objective of the Study

The general objective of this study is to examine overall socio economic effects of CUG on local village of study area. However the specific objectives of this study are as follow:

-) To examine the CSR activities of Chaudhary group in terms of the lives of employees.
-) To examine the contribution of CUG in the society.

1.4 Significance of the Study

There are so many fields of research chosen in industrial sector that provide substantial supports to Nepalese economy. So it becomes relevant to study about this sector. This study is expected to be helpful for those people who are employed in this industry. No study has been made on this field till now from our department which encouraged me to take this study. This study may provide valuable information to NGOs / INGOs and research workers who are interested to this field. This study will also be helpful to know whether the Udyog contributes for the welfare of the local communities.

1.5 Limitation of the Study

This study will be restrained to the study of specific areas would be feasible in Masters' thesis. So all the conclusion and results drawn may not be generalized. This study cannot provide the full information about this Udyog because this study is just related to the specific topic. So given below are the major limitations of this study:

- This study covers only the role of CUG at Nawalparasi District so it may not be generalized in national level ,
- This study may not be able to give annual production, cost of production, income, expenditure, profit of industry etc.

CHAPTER: II

REVIEW OF THE LITERATURE

2.1 Conceptual Framework

An increasing number of companies today find that there are real business benefits from being socially responsible. Corporate Social Responsibility has become a core issue for a large of companies. Traditionally social responsibility was just about donations and reforestation. Now it's much more than just that. Now, the public wants to play an active role. Its hard for companies today to meet society's escalating ethical expectations. Consumers are showing that they will reward companies that prove they are social, not just corporate, leaders – and that they will punish those they perceive as bad citizens. “(Hale & Wills, 2005).

Corporate social responsibility formally emerged in the 20th century, but grew in terms of research primarily during the past 60 years (Carroll, 1999). In the early literature, CSR was typically referred to as social responsibility.” Bowen (1953) was the first to establish social responsibility as a field of research through his book, social Responsibilities of the Businessman. Indeed, Bowen is often referred to as the “father of corporate social responsibility” because of his seminal writings on the topic (Carroll, 20 1999). According to Bowen (1953), businesses are obliged to follow policies, make decisions or take action that is appropriate given a society's values and goals. Bowen believed that the policies and actions of large corporations have a major impact on society. That is, for Bowen, corporate goals related to social responsibility could be achieved through economic gain. Bowen's definition and discussion of the topic focused on U.S. corporations, and he believed that to attain specific social goals, such as community improvement or national security,

corporations should be highly productive and focus on making economic progress. For Bowen, social responsibility was directly tied to the economic aspects of social welfare.

The World Business Council and Sustainable Development has defined corporate social responsibility as Social responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large. (WBCSD, 2000)

Social responsibility has many different definitions. There is evidence of the different perceptions of what this should mean from a number of different societies across the world. Originally in the United States, social responsibility had been defined much more in terms of a philanthropic model. Companies make profits, unhindered except by fulfilling their duty to pay taxes. Then they donate a certain share of the profits to charitable causes. It is seen as tainting the act for the company to receive any benefit from the giving. The European model is much more focused on operating the core business in a more socially responsible way, complemented by investment in communities for solid business case reasons. (Lewis, 2003).

The concept of CSR is perceived differently by different people and organizations and is noted to be “highly contextual in terms of corporate and national environment (Broomhill, 2007). Some people are of the view that CSR should be voluntary, on the part of the businesses. Those who hold this view believe that the main essence for the existence of a business is to make profit and to please its shareholder and that the concept of CSR is a distraction towards the achievement of the primary aim of business. One of such neo liberal theorist is Milton Friedman. As he noted in the

New York Times (Friedman,1970),business have only one duty; to make profit and hence as long as they engage in activities that helps them to increase profits, they have not violated any rules so far as the business is not fraudulent. This is to suggest that corporate bodies had a social responsibility which is very narrow and towards and the people who are directly involved in the business and had not a single recognition of the environment or the community in which they operated.

According to Idemudia (2007:1), some critics of the CSR concept are of the opinion that it is not worth practicing CSR because it is costly. Their assertion is that company should not invest their money on things that do not bring profit to the company. However, other theorists have a different perspective from that of the neoliberals. These were the neo keynesians and they recognize the fact that sometime the operations of business can have a negative impact of their activities. On this extreme is a group of theorists usually known as political economists who believe that this concept must be incorporated in the national and international codes of conduct or business. They have based their argument on the fact that that “global corporations are seen as possessing enormous power which is often wielded ruthlessly in their own self interest and frequently at the expense of society and the environment” (Broomhill, 2007: 8). In their opinion, CSR should be made compulsory since society is at the mercy of these powerful multinational and transnational companies.

Thus, businesses have a responsibility to respond to the concerns of the broader society in which they operate and not only the interest of their shareholders and their responsibility towards obeying law and order One thing that is for certainty is that there is a growing pressure on businesses to play a role in social issues and in the community that they operate; a trend that is emerging both globally and locally

(Mallen, 2008). Ideally, this pressure is not likely to stay the same but it is more strongly to increase. The desire of individuals, NGOs, the government and the society at large to get 'something' back from operation of companies in their community is up surging. In the past, companies used to see social responsibility only as a voluntary but with the lapse of time, many companies especially multinational companies, are making social responsibility as part of their corporate policies. They have embraced the concept saying that it is simply good for our business. Indeed, these companies consider their social responsibility as something important to be inculcated into their business objectives.

Although the concept of CSR is not a new one (Hopkins, 2004), it is not fully embraced by everyone and a lot more people happen not to even understand this concept. The commitment of resources of corporate bodies towards social development issues has been with us for quite some time now but not everybody shared this view or celebrated this concept. Prominent amongst them is one of the world's greatest economist; Milton Friedman. He did not believe that corporate bodies had should meddle in social affairs;

Neither should they have any responsibility towards the community. As a strong activist of capitalism and a critic of CSR. Friedman emphasized the need to ensure that corporate bodies' managers use the monies and resources of businesses in a way that is in the interest of the businesses and nothing else (Friedman, 1970). For instance, he believes that if committing resources to reduce pollution as a social responsibility of the firm would reduce the profits of the businesses in such a way that is not beneficial to the business, and then it should not be done. In his book *Capitalism and Freedom*, Friedman is said to have referred to corporate responsibility

as a “fundamentally subversive doctrine”. It is a wonder that theorists like Friedman and his followers believed that corporate bodies giving something back to the society that they have taken from should be considered subversive. Although Friedman’s argument was strong and captured global attention, the upsurge of CSR has continued. The proponents of CSR arguing on the basis that, over the years the social cost of businesses has increases coupled with the fact that corporate bodies have gained much power and influence (Greenfield, 2004). In these contexts of market failures, it has become imperative for businesses to pay heed to social issues due to this increased vulnerability of society to the corporate entity. Again, the growth of governments’ inability to fulfill their basic 30 responsibilities to society and to properly manage business activities and the market structures of a free market society in order to avoid over exploitation, means that the acceptance of social responsibility by the corporate world has become very inevitable and important (Dahlsrud, 2006).

Currently, in most developed countries, the debate is no longer whether it is important for corporate bodies to assimilate the concept of CSR or not, but the extent to which “CSR principles can influence corporate decisions and practices and how business can best address its social responsibilities” (Greenfield, 2004). According to the United States Social Investment Forum, over \$US1 trillion in assets are under management in the United States in socially and environmentally responsible portfolios (Hopkins, 2004). This shows the increasing commitment of corporations to contribute towards various aspects of social development.

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CSR is a generalized concept of what constitutes "good" or "desirable" business behavior it relates to what can be judged 'morally' or 'ethically" good . It is often linked with the term ethical behavior, sustainable development, corporate governance, good governance, the environment and to philanthropic ideas. It emphasizes the intimacy of the relationship between the corporation and society (Holme & Solvang 2001) . The concept of CSR is not new one but its focus changes from time to time according to changing needs of business and social needs. In 1960s, CSR emerged out from an attempt to link business with society. The underlying expectation in this era was to apply the resources in a socially responsible manner, that is, the promotion of social welfare along with economic development (Sharma, 2011). Later on to enlarge the periphery of CSR from pure economic boundaries, in 1970's CSR is identified as the compiling to the business ethics. The concept was to maximize profit without deception or fraud to any party and lying within the rule and regulation of the state (Sharma, 2011). In 1973, Davis described CSR as firm's consideration and response

to different issues which may rest beyond the narrower territories of economic, technical and legal requirement of the firm state (Douglas, et al., 2004). Davis (1997) took the view the idea of social responsibility supposes that the corporation has not only the economic and legal obligations, but also certain responsibility to society which extend beyond these obligations. Later Sethi (1975) suggested that these extra responsibilities involved: bringing corporate behavior up to a level where it is congruent with the prevailing social norms, values and expectations. According to the literature, there are a variety of benefits of engaging in CSR, such as improving a firm's reputation and increasing competitive advantage, as well as attracting talent and increasing the firm's profitability (Branco & Rorigues, 2006). One of the supposed key benefits for corporations that engage in CSR is that it fosters a positive image of the firm among consumers (Brown & Dancin, 1997). Many organizations adopt social causes assuming that they will be rewarded by consumers (Levy, 1999). Other companies engage in CSR as a deliberate means to improve the company's reputation. A company's reputation, according to Csiszar and Heidrich (2006), consists of Collective representation of a firm's past actions and results that describe the firm's ability to deliver valued outcomes to multiple stakeholders and gauge a firm's relative standing both internally with employees and externally with its stakeholders, in both its competitive and institutional environment.

Corporations often believe that their engagement in socially responsible activities will be supported by consumers (Levy, 1999). Yet, according to Branco and Rorigues (2006), CSR can impact a corporation's reputation both negatively and positively. Bryman (1997), found that socially responsible actions only contribute to a company's reputation when various stakeholders are confident that its motive is not just economic gain. The authors indicate that this is the case particularly for those

companies in more visible and sometimes controversial industries, such as tobacco or oil.

A corporate reputation enhanced by CSR can act as a competitive advantage as it distinguishes the company from others (Hart, 1995; Hillenbrand & Money, 2007). Indeed, the literature has addressed several benefits of engaging in CSR, but as mentioned earlier, most of the studies were conducted with companies in developed countries. Few studies have focused on whether and how CSR benefits manufacturers in developing countries, and specifically in the apparel sector. Corporations draw on different resources, infrastructure and work culture in different countries. Therefore, the benefits that CSR brings to a company in a developed country may not be the same as those within a developing country. Thus it is crucial to study whether the benefits of CSR outweigh the costs in the context of specific countries. This study addressed the literature by exploring why the industries engage in CSR and the benefits or advantages they enjoy as a result.

In addition to understanding what CSR is and the benefits it can provide, corporations are particularly interested in understanding the consequences of CSR specifically for the firm's financial performance. Ackerman (1973) suggests that for the long term, successful corporations need a balanced focus on social and economic dimensions, however, the literature reveals varying views on the relationship between CSR and financial gain (Nelling & Webb, 2009).

2.2 Empirical Review on Article and Journal

It is known that Chaudhary group is one of the largest corporate house in Nepal. Over the last sixty five years of operations, growing in size and strength, the CG today is conglomerate of over forty business. The CG touches every aspect of public life with

presence in industries like food and beverages, health care, education, real state, financial services, steel, automobiles, hydro and electric power and hospitality tourism. Sharing its good fortune with people, Chaudhary group has been fulfilling its social responsibility even before it got actually institutionalized as corporate house. Even then as an enterprise, it was conducting a lot of activities in the field of health, arts and sports. It had also hosted ample of number of initiatives, small and large for community as charity and welfare. Today has structured in CSR initiatives and established standard (CG NEWS,2003:vol.4).

With the changing form of business, from a household domain to public companies with broad range of shareholder, competition, variety of stakeholder demand and need for providing profit, the role of corporate culture as well as the responsibility towards the society has undergone substantial change. Chaudhary group established Shree lunkaran Das Ganga Devi Chaudhary charity hospital, Chaudhary foundation, the Shankara trust and Shree lunkaran das Ganga Devi Chaudhary academy of art and literature (“CSR Practices in Nepal”, organized by Economic forum Nepal,Dec.29,2006). In order to maintain highly competitive in the global market, many corporations choose to utilize CSR techniques as a business strategy to advertise their products or services with the emphasis of corporate social contributions. This is called “a subconscious level of advertising” because companies can earn public support for their businesses through having philanthropic promotions (Holmes, 1976) . For instance, American Express suc). cessfully combined cause-related marketing and corporate philanthropy by strategically choosing the activities it would support.

The Chaudhary Group has a rich history of community engagement and CSR activities in healthcare, education, sports, art and literature. Our commitment to the

health of our community was strengthened with the establishment of the Shree Lunkaran Das-Ganga Devi Chaudhary Charity Hospital in Eastern Nepal in 1994 and led to the establishment of the CG Medicare in Nawalparasi, where over 3000 patients are treated every year. The group has also been engaging the youth from our communities in a variety of sporting activities. The group is proud to have sponsored the men and women of the U-19 national cricket team and organized sporting events to promoting cricket, football, squash and golf in the country. We have also supported the Wai Wai Quiz contest, a nationally acclaimed show among the youth of Nepal. The Chaudhary Group has also been committed towards enriching Nepal's rich cultural and literary heritage. In line with this passion for the arts, we established the Shree Lunkaran Das-Ganga Devi Chaudhary Academy for Arts and Literature in 1994. The CG CSR focus on Education is one way of saying we are together in this battle to eliminate the darkness of illiteracy and spread the enlightenment that comes with true education! "There is a need for a global renewal of and re-commitment to education for all as a bed-rock of peace and development. CG has kept education as one of the important sectors after sports and health under its CSR. Each year, CG spends around Rs 8 million for social activities. The scholarships awarded this year provide financial assistance ranging from Rs 3,000 to Rs 10,000 to the students (CG – CSR Report; 2012).

The CG foundation believes that sports can bridge socio economic gaps and can improve individual live, Sports , provide a unique a way towards physical lives and mental fitness, developing leader skills, a sense of fair competition, enhanced self esteem, and an appreciation of team spirit and teamwork. It can animate a community and bring them together, serving as a catalyst for social and economic progress.

CHAPTER: III

RESEARCH METHODOLOGY

3.1 Introduction

In this chapter, the methodology used in the thesis will be presented. It will present how the researcher is going to gather data in order to find the answers to our stated research questions. It describes research design, selection of the study, general introduction of the study area , nature and source of data , sample size , tools of data collection and method of data analysis..

3.2 Research Design

In the content and design of this research the study was thoughtful to conduct in the exploratory manner through a quality case study in which an in-depth examination of the case. The researcher will focus on secondary data base on the information from the company. The research will be based primarily on a single case study on the CSR of Ganga Devi Chaudhary Group, on the two village of Nawalparasi district. The aim of a case study is usually to identify the improvement in the social, environmental and economic life of the people in the local community as a result of the citing of the this industry in the area. This research will follow the both descriptive and analytical methodology. It will be the cross sectional research type so that we just collect the data once and forward it for the area.

3.3 Research Strategy

There are several strategies that researchers could adopt in their research. However, the most utilized and widely explored are the quantitative and qualitative research strategies. . Whereas quantitative and Quantitative data will be collected both from the company staffs and local villagers by applying the questionnaire and person to person interview method mentioned above. One set of questionnaire form and interview

procedure will be developed upon the consultation with my research supervisor. All the data collected from the observations and tools mentioned above will be kept in a excel sheet scientifically.

Literatures made from the previously done researches about the Chaudhary Group and its impact seen out of the performance of the Udyog will be analyzed. References from the outcomes of the different researches done in the same topic in different national and international corporate will be the asset for the design of this research.

3.4 Sampling Design

The Nawalpur area is also known as the most develop area in the region because of the big industries having manufacturing plant such as Chaudhary Udhyog Gram, Gorkha Brewery, Sugar Mill, and many other bigger and smaller industries.

While Ganga Devi Chaudhary Group has remained one of the famous industry of the country. This research covers two villages of nawalparasi district which are: Dumlauli and pragatinagar for this study .data has been collected by using sampling technique. The process of selecting sample is prepared by using the Simple Random Sampling. Due to the time and budget constraint, census survey is not possible. The sampling population will be 200 people which is 12 percent of total population comprising 50% of employees from pragatinagar VDC and the remaining 50% will be from Dumkauli VDC. The sampling design can be shown in the table below

Table 3.4 Sampling Design

Sampling Process	Sample Population	Sampling Area
Simple Random Sampling	200 out of 1610 (about 12 percent of total population)	Local Community (Pragatinagar and Dumkauli VDC) and The Chaudhary Udyog Gram

3.5 Data Collection

Questionnaire method is one of the method of obtaining information from the respondents. For the collection of data, different set of structured questionnaire is prepared where the respondents were randomly selected. The researcher also met the senior staffs on the CSR field of Chaudhary Group to submit the several information and data

3.6 Method of data Analysis

The data collected from field and respondent had been tabulated. The data obtained from primary source and secondary source had been analyzed from both qualitative and quantitative technique. The quantitative data is presented in terms of percentage, frequencies etc. and qualitative data is analyzed through descriptive way.

CHAPTER: IV

FACTS AND FINDINGS OF EMPIRICAL STUDY

4.1 A Brief Introduction of Ganga Devi Chaudhary Udyog Gram

The Ganga Devi Chaudhary Udyog is established with vision to provide a self-contained, integrated and eco-friendly infrastructure to be able to compete with any South Asian standards. CUG has been contributing to the society at large in the fields of Education, Health, Sports, Environment and Development Works. It provides scholarships to deserving students, on the job training and industrial exposure. It has a Primary Health Centre, supports other medical campaigns and provides financial aid to victims of natural disaster. It provides support for organizing various games and tournaments. It has an effluent treatment plant and is exceedingly eco friendly. CUG has been involved in the construction of school buildings, roads, culverts, passenger waiting stands on the road side and poles for extension of electricity. Being the first Nepalese organization to have distribution network spanning the subcontinent, it has made substantial presence in South Asia's fiercely competitive food and beverages market. Its food and beverages have been a common household name in Nepal for decades. With ISO 9002 certification providing the lead, food and beverages have crossed the borders to become a favorite in South Asian cities. The Ganga Devi Chaudhary Udyog Gram has uplift the nations economy , equalizing the infrastructures. As Nepal's investment progressively draws the attention of leading multinationals, this Group continues to lead, harnessing global partnership in core sector.

4.2 Measurements of Corporate Social Responsibility

Corporate social responsibility is a process with the aim to embrace responsibility for the company's actions and encourage a positive impacts through its activities on the environment, consumers, employees, communities, stakeholders and all other member of public sphere who may also be considered as stakeholders. Following are the list of common ways CSR is implemented by organizations.

1) Community Involvement:- This can include raising money for local charities, supporting community volunteerism, sponsoring local events, employing people from community, supporting community's economic growth, engaging in fair trade etc.

2) Ethical marketing and Practices:- Companies that ethically market to consumer are placing a higher value on their customer and respecting as people who are ends themselves. They do not try to manipulate or falsely advertise to potential consumer. This is important want to be viewed as ethical.

3) Environmental Sustainability:- Using modern and digital technology.

Developing buildings, areas including recycling, waste management, using renewable management etc.

4.3 Facts and Findings of Empirical Study

In this chapter all the data collected on the companies chosen for this study will be analyzed and compared with the theory .As one of the leading enterprise of Nepal, the CUG has targeted the sustainable development goal for over a decade although It is still a new concept in the contest of our country. This chapter deals presentation, analysis and interpretation of the data obtained from the survey

Using tables, percentages and pie chart where ever necessary in relevant and their analysis and interpretation are made.

4.3.1 Sex Wise Composition of Employees

The industry has male and female participant as employees. It is also one of a good indicator if industry can involve both male and female equally for work . It can help to increase women empowerment, make them independent, confident and so on. The sex wise composition of this industry is shown below through the table

Table 4.3.1

Sex Wise Composition of Employee

S.N.	Sex Pattern	No. of Employee	Percentage
1	Male	141	70.50
2	Female	59	29.50
Total		200	100.00

Source: Field Survey 2013

Table 4.3.1. shows out of 200 labors, male labors are 70.50 percent and female labors are 29.50 percent. There is significance dominance of male employees. The reason may be wage difference between male and female, job characteristics, unskilled female in the study area, unwillingness of female for work etc. For increase in female participant, industry must involve female on the process of selection labor.

4.3.2 Method of Labor Selection

Success and failure of an industry depends upon the skilled manpower. Selection of labor employed system shows the nature of entrepreneurs' behavior the importance of labor related issues cannot be underestimated in the 21st Century economy. The cost and quality of labor is more important today. Without worker no any types of

Industries can be run smoothly. The labor selection is presented below through the following table.

Table 4.3.2

Method of labor selection

S.N.	Nature of Selection	No. of employees	Percentage
1	Free competition	148	74.00
2	Family related	18	9.00
3	Experience	26	13.00
4	Other	8	4.00
Total		200	100.00

Source: Field Survey 2013

Table 4.3.2 shows in the Ganga Devi Chaudhary Udyog, the majority i.e.74 percent workers have been selected from free competition. 9 percent labors are from family related person, 13 percent are selected form experience and 4 percent are from other. It seems that higher percentages of workers are selected from free competition which raises the chances of the selection of skilled, qualified manpower in the industry.

4.3.3 Nature of the Job

There are three types of employment opportunities which are created by Ganga Devi Chaudhary Udyog Gram. These are seasonal, part time and full time employment. . The nature of employment is presented below through table.

Table 4.3.3

Nature of Job

S.N.	Nature of Job	No. of Employee	Percentage
1	Seasonal Job	7	3.50
2	Part Time Job	32	16.00
3	Full Time Job	161	80.50
Total		200	100.00

Source: Field Survey 2013

Table 4.3.3 shows that 3.5 percent are involved in seasonal employment, 16 percent are engaged in part time employment and 80.5 percent i.e. 161 labors are involved in full time employment in this industry. Here, the industry provides full time employment opportunity for most of the workers. It means the industry hires full time workers for production which helps to raise economic condition of the people of the study area.

4.3.4 Monthly Earning of Employees

All employees want to earn money as they can on their work. If workers have good earning, they enjoy more and satisfy on their job which increases efficiency on work. The earning of employees of study area is presented below

Table 4.3.4

Monthly Earning of Employees

S.N	Nature of earning(Rs.)	No. of Employees	Percentage
1	Below 5000	31	15.50
2	5000- 10000	43	21.50
3	10000-15000	77	38.50
4	Above 15000	49	24.50
Total		200	100.00

Source: Field Survey 2013

Table 4.3.4 shows that,15 percent of employees have earning below Rs.5,000 in a month, 21.5 percent workers have earning between Rs. 5,000 to Rs. 10,000 in a month. Similarly, 38.5 percent of workers in this industry have an income between Rs.10,000 to Rs.15,000 in a month and 24.5 percent workers have above Rs. 15000 monthly income. In this situation, we can say that some of the workers have low income from which they cannot save money by fulfilling their basic needs. So the industry must be aware for increasing minimum scale of earning for workers But as a whole, the income pattern of workers are satisfactory for that they easily can spend money for their basic needs and also can save for their future.

4.3.5 Nature of Employment In-terms of Caste/Ethnicity

In the study area there are many people. They are from different caste and ethnicity. Basically, there Brahmin, Chhetri, Gurung, Magar, Newar, Damai, Kami and many others. The situation of involvement of them in this industry for employment is explained below

Table 4.3.5

Nature of Employment In-terms of Cast/Ethnicity

S.N.	Caste	No. of Workers	Percentage
1	Brahmin/Chhetri	81	40.50
2	Aadibasi/Janajati	74	37.00
3	Madhesi	21	10.50
4	Dalit	13	6.50
5	Others	11	5.50
Total		200	100

Source: Field Survey 2013

Table 4.3.5 shows that 40.50 percent labor are Brahmin and Chhetri, 37 percent labor are Aadibasi/Janajati, Madhesi workers are 10 percent, Dalit workers are 6.50 percent and remaining 5.5 percent labor are others.

4.3.6 Employees Having Children

In the study area, there are some employees who have children to go school and some of others are unmarried, married but having no children, widow etc. which is presented in the table below

Table 4.3.6

Employees Having Children

S.N.	Employees having children	No. of Employee	Percentage
1	Yes	143	71.50
2	No	57	28.50
Total		200	100.00

Source: Field Survey 2013

Table 4.3.6 shows that among 200 employees, there are 143 i.e. 71.50 percent workers who have children to go school and the remaining 57 i.e. 28.50 percent workers have no children to go school.

4.3.7 Income Sources of the Other Family Members

It is very hard to settle the family through the earning of single person in a family. The table below shows that the others members of the workers family engaged in an employment

Table 4.3.7

Family Member's Job Status

S.N.	Family Members Job	No. of Workers	Percentage
1	Yes	157	78.50
2	No	43	21.50
Total		200	100

Source: Field Survey 2013

In the table 4.3.7, it is shown that 78.50 percent of the other member's workers families have their income source and 21.50 percent have not. Most of earning aged members has engaged in work to maintain their expenses.

4.8 Nature of Access on Education

In Nepal, there are two types of education. First one is provided by the Government and another is provided by the private sector. The government sector cannot provide more facilities than private sector and so there is some difficulties in competition.

Table 4.3.8

Nature of Access on Education

S.N.	Types of School	No. of Labor	Percentage
1	Government	34	23.78
2	Private School	109	76.22
Total		143	100.00

Source: Field Survey 2013

Table 4.3.8 shows 23.78 percent labor send their children in government school. But 76.22 percent labors send their children in private school. The parents who have low income cannot afford expensive fee for private school.

4.3.9 Support on Education from the Industry

In today's world, education is the most important for every children. And it is necessary to support in education of employees as well as their children who are needy for this is also a duty of reputed industry. The support on education from the industry is presented below

Table 4.3.9

Support on Education from Industry

S.N.	Support on Education	No. of Employee	Percentage
1	Yes	144	72.00
2	No	56	23.00
Total		200	100.00

Source: Field Survey 2013

Table 4.3.9 shows that 23 percent workers agreed that the industry supports on education and other 72 percent workers don't think that the industry doesn't support on their education. From this, we can say that the industry supports the workers for

their education who need help to improve their education due to low income, economically poor and also for talent to encourage them.

4.3.10 Supports on Health Service from the Industry

Good health plays crucial role in socio economic condition of society and nation. In this topic, the research is trying to analyze how the industry contributes to improve the health situation of the study area.

Table 4.3.10

Support on Health Service from the Industry

S.N.	Support on Health	No. of Employee	Percentage
1	Yes	161	80.50
2	No	39	19.50
Total		200	100.00

Source: Field Survey 2013

Table 4.3.10 shows that 80.5 percent of the employees are agreed that they are facilitated by industry to check their health and other 19.5 percent employees don't think so they are supported for health check up from industry.

4.3.11 Social Contribution from the Industry

An industry has a duty to develop the local community in different sectors like health, education, sports, economic and environmental sector. The table is presented below to know about the social contribution from employees' perspective about the industry

Table 4.3.11**Social Contribution from Industry**

S.N.	Social Contribution	No. of Employee	Percentage
1	Yes	172	86
2	No	13	6.50
3	Unknown	15	7.50
Total		200	100

Source: Field Survey 2013

The table 4.3.11 shows that 86 percent workers are agreed that this industry has a great role on developing their local community where a few workers i.e.6.50 percent are not satisfied for the social responsibility of this industry. Similarly some of labor i.e. 7.5 percent labor are unknown about the responsibilities done by the industry.

4.3.12 Training Status in the Industry to the Employees

Employee training is an essential for organization's success . Training represents the prime opportunity to expand the knowledge to the employee and they will be competent, able to offer good services and also enable to meet the expectation of the industry. The training status of labor in the industry is given below

Table 4.3.12**Formal Training Status**

S.N.	Training Status	No. of Employee	Percentage
1	Yes	106	53.00
2	No	98	47.00
Total		200	100.00

Source: Field Survey 2013

Table 4.3.12 shows that 53 percent of the employees have taken training provided by the industry and 47 percent employees have not taken training given by the industry which shows that the remaining employees who did not take training are on the line for getting this .

4.3.13 Difference Between Male and Female Salary

In the most area, we can see salary discrimination between male and female salary for the same work.

Table 4.3.13

Male and Female Salary Discrimination

S.N.	Salary Discrimination	No. of Employee	Percentage
1	Yes	13	6.50
2	No	187	93.50
Total		200	100.00

Source: Field Survey 2013

Table 4.3.13 shows that almost people said that there is no wage discrimination between male and female. Only 6.5 percent labor agreed on this matter. This clears that the involvement of less woman labor is not for wage discrimination.

4.3.14 Educational Status of Workers

Education results in raising income, improving health, promoting gender equality and reducing poverty Education gives people critical skills and tools to help them better provide for themselves . With the help of education employee can get good position in an industry.

Table 4.3.14

Distribution of Workers by Educational Status

S.N.	Level of Education	No. of Workers	Percentage
1	Illiterate	9	4.50
2	Informal Education	12	6
3	Primary	44	22
4	Secondary	66	33
5	Higher Secondary and above	69	34.50
Total		200	100

Source: Field Survey 2013

The table 4.3.14 shows that indicates among the workers 4.50 percent were illiterate, the informal education (who are not schooling) are 6 percent. The number of workers with primary level of education are 22 percent, secondary level of education were high number which belongs 33 percent and higher secondary level is only 34.5 percent. This means there are educated workers in an industry which helps to increase productivity.

4.3.15 Age-Ratio of the Workers

The workers are belongs to the different age group.

Table 4.3.15

Distribution of Workers by Age

S.N.	Age group	No. of Workers	Percentage
1	Below 15	0	0
2	15-24	27	13.50
3	25-34	79	39.50
4	35-44	52	26.00
5	45+	42	21.00
Total		200	100

Source: Field Survey 2013

Table 4.3.15 shows the age group from 25-34 are larger in number i.e. 39.50 percent. Similarly in the age group of 15-24 are 13.50 percent, 35-44 are found 26 percent where as the above 45 years age group is 21.00 percent and none of the worker is below 15 years age.

4.3.16 Participation of Workers in Sports Program

Sport program is one of the important fields for workers to make active, healthy. It also helps to have fun, friendly environment and entertain among the employees and employers. The table presented below shows the workers view about the sports program organized by industry.

Table 4.3.16

Participation of Workers in Sports

S.N.	Participation of Workers in Sports	No. of workers	Percentage
1	Yes	87	43.50
2	No	68	34.00
3	Unknown	45	22.50
Total		200	100.00

Source: Field Survey 2013

The table 4.3.16 shows that 43.50 percent employees are participated in the sports program conducted by the industry, 34 percent workers are not involved in the sports program and other 22.50 percent workers are unknown about the sport program.

4.3.17 Employers Interaction with Employee

How the industry interacts with its employees also one of the main aspect to indicate industry's status which is shown in the table.

Table 4.3.17

Employers Interaction with Employee

S.N.	Interaction With Staff	No. of Employee	Percentage
1	Respectful manner	138	69
2	Normal behavior	49	24.50
3	Rude behavior	13	6.50
Total		200	100

Source: Field Survey 2013

Table no 4.3.17 shows, 69 percent workers are felt the employers interact in respectful manner to the staffs, 24.50 percent found the normal behavior of employers to the staffs and other 6.5 percent workers say the employers interact in rude behavior to the staffs.

4.3.18 Providing a Clean Workplace

If the work place is not clean, then the workers feel passive in the work. They may attack from different contaminated diseases which is very harmful for their health. So, the industry have to be aware on this matter.

Table 4.3.18

Providing a Clean Workplace

S.N.	Clean workplace	No. of Employee	Percentage
1	Yes	177	88.50
2	No	23	11.50
Total		200	100.00

Source: Field Survey 2013

Table 4.3.18 shows that almost people said that the industry is providing a clean workplace for their staffs and remaining 11.5 percent employer said there is not clean workplace for staffs .

4.3.19 Involvement of Employees on Celebration of Festivals in the Industry

If a company celebrate major festivals on the factory by joining the workers , that gives them an opportunity to have fun together. Workers loved it. It creates friendly environment on the workplace.

Table 4.3.19

Celebrating Festival in Industry

S.N.	Celebration	No. of Workers	Percentage
1	Yes	131	65.50
2	No	69	34.50
Total		30	100

Source: Field Survey 2013

The table 4.3.19 shows that there are 65.60 percent workers who are involved in the celebration of main festivals organized by the industry and other 34.50 percent of workers are not involved in the celebration.

4.3.20 Satisfaction with Job

The satisfaction of employees with their job is shown in the following table.

Table 4.3.20

Satisfaction with Occupation

S.N.	Satisfaction with Job	No. of Workers	Percentage
1	Yes	157	78.50
2	No	43	21.50
Total		30	100

Source: Field Survey 2013

Table no 4.3.20, shown, 78.50 percent workers are seemed satisfied with their occupation and 21.50 percent workers are not satisfied. According to satisfied workers; they are happy with their work, salary, training and other facilities provided by industry and the reason for unsatisfied employees are low income, job is not appropriate with their education etc.

4.3.21 Demand Condition of the Industry

One of important dimension of industry is called demand conditions and refers to the nature of customer preferences. Demand condition determines the market status of the industry. The success of the industry depends upon its demand. As the demand for noodles, snacks and other products of this industry is very high,

Table 4.3.21

Demand Condition of the Industry

S.N.	Nature of Demand	No. of workers	Percentage
1	High	161	80.50
2	Moderate	39	19.50
3	Low	0	00
Total		200	100.00

Source: Field Survey 2013

The table 4.3.21 shows that 80.50 percent employee are agreed on the high demand condition of the products of the Ganga Devi Chaudhary Udyog whereas other 19.50 percent employees think that the moderate demand condition of industry and there are no employee who are in favor of low demand condition of industry. Development of science and technology has made the people's life easier, thus all the product of this industry like Wai Wai noodles, cheese balls, snacks are highly demanded .

4.3.22 Physical Condition of the Industry

There should be good environment, facility of transportation, Wide coverage of industry, facilities of water, sewerage, light etc. to run an industry smoothly . physical facilities in the industry further reduces the chances of accidents in the industry. The following table shows the physical structure of the industry of the study area.

Table 4.3.22

Physical Condition of the Industry

S.N	Physical Condition of the Industry	No. of Employees	Percentage
1	Better	171	85.50
2	Normal	26	13.00
3	Bad	5	2.50
Total		200	100.00

Source: Field Survey 2013

Table 4.3.22 shows that only 2.50 percent of employee argued that bad physical condition of the industry. Whereas other 13 percent employee of study area said that normal physical facilities of the industry and most of the employees i.e. 85.50 percent employees are agreed on that the industry has better physical facilities. From this, we can say that the industry has spent huge amount of capital for maintaining better physical facilities.

4.3.23 The Market of Industry

The selling places are described below.

Table 4 .3.23

Market of Industry

S.N.	Selling Places	Percentage
1	Within Country	80.00
2	Out of Country	20.00
Total		100.00

Source: Field Survey 2013

The table 4.3.23 shows that 80 percent of produced goods are sold within the country . Likewise, other 20 percent industry sells its products out of country. This is one of the industry which sells its product out of the country. It maintains the good quality of products by which its products are sold largely.

4.3.24 Sources of Raw Materials

A raw material is the basic material from which goods, finished products or intermediate materials that are manufactured or made .Raw materials are one of an important elements to determine its quality, cost of the production etc.

Table 4.3.24

Sources of Raw Materials

S.N.	Sources of Raw Materials	Percentage
1	Self and local sources	50.00
2	Import in out of district	25.00
3	Import in out of country	25.00
Total		100.00

Source: Field Survey 2013

The table 4.3.24 shows that 50 percent of total industry of the study area is using self produced and local raw materials, 25 percent are using out of district raw materials and 25 percent of raw materials which are not available within the country are using out of country imported raw materials. This shows that the industry uses local raw materials the most.

4.3.25 Utilization of Profit

The industry uses its profit in different sectors. The main objective of the private industry is to make more profit. Sometimes, profit will be invested to promote the same industry and sometimes it may be used for other purposes. Where the profit of this industry is presented below.

Table 4.3.25

Utilization of Profit

S.N	Utilization of Profit	Percentage
1	To promote the same industry	60.00
2	To fund other industry	15.00
3	On social Contribution	25.00
Total		100.00

Source: Field Survey 2013

Table 4.3.25 shows that, the industry is using 60 percent of its profit to promote own industry, 15 percent of profit uses to fund other industry and remaining 25 percent utilizes on social contribution.

CHAPTER – V

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

In last few decades, corporate social responsibility has marked its importance in scholarly research as evidenced by an increasing number of articles and journals dedicated to the topic . This increase in popularity is a result of globalization and international trade , as the era of globalization has meant that many apparel retailers do not own production factories, but have divested their manufacturing in favor of outsourced production. Availability of inexpensive labor and low production costs make developing countries attractive outsourcing locations. Corporate Social Responsibility has grown in importance, which is reflected by an increasing demand from consumers, employees, legislative systems, and the society for inclusive evaluations about how corporations are meeting acceptable standards. Therefore, CSR seems more like a phenomenon, which is not only gaining ground within corporations, but it is becoming more and more linked with the company's image.

The purpose of this study is to explore perceptions of corporate social responsibility of one of large industry Ganga Devi Chaudhary Udyog Gram which is in Nawalparasi district . The research is conducted by using Primary data collection with the help of questionnaire technique. The journals and articles published from the industry is taken as a secondary data for the study. The study is based on the sample of 200 employees which are selected by Systematic Random Sampling technique. In the industry, there are 1610 employees. Out of them, the total sample is 12 percent. The study tries to find out the social responsibility of Chaudhary Group where it is focused on the education, health, sport, employment situation of the people of study area. The major findings of the study area are summarized as below:

From the study, as compared to the male and female participation as an employee, female participation is relatively less than the male. Only 29.50 percent of female participates as employees in the study area.

Only 9 percent labors are selected by the family relation and most of the labors are selected through free competition in the industry which are 74 percent. 16 percent labors are selected from their experiences.

In the study area, 15.50 percent labors earn below 5,000 Rs and 38.50 percent labors earn between 10,000-15,000 Rs. There are 24.50 percent workers in the study area who earn above 15000 Rs. From the study, the industry provides part time employment to the 16 percent workers and full time employment to the 80.50 percent workers and remaining 3.5 are engaged in seasonal employment. There are 40.50 labors from Brahmin Chhetri basis and Aadibasi Janajati, Madhesi, Dalit and others are 37 percent, 10.50 percent, 6.50 percent and 5.5 percent respectively. The labors who are in an industry of study area only 23.78 percent labor provide an education to their children from the government school and 76.22 percent labor provide an education to their children from private school. There are 78.50 employees on the study area who has other members on family engaged on work.

From the study, there are 72 percent employees who are agreed that the industry supports on the education of employee as well as to the students of the local area and 23 percent employees don't support on this matter. Similarly most of employee i.e. 80.50 percent workers are facilitated on health sector from the industry whereas 19.50 percent workers are not supported on health sector from the industry. The study analyses that 86 percent workers are in favor of the social contribution done by the industry in the local area and 6.5 percent workers don't think of that where 7.5 percent workers are unknown about it.

Only 53 percent employees of study area have got training from the industry for their better performance in work and remaining 47 percent workers have still not got this opportunity from the industry. Although the less number of female workers in the study area discrimination in salary between male and female workers is not seen i.e. only 6.5 percent workers are positive on discrimination on salary between male and female where the remaining 93.5 percent workers don't think about the discrimination on salary between male and female.

In the study area, 34.5 percent workers have got higher secondary education and above, 33 percent workers have got secondary education, 22 percent workers have got primary education. There are only 4.5 percent workers who are illiterate and 6 percent workers have got informal education. 13.50 percent workers belong to 15-24 age group, 39.50 percent workers belong to 25-34 age group, 26 percent workers belong to 35-44 and remaining 21 percent workers belong to above 45 years age group. The celebration of festival in industry which are organized by industry, 65.50 percent workers of study area are involved and other 34.50 percent workers not involved. The workers in the study area satisfied on their work are 78.50 and other 21.50 workers are not satisfied.

The data collected from study area shows 80.50 percent workers said about the high demand condition of an industry and 19.50 percent workers said about normal demand condition of an industry. From the study 85.50 percent workers argued the better physical condition of an industry, 13 percent labors argued about normal physical condition of an industry and remaining 2.5 percent labors argued on bad physical condition of industry. The industry sells 80 percent of its product within the country and other 20 percent of its product sells out of the country. The industry gets 50 percent of total raw materials from the local sources, 25 percent out of district and

other 25 percent raw materials gets from out of the country. The industry utilizes 60 percent of its profit to promote its own industry, it spends 15 percent of total profit to other fund and remaining 25 percent utilizes to the social contributions.

5.2 Findings

The purpose of this study was to analyze perceptions of corporate social responsibility in the industry for its employees and society. An interpretation of the participants' responses helps to explain how CSR is implemented. This chapter begins with a discussion of the broader findings that emerged from the interpretation and connects the participants' experiences with the key issues regarding CSR. Big companies have more resources and small companies with very small infrastructure are not ready to do so much in the CSR area. The bigger factories, they have to take care of their employees.

By analyzing the results of the study, the following Findings can be drawn.

-) Though the discrimination between male and female in salary is not seen, Female participant as employee is relatively lower than the male employee.
-) CSR activities cited by participants focus on employee welfare, including teaching employees about health and safety awareness, creating opportunities for community building, many workers come to the industry with very limited job skills, due to limited knowledge about operating a new machine in the factory, not just one, but a few workers may hurt seriously. As a result, the industry is providing general education to employees through training. Some workers have very limited or no formal education. As a result, they are not generally aware of basic health and safety concerns as they don't know how to wear gloves when they put their hands, since the chemicals used are very strong and can harm skin. Despite the risk, workers often do not wear gloves. Thus,

training is the most part for these workers. One of the most popular types of people-focused CSR activities revealed by this study were those pertaining to opportunities for community building. For example, a company might celebrate major festivals on the factory premises or organize cultural or sports events for the employees. Such activities are designed to promote a sense of belonging among the workers, company organizes sporting events such as cricket, where employees are encouraged to take part, and that this gives them an opportunity to have fun together. Workers loved it. Even if someone is not playing, they cheer for the workers who are playing. So this is also a kind of CSR.

-) This industry has focused on the method of free competition for selection of labor primarily than other methods like family related person, experience and others. As a result, there are skilled, qualified employees in the industry.
-) The industry has not given any priority on work experience for selecting labors which raises the opportunities for unemployed people to get employment and helps to eradicate unemployment situation in the economy.
-) The labor below 15 years is not seen. This means there is no labor child in the industry.
-) Most of the labors in the study area are satisfied on their job and also agreed on the support of industry in their education, health service and other facilities.
-) The data taken from the study area shows the products of the Chaudhary Udyog Gram are highly demanded.
-) The market of industry without the country is better as compared to other industries of Nepal.
-) This section offers some recommendations for moving forward with this effort based on the results of the study. It is

evident from the data collected for this dissertation that western concepts of CSR do not necessarily translate to a developing country like Nepal, which is currently struggling simply to meet economic, legal and ethical responsibilities. Thus, it is not surprising that in Nepal, CSR equates to the basic needs of taking care of people (i.e. workers), society and the environment, rather than philanthropic responsibilities. Perhaps as Nepal becomes a fully developed nation like those in the west, companies will have the luxury of engaging in the philanthropic responsibilities

) A many authors have defined CSR, but there is little agreement as to exactly what CSR is. Moreover, most of the CSR definitions in the literature are based on practices of companies in developed countries. To date, there is no definition of CSR as it is practiced by firms in developing countries. This study addressed this gap in the literature by seeking to understand what CSR means in the context of a developing country.

5.3 Conclusions

The findings of this study show that the majority of respondents have positive views on CSR implemented by the industry. From the study, we can conclude that the industry is aware of its social responsibilities and is supporting its employees in providing health service, scholarship in education field, training for skill development, sports program ,creating a respectful environment with employees etc. The Ganga Devi Chaudhary Udyog has established its own health club named CG Medicare Hospital particularly for the people who are being employed in this industry and for local people. This industry also has involved in different health program like blood donation, free dental service, eye contract operation service etc. Gyanodaya scholarship program is held by this industry in Nawalparasi district for all community

school of constitution number 1,2 and 3. This industry is also running CG Polytechnique School to train people in medical sector. Similarly the secondary data collected for this study concludes that this industry is also one of major industry of nation which is implementing CSR actively by contributing in different sector of society to make society, district and nation socially sound.

5.4 Recommendations

This study reveals there is a need for some improvements which are finding from the study. According to the field survey, an implementation of CSR in the industry are seen to be very fruitful in the study area but there are some problems which are necessary to solve. Based on the findings of the study, some recommendations are given as below:-

The participation of female as worker is relatively lower than the male workers. So the industry should provide professional training and make female oriented policies.

The industry has given priority in free competition for method of labor selection. So the industry must continue this process for quality production.

The industry should increase minimum wage rate for the labor as government industries provide minimum wage scale for their labor. This helps to motivate and encourage labors to perform better on their work.

Only fifty three percent workers are trained in the industry. The industry should have to increase the number of trained employees.

From the industry, Dalit, Madhesi labors involvement is low. So the industry should provide equal chances to them. The industry also can help them by providing quota system, professional training, education to them.

The market of industry in international sector is twenty percent. The industry should rise this percent gradually to promote economic condition of industry as well as nation.

The Medicare Hospital established by the industry only give the health service in emergency period and for the employees who are injured in working period. So the industry should provide monthly health check up and free treatment to its employees to implement actively.

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APPENDIX- I

A study on Corporate Social responsibility of Chaudhary Group (A case study of Ganga Devi Chaudhary Udyog Gram Nawalparasi)

Questionnaires for Employees

Name: -

Age:-

Address:-

) General Infrmations about workers

1. Employee pattern by sex

- a) No of male worker [] b) No of female worker []

2. How many members are there in your family?

- a) Less than 4 members b) 5 to 7 members
c) more than 7 members

3. Are other members in your family engaged on work ?

- a) Yes [] b) No []

4. How much money do you earn from this factory in a month?

- a) Below 5,000 b)5,000 to 10,000
b) 10,000 to 15,000 d)above 15000

5. How were you selected in this industry for work?

- a)Free competition b)Family related person
c)Both d) Others

6 .What is your education status?

- a) Illiterate [] b) Literate [] c) Primary []
d) Secondary [] e) Higher Secondary []

7. Employee pattern by age

- a) Less than 15 years [] b) 15-24 years []
c) 25-34 years [] d) 35-44 years []
e) More than 45 years []

21. Does the industry organize sports programs for workers and local community?
a) Yes [] b) No []

22. Have you got any training related to your industry?
a) Yes [] b) No []

23. What do you feel about physical condition of the factory?
a) Better [] b) Normal [] c) Bad []

)} **Information About Industry**

24. How do you utilize the profit of your business?
a) To Promote the same industry [] b) To fund other industry []
c) On Social Contribution []

25. Have you getting the raw materials properly?
a) Yes [] b) No []

26. How do you get the raw materials?
a) Local source [] b) Imported source []
c) Both []

27. Where do you sell your products?
a) Within district [] b) Out of district []
c) Out of country []

28. What is the demand condition for your products in the market?
a) High [] b) Moderate []
c) Low []

29. If high, why?
a) Lower cost [] b) High quality []
c) Others []

30. If low, why?
a) Higher cost [] b) Low quality []
c) Other []

31. Is your business affected by seasons?
a) Yes [] b) No []

32. Is your business affected by seasons?
a) Yes [] b) No []

33. In which sector does the industry contribute on society?

- a) On education sector
- b) On health sector
- c) On IT sector
- d) On sports sector
- e) All of above

34. What is the educational background of labour?

- a) Literate []
- b) Illiterate []
- c) SLC []

Appendix - II

Pictures



The GyanUdaya scholarship was established by Ganga Devi Chaudhary Udyog Gram in 2008 to give recognition to brilliant and needy students of the Nawalparasi district.



Internet networking for community schools in hilly areas of NawalParasi District by Ganga Devi Chaudhary Udyog Gram.



WAI WAI U-19 National league cricket tournament Organized by Ganga Devi Chaudhary Udyog Gram NawalParasi.



Player receiving the Cheque Ganga Devi Chaudhary Udyog Gram NawalParasi.



Mobilizing local farmers and promoting enterprises by providing technical consultancy through a self-employment program.