



Corporate Social Responsibility in the age of COVID-19: Role of Indian Giants

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Abstract: *Corporate social responsibility (CSR) refers to the self-imposed responsibility of companies to society in areas such as the environment, the economy, employee well-being, and competition ethics. Many companies use internal CSR regulation as a form of moral compass to positively influence the ethical development of their business. Companies are sometimes accused of driving their CSR efforts in the hope of having a positive advertising effect and increasing profits, and not for moral motives. Critics therefore simply equate CSR with marketing. On the other hand, there is also a widespread opinion that the intention behind corporate social responsibility is not so important, as long as it is ultimately benefitting people. Definitely in a time of need right now and transferring the ideals of CSR to the dislocation caused by COVID-19 can be of great benefit now for all of us, as employees, as consumers and most importantly, as people trying our best to get through an extremely challenging time. Infosys Foundation, the philanthropic and CSR arm of Infosys, announced that it is committing INR 100 crore to support efforts towards fighting COVID-19 in India. Reliance Industries contributes ₹.500 Crore Contribution to PM CARES Fund in addition to its Multi-pronged On-the-Ground Fight against COVID-19. ₹ 1500 Crore committed by Tata Trusts and Tata Sons towards building the war chest to fight COVID-19. In this article express my views on the basis of collecting secondary data, how defend the COVID-19 in India by many Indian companies plays their affordable role through CSR.*

Introduction:

Corporate social responsibility (CSR) is how companies manage their business processes to produce an overall positive impact on society. It covers sustainability, social impact and ethics, and done correctly should be about core business - how companies make their money - not just add-on extras such as philanthropy. Companies need to answer to two aspects of their operations. 1. The quality of their management - both in terms of people and processes (the inner circle). 2. The nature of, and quantity of their impact on society in the various areas. Outside stakeholders are taking an increasing interest in the activity of the company. Most look to the outer circle - what the company has actually done, good or bad, in terms of its products and services, in terms of its impact on the environment and on local communities, or in how it treats and develops its workforce. Out of the various stakeholders, it is financial analysts who are predominantly focused - as well as past financial performance - on quality of management as an indicator of

likely future performance. As per Section 135 of Companies (CSR) Rules 2014 and Schedule VII of Companies Act 2013, every company having net worth of ₹ 500 crores or more, or turnover of ₹ 1,000 crore or more, or net profit of ₹ 5 crore or more during the immediate preceding financial year, must have a CSR committee and spend at least 2% of the average net profits earned during three immediate preceding financial years to CSR activities.

The dramatic spread of COVID-19 (Coronavirus Disease) has disrupted lives, livelihoods, communities and businesses worldwide. All stakeholders, especially global business, must urgently come together to minimize its impact on public health and limit its potential for further disruption to lives and economies around the world. But the sum of many individual actions will not add up to a sufficient response. Only coordinated action by business, combined with global, multi stakeholder cooperation - at exceptional scale and speed - can potentially mitigate the risk and impact of this unprecedented crisis. In 2019, less than 10%

of business leaders from G20 and OECD countries considered the spread of infectious diseases as a looming global risk. Nor were companies anticipating that a pandemic might test their public reputation.

Corporate Social Responsibility for COVID-19- Role of Indian Giants

The spread of COVID-19 demands global cooperation among governments, international organizations and the business community. This multi stakeholder cooperation is at the centre of Earth5R's project Global Sustainability Hub.

In this context, Earth5R's COVID Action Project (CAP) will focus on five priorities:

1. Galvanize the global business community for collective action
2. Train global communities on awareness, response & self-sustainability
3. Urgent healthcare support – Telemedicine, PPE equipment, Building isolation rooms, Building disinfectant and thermal screening tunnels.
4. Protect people's livelihoods and facilitate decentralized business continuity at the local level
5. Mobilize cooperation and business support for the COVID-19 response

In our India the central government of India has decided to allow corporate sector of India to use their mandatory corporate social responsibility (CSR) spending on measures to fight COVID-19.

The Finance Minister Nirmala Sitharaman confirmed that spending of CSR funds for COVID-19 is eligible CSR activity. "In view of the spread of novel coronavirus in India, its declaration as pandemic by the WHO, and decision of Government of India to treat this as notified disaster, it is hereby clarified that spending of CSR funds for COVID-19 is eligible CSR activity," Sitharaman said on Twitter. "Keeping in view of the spread of novel Corona Virus (COVID-19) in India, its declaration as pandemic by the World Health Organisation (WHO), and decision of Government of India to treat this as a notified disaster. It is hereby clarified that spending of CSR

funds for COVID-19 is eligible CSR activity," Ministry of Corporate Affairs notified on Monday. "Funds may be spent for various activities related to COVID-19 relating to promotion of healthcare, including preventive health care and sanitation and disaster management," it said. According to the Companies Act, firms with a net worth of ₹ 500 crore, or turnover of ₹ 1,000 crore or net profit of ₹ 5 crore or more, are required to set aside 2 per cent of their average net profits over the last three years on corporate social responsibility activities. The move is expected to benefit local communities, where businesses have operations and complement the state's efforts to combat the crisis that has disrupted economic activity Indian companies spend around ₹15,000 crore a year on charity as mandated by law. An order by the ministry of corporate affairs said CSR funds may be spent on various activities related to the Covid-19 disease in ways such as promoting healthcare, including preventive care.

❖ Infosys Foundation

Infosys Foundation, the philanthropic and CSR arm of Infosys, today announced that it is committing INR 100 crore to support efforts towards fighting COVID-19 in India. The Foundation contributed half of this commitment (INR 50 crore) to the PM CARES Fund. This sum will primarily be utilized across three broad areas of support that the Foundation has prioritized: To expand hospital capacity for treatment and enable hospital stays for COVID-19 patients across India, especially ones belonging to the economically weaker sections of the society. To provide ventilators, testing kits, and Personal Protective Equipment (PPE) like masks, and other protective gear for frontline healthcare workers. To ensure better access to food and nutrition for the underprivileged section of the society, that is bearing the adverse economic impact of the current situation. Over the last two weeks, Infosys Foundation has announced support for creation of an exclusive hospital in Bangalore for COVID-19 patients. It has also enabled the acquisition of medical and PPE equipment for multiple military and government hospitals across the country. The Foundation is also supporting various NGOs that provide food and hygiene kits to thousands of people in need. "These are unprecedented times that require every section of the society to rise up to the challenge. Infosys

Foundation has always supported the needs of the country in difficult situations and we will continue to work with governments, non-profits, and healthcare institutions in their fight against this global pandemic. All our efforts will be targeted towards ensuring that the relief material reaches the people who need it the most, whether it is a patient who cannot afford treatment, our healthcare personnel, or daily-wage workers whose livelihood has been severely impacted,” said Mrs. Sudha Murty, Chairperson, Infosys Foundation. Infosys Foundations, both in India and in the USA, are extending their resources and technological capabilities to help people who are most impacted by this pandemic.

❖ Reliance Industries

Reliance Industries contributes ₹ 500 Crore Contribution to PM CARES Fund in addition to its Multi-pronged On-the-Ground Fight against COVID-19. **Jio** has become the lifeline for nearly 40 crore Indians, especially during this nationwide lockdown. At Jio, we have created an end-to-end COVID-19 platform to manage the healthcare and well-being of our employees and family members. This platform not only facilitates the daily self-monitoring of symptoms but also triggers emergency medical response for immediate attention, if required. This solution is available to all Reliance employees and family members and will soon be rolled out to our wider community members in Mumbai and India. Jio has also developed a tele-medicine consulting app on the mobile phone, which can facilitate virtual video consultations between any mobile user and our doctors registered on the platform. Again, this is also available to our employees and family members for free.

Reliance Retail is supplying most essential food and other items to millions of Indian families unceasingly. In collaboration with the procurement groups across RIL, it is also working relentlessly to source equipment and materials required for testing, isolation and treatment, including sanitation and personal protective equipment.

Reliance Life Sciences has enhanced India's COVID-19 testing capabilities by developing its own confirmatory tests. As a result, we can now

carry out COVID-19 tests for Reliance employees and family members on priority. We are in the process of expanding this testing capacity even further and will soon have it ready for the larger community.

Above all, **Sir H.N. Reliance Foundation Hospital** established a dedicated 100-bed COVID-19 treatment facility at Seven Hills hospital in Andheri, Mumbai, in just a matter of 10 days. Our doctors and other healthcare personnel are also working round-the clock to ensure that our nearly 20-lakh extended Reliance Family throughout India remains COVID-free even in the worst-case scenario.

❖ Wipro Limited

Wipro Ltd, Wipro Enterprises Ltd and Azim Premji Foundation, have together committed ₹1125 crore towards tackling the unprecedented health and humanitarian crisis arising from the COVID-19 pandemic outbreak. These resources will help enable the dedicated medical and service fraternity in the frontline of the battle against the pandemic and in mitigating its wide-ranging human impact, particularly on the most disadvantaged of our society. Integrated action will be taken for a comprehensive on-the-ground response in specific geographies, focused on immediate humanitarian aid, and augmentation of healthcare capacity, including containing the COVID-19 outbreak and treating those affected by it. These responses will be carefully coordinated with relevant government institutions and would be executed by the Azim Premji Foundation's 1600-person team, in collaboration with many of its over 350 strong civil society partners, who have a deep presence across the country. These efforts will fully leverage the technology expertise, sourcing systems, infrastructure, and distribution reach of Wipro. Of the ₹1125crore, Wipro Ltd.'s commitment is ₹ 100 crore, Wipro Enterprises Ltd's is ₹ 25 crore, and that of the Azim Premji Foundation is ₹ 1000 crore. These sums are in addition to the annual CSR activities of Wipro, and the usual philanthropic spends of the Azim Premji Foundation. Modern global society has not confronted a crisis of this magnitude and type. The Azim Premji Foundation and Wipro believe that we must all work together to not only deal with this crisis and minimize its human impact, particularly on the disadvantaged, but also learn from these extraordinary times, to

develop a more resilient global community, based on justice, equity, humaneness, and ecological sustainability.

❖ TATA Group

Tata Trusts committed ₹500 crore for would be used for personal protective equipment for the medical personnel on the frontlines, respiratory systems for treating increasing cases, testing kits to increase per capita testing, setting up modular treatment facilities for infected patients, and knowledge management and training of health workers plus the general public. Tata Trusts Chairman Ratan Tata said, "Urgent emergency resources need to be deployed to cope with the needs of fighting the Covid-19 crisis." "We are deeply grateful and have immense respect for every person of member organisations who have risked their lives and safety to fight this pandemic," Tata said in a statement.

Tata Motors has organized for food supplies to migrants and stranded communities, urban slums, transit camps and villagers, drivers, co-drivers, mechanics, contractual and temporary workers, security personnel, across geographies in the country. So far, the company has provided over 25,000 Food packets (cooked meals) and over 5000 Grocery kits (ration) and is continuing its efforts to ensure health of the underprivileged communities. In addition to this, the company has established two helpline numbers for temporary and contractual workmen for food related requests in Lucknow and is providing water to 19 Police chowkis and traffic police in Pune. Tata Motors is supporting and assisting Self-Help Groups to manufacture home-made certified masks and sanitizers to be distributed to hospitals, vendors, health-workers, police stations, army personnel, in communities around the company's plants. Till date, the company has enabled the manufacturing of 17,000 home-made certified masks. The company has also facilitated N95 masks, sanitizers, Personal Protective Equipment kits that are being distributed to municipal hospitals. The company also conducted health check-ups & provided basic medication to over 500 stranded truck drivers and co-drivers in Belur, Dharwad.

Conclusion:

The Government of India is also inspiring the companies to provide social support in this age of

Covid-19. As per report of the Ministry of Corporate Affairs dated March 23, 2020, all expenditures incurred on activities related to covid-19, will be added as the permissible avenues for CSR expenditure. Corporate Social Responsibility (CSR) is now a familiar metric of how well a brand interacts with stakeholders and communities, both locally and globally. Supporting the common social good has become just as important a goal as delivering shareholder value and profitability for organizations for all sizes, even up to enterprise level, across every business vertical imaginable. Today, the value of being a good corporate citizen goes beyond the pride and satisfaction of providing simple altruistic support for worthy goals. Strong and consistent CSR policies have become a cornerstone of the identity of many brands with customer bases that strongly identify with causes championed by businesses, from ethical sourcing to contractor working conditions to carbon footprints and a thousand other issues in between. CSR isn't just the right thing to do; increasingly it makes business sense as a way to deepen engagement with modern consumers. As a still relatively new component of corporate activities, CSR began 2020 with enormous potential to combine business and social goals into a symbiotic relationship, with each supporting the other and creating new opportunities for brands and the issues that matter most to their customers. With this in mind, we've put together a list of the ways that pre-COVID-19 Corporate Social Responsibility strategies can be applied to the reality we're going through right now.

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