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ROAD SAFETY IN CORPORATE SOCIAL RESPONSIBILITY

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Abstract : The world is witnessing an unprecedented increase in demand for motorized vehicles, particularly in rapidly developing economies such as India. With an increasing vehicle population and daily pressures of life, it is becoming more important to create awareness on Road Safety. Researcher is trying to understand the relevance of inclusion of Road Safety Bill in Corporate Social Responsibility.

Keywords: CSR, Road Safety, WHO, Population, Road Accident, Ministry of Road Transport and Highways

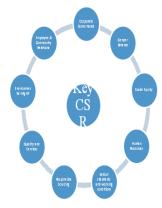
OBJECTIVES

To study the importance of inclusion of road safety activity in a CSR.

INTRODUCTION

The numbers of people killed in road accidents in India is quite large. During the year 2012, about 1.38 lakh people were killed in about 4.9 lakh accidents as compared to about 4.2 lakh in around 5 lakhs accidents in 2011. the number of fatalities is still very high. Road accidents accounts for 37.1% of the people involved in an unnatural cause of accidental death in the country. The situation is problematic in India because of lack of proper infrastructure facilities, poor road designs, poor implementation of traffic rules and regulations and a high load of a range of vehicles on the roads.

Graph No. 1: Key CSR issues



Sources: Simple Tax India

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MEANING OF CSR:

CSR is the responsibility of decision makers to take actions which help society and serve own interests.

SIGNIFICANCE OF THE STUDY

The study will help to understand role of CSR in preventing and curbing road accidents in national as well as international level.

RESEARCH METHODOLOGY

Secondary Method of Data Collection has been used due to time constrain. The sources from which secondary data collected are Books, Journals, Newspapers and Internet.

ACCIDENT TREND

Times of India dated 14th July, 2014 (1) reported that 40% of the victims of fatal road mishaps in the country are those under the age of 24. The young population (till 24 years), constitutes 40% of the victims, other than motor vehicle drivers, according to a report by Centre for Science and Environment (CSE). A national assessment of road accident risk also says that as many as 53 per cent of the victims in the bracket of 25-65 years fall prey to road accidents.

The trauma centre of the All India Institute of Medical Sciences (AIIMS) in Delhi, which can handle only 15,000 cases, reports almost 60,000 cases of accidents every year, with a 10 per cent annual increase.

Mumbai has the highest number of all types of accidents, while Delhi records largest number of fatal accidents among all cities. Report also states that smaller cities like Lucknow, Vadodra and Agra that have newly built highways, show increasing vehicle conflict accident risks.

According to report, annually at least 1.40 lakh people get killed in road accidents in the country, which accounts for more than 10 per cent of the total road fatalities across the world.

Approximately half of all deaths on the country's roads are among vulnerable road users – motorcyclists, pedestrians and cyclists. Corporate Sector can also play an important role in reducing the road accidents by way of educating our people about road safety related issues. Therefore, the Ministry of Corporate Affairs has included Road Safety Activities in Schedule VII of Section 135 under Companies Act 2013.

FACT OF THE MATTER

- ❖ 1 road accident death every 4 minutes.
- 16 deaths every hour due to road accidents
- ❖ 377 deaths every day, equivalent to a jumbo jet crashing every day
- ❖ 12.02 lakh people killed in road accidents in India in the past decade
- ❖ 46 lakh people seriously injured or disabled in road accidents in India in the last decade age group of 30-44 years most susceptible to road accidents in India
- 1 out of 4 road accident deaths happens on a two-wheeler
- ❖ Tamil Nadu Tops number of people injured in road accidents
- * 2 people die every hour in Uttar Pradesh, making it a state with maximum deaths due to road accidents
- ❖ 20 children aged under 14 die daily due to road accidents
- ❖ 2 women die every hour due to road accidents in India
- 5th Highest Number of road accidents in India are In Mumbai, Delhi tops it
- ❖ India accounts for 1% of the world's vehicles but 10% of road accidents worldwide
- ❖ 111 is the percentage of under reporting of road accidents in India
- India tops the chart of number of road fatalities, followed by China, Brazil and the US
- ❖ 9,177.32 crore is the cost incurred by insurance companies on third party claims in road accidents during the fiscal 2012-13

After inclusion of road safety activities in schedule VII of the Companies Act 2013, the companies may now be able to undertake road safety related activities under Corporate Social Responsibility (CSR).

Table No. 1: Top 5 States of India for road accident deaths in 2013

Top 5 States for Road Accidents	Number of deaths in 2013
Tamil Nadu	66,238
Maharashtra	63,019
Madhya Pradesh	51,810
Karnataka	44,020
Andhra Pradesh	43,482
Total	2,68,569

Sources: Times of India, New Delhi, September 1, 2014.

ROAD SAFETY BILL 2014

The Ministry of Road Transport and Highways (MoRTH) has come up with Draft Road Transport and Safety Bill, 2014. The Bill will pave the way for Vehicle Regulation and Road Safety Authority prescribing minimum safety standards for vehicles, roads and its users.

MISSIONS AND AIMS OF THE BILL:

The mission is to provide safe, efficient, cost effective and faster transport across the country. It aims to bring down the casualty caused by rash and negligent driving by coming down hard on the violators. This aims at bringing down the fatality rate by two lakh in the first five years of the implementation of the proposed changes. The objective of bill is to improve the GDP by 4% and creation of about 10 lakh jobs.

ESTABLISHMENT OF MOTOR ACCIDENT FUND:

There is a marked emphasis on e-governance to bring in transparency in the functioning of the whole mechanism. Another commendable feature is the 'golden hour' policy which would ensure that all efforts are made to provide help to the road accident victims within an hour of the occurrence accident. Very evidently those are the crucial moments when a life can be saved, many instances of death occur because of untimely help that is provided as people tend to avoid helping the victim in order to escape the legal tangles.

ENHANCED FINES AND PENALTIES:

The pecuniary fines have also seen an increment which is expected to act as a deterrent. In case a person is caught using a vehicle in unsafe conditions, the person might be asked to pay a penalty of Rs.1 lakh or imprisonment for 6 months, which might be extended to one year.

Another offence that saw an enhancement of fine is the offence for drunk driving. In this case if a person is caught violating the law for the first time, s/he is expected to pay a Rs.25,000, or imprisonment for a term not exceeding 3 months, or with both, and a 6 months license suspension. On catching the same violator violating the same law would result in Rs.50,000 penalty or imprisonment for up to 1 year or both and a one year license suspension. But any subsequent violation would result in the cancellation of the license, and impounding of the vehicle which may extend for 30 days. Another rider to this clause is that if the person caught drunk driving is a school bus driver then the fine imposed would be Rs.50,000 with an imprisonment for 3 years with immediate cancellation of license in case the drivers involved in the incidence fall in the age bracket of 18 to 25 years. This provision is a welcome step as the drivers in this case have an added responsibility of so many lives that would play a crucial role in framing what tomorrow's India would look like.

In case death of a child is caused, then in certain circumstances it will result in Rs.3 lakh fine, and imprisonment for a term not less than 7 years. In order to curb the growing impatience in the public which impels them to skip signals, the bill says that violating traffic signal three times would result in Rs.15,000 fine, license cancellation for a month and a compulsory refresher training.

FINES FOR FAULTY MANUFACTURING DESIGNS:

In case of faulty manufacturing design, the bill proposes to impose a hefty penalty of Rs.5 lakh per vehicle. The fines will be imposed by a Graded Point System.

MOTOR VEHICLE REGULATION AND ROAD SAFETY AUTHORITY OF INDIA:

The bill proposes to build an independent agency for vehicle regulation and road safety – Motor Vehicle Regulation and Road Safety Authority of India. It would be a legally empowered institutional setup which would be accountable to the parliament. It will aim at coming up with innovative financing mechanism for funding safety programs which would give further impetus to the 'make in India' movement.

NATIONAL ROAD TRANSPORT AND MULTINATIONAL COORDINATION AUTHORITY:

In order to improvise the existing process, there would be a Unified Vehicle Registration System, Single National Road Transport and Multinational Coordination Authority (for improving quality of road transportation, developing integrated transport system by ensuring last mile connectivity by feeder bus services and multi modal hubs) and Goods Transport and National Freight Policy (for increase in logistics to combat inflation by steps like simplified and single portal clearance, addressing the bottlenecks of the trucking industry etc); a transparent single-window automated driving license system including biometric systems to avoid license duplication.

FULL INCOME TAX EXEMPTION ON ROAD SAFETY DONATIONS

Concerned over India accounting for highest number of global road fatalities, Road Transport and Highways Minister Nitin Gadkari has recommended 100 % income tax exemption under section 80 GCA of the Income Tax Act on donations made to undertake approved road safety programs.

CASHLESS TREATMENT FOR ROAD ACCIDENT VICTIMS

The Ministry for Road Transport and Highways has now decided to provide cashless treatment within the first 48 hours of injury – covering medical expenses up to 30,000 for all crash victims on Mumbai – Vadodara stretch on NH – 8 after a successful run of cashless- treatment scheme for victims of road crashes on Gurgaon – Jaipur Expressway (NH 8).

FINDING & CONCLUSION

At end, it is the organizational philosophy to be a responsible corporate citizen and pay back to society by way of making consistent and humble endeavors to contribute to overall social well-being by deploying financial and non-financial means.

It is very necessary to prevent road accident to save valuable human life as well as economic and social cost. It would be advisable to associate leaders from the industry, philanthropic organizations and individuals etc. to partner and contribute towards road safety measures.

SUGGESTION

a. Engineering:

Should improve road infrastructure and there should be proper placed equipment like display boards, signals, light batons, barricades etc. Should improve the data collection process and create a reliable safety information data base.

b. Enforcement:

By being vigilant and regulate the traffics speed to be within the safety limits. We should create institutions and financial mechanisms for implementation measures to ensure safer roads.

c. Education:

There should workshops and education to the motorists and school, colleges and university students about safe driving and to cross the road safety.

d. Emergency Medical Response:

Many accidental deaths occur as the victim is not given immediate medical attention. Emergency accident relief centres are necessary near the accident prone zones.

e. Promoting road safety is everyone's responsibility:

Let's say not to irresponsible road use by supporting government's efforts to reduce road carnage in the country. Everyone should play a positive role to reduce road fatalities.

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