

The Participation Of Indian Firms During Covid-19 Pandemic-A Corporate Social Responsibility Perspective

Sameer Kumar Kolli¹, Dr. Akondi Srikanth²,

*Research Scholar, KL Business School, Koneru Lakshmaiah Education Foundation,
Email: sameerkk9@gmail.com*

*Associate Professor, KL Business School, Koneru Lakshmaiah Education Foundation,
drsrikanth.akondi@gmail.com*

Abstract

India witnesses an unexpected health condition with options unknown in the time of pandemic COVID-19. Firms in various markets such as health care, financial services, software, consumer goods, etc. spend a significant amount of money on corporate social responsibility (CSR) activities. The literature suggests that consumer stake into consideration firms' CSR activities when making business decisions, noting that and doing so either increases their business making intention or willing to pay higher prices for the firms products and services. Organizations worldwide took active part in fighting the pandemic. This paper is intended to bring out the CSR activities initiated by various companies in India during COVID-19 pandemic. Our data reveals the conditions under which companies involved in CSR and of what type. Then, in our future studies we extend to investigate how the increase in consumers' appreciation of CSR and increase in consumers' sensitivity to evaluative context affect firms' optimal CSR strategies.

Keywords: *Corporate social responsibility, COVID, Novel Corona virus, Sustainable and responsible investing*

1. INTRODUCTION:

India is a country of numerous cultures. On one hand it has grown to be one of the largest economies in the world and an increasingly important player in the emerging global order, on the other hand, it is still home to the largest number of people living in absolute poverty and the largest number of undernourished children. CSR activities differ in their aims and objectives. The purpose of CSR is to encourage businesses, governments and citizens to be responsible to the society and attain social change (Tench, 2014). In most of the countries small and medium companies are the major employers of the poor, their contribution is said to be greatest. (Soren, 2005). Beyond making profits, business organizations have responsibilities towards the society. Companies' contributions to society are under-lacking due to the present COVID pandemic.

2. What is CSR means:

Corporate social responsibility is a management term where companies combine society to business operations. It is well known that many businesses have responsibility towards the society in terms of raising the standards of backward sections. Beyond making profits, companies believe in increasing its own reputation. Sometimes reputation may also become risk to the company in the course of making company more attractive. Corporate social responsibility contributes to sustainable development. CSR increases profitability and generates social benefits.

3. Literature Review

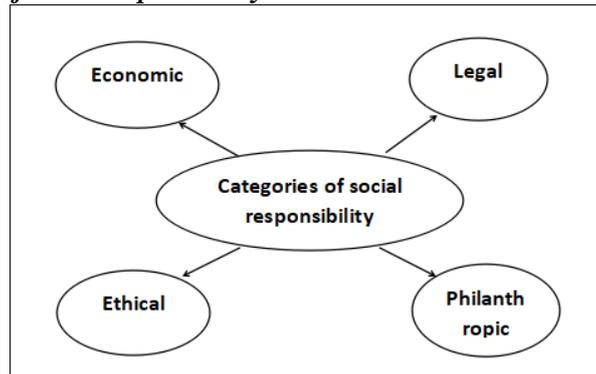
In December 2019, there was an outbreak of respiratory down syndrome named corona virus infection occurred in Wuhan, Hubei Province, China, which had spread across China and world

beyond. The World Health Organization officially named the syndrome caused by the novel corona virus disease 2019 (COVID-19) on February 12, 2020 (Zu et al,2020).

Using the situation of the COVID-19 pandemic, the authors working on CSR brought out types of CSR actions that Governments and organizations can implement and their respective effect on various sections of society. Authors found that, though CSR policies are created by companies they are being implemented by individual employees. The employees perception is playing a key role in implementation and success of CSR (Aguinis et al (2020))

Caroll (1979) defines social responsibility as a four component model. Research scholars have been following the same model in the works of social responsibility. The model is shown below:

3.1 Different categories of socialresponsibility:



Source: [3]

The economic responsibilities of business reflect in the way of profitability and productivity. Legal responsibilities arise with standard regulatory requirement under which businesses are supposed to operate. Ethical responsibilities are related to values of the society. Philanthropic/Discretionary responsibilities are purely voluntary in solving social problems. It is vital for a company to identify the way how CSR activities can build their organization image.

3.2 Indian businesses and society responding to COVID-19:

Numerous companies joined their hands to support the pandemic situation of COVID-19. Many companies have involved in CSR activities in COVID-19. At a glance the table below shows CSR activities of various Indian businesses organisations that are involved in COVID-19 relief works according the published information on web source. Companies joined their hands in helping the society irrespective of industry. These activities helped the front line staff like police and health, sanitation workers to work more enthusiastically.

Business organizations in India already committed to INR 5806 Cr. To Indian in fighting COVID-19 by 3rd may and still continuing with many responsible activities. The data below show few companies along with other rendering their services during pandemic condition.

Company name	CSR activity
Asian Paints	Commits Rs.35Cr to central emergency relief funds
<u>Infosys foundation</u>	Combined with Narayana health city opened 100 bed quarantine facility
<u>Wipro</u>	Committed Rs.1125Crore for handling unprecedented health and humanitarian crisis.
ITC	Sets Rs.150Crore COVID contingency fund for weaker sections of
Reliance Industries	Gave Additional Rs.500 Cr to the prime minister CARES fund on top of all the multi-crore initiative of the country's first COVID-19 hospital.
L&T	Commits to donate Rs.150 crore to the PM CARES fund
Marico and AT chandra foundation	Launched nation wide hunt for innovative solutions to health care challenges with a 2.5cr prize money
Zomato	Sets fund for income lacked daily wage workers in India
TATA sons	Contributes Rs.1000Cr in in addition to Rs.500Cr pledged by Tata trusts.
Adani Foundation	Contributes Rs.100 Cr to PM CARES fund and stitched over 1.2 lakh masks for use to police and health workers

Mankind	Pledged Rs.51 Cr and donated ventilators , personal protective equipment and medicine to the states that are reporting maximum positive cases
MG Motor India	Donated Rs.2Cr for the government hospitals and health institutes
JSW group	Committed INR 100 Cr to the Prime Minister citizen assistance and relief in emergency situation fund to all on going relief efforts
Godrej	Initiated Rs.50Cr fund to support and relief works
Henkel	Donated hygiene products, disinfectants, and donation to UN and WHO fund
Uday Kotak and Kotak bank	Commits INR 60 Cr fund
Srinivasan services trust (SST)- TVS MOTOR Company & Sundaram Clayton	Rs.30 Cr for the manufacturing and supplying supportive equipment like masks and provided cooked meals to the frontline staff.
Bajaj Group	Commits Rs.100 Crores

Anita Dongre	Announced 1.5Cr medical fund to self employed artisans
Ola	Announced Rs.20 crore fund for its drive naming Drive the Driver fund
State Bank of India	Announced 0.25% of its annual profit FY 2020-21
Diageo	Involved in creation of more than 8 million bottles of hand sanitizer by donating up to two million litres of alcohol to manufacturers
HUL	Pledges Rs.100Cr price cuts on lifebuoy sanitizers and Domex
TikTok	Donated Rs100Cr for medical equipment in India, also 4 Lakhs hazmat medical protective suits and masks.
Vedanta	Pledged Rs.100 Crore
Honda	Donated Rs.11Crore aid for preventive measures
Axis Bank	The bank waived off charges on various transactions to support convenient banking

4. Analysis & Discussion:

The analysis on data above is only about a few companies that are actively involved in facing novel corona virus situation. It is noticed from the data above that companies intention of profit maximization has left the prior place while facing pandemic situation. As part of sustainable and responsible investing strategy companies seek both financial and social reputation. A survey was conducted on 575 Spanish citizens which concluded that post pandemic crisis respondents perceptions towards CSR changed, that affects preference of consumption in the companies that are involved in CSR activities. Study on Spanish firms concluded that firms good name, social status, and society trust will play an important role (JM Ruiz et al,2020). A study on 680 Indonesian public firms who involved in helping face the COVID-19 drew facts that only 7 and half of organizations involved in fight against pandemic, which provided donations, free internet facility, nutrition items, face masks and medical equipment etc.,(Abbas,2020). Indian companies also took part in fighting the pandemic conditions during the outbreak of disease. The above data paves way to study on employees perception in involvement of CSR. Also the perception of people can be collected with a well structured questionnaire on the image of the companies involved in CSR activities.

5. Scope for future study:

This study can be expanded from secondary data to analytical study by collecting the responses from the society and the front line workers who are involved in fighting the novel corona virus. A selective model also can be built accordingly to construct the theory on corporate social responsibility.

6. CONCLUSION:

Now a days organizations are more connected with the society. Mostly the weaker sections of the society, to uplift them in terms of job creation, rendering education and medical services. CSR is acting as a bridge to build a rapport between society and businesses. CSR initiatives should be strictly enacted by companies for finance advantage over other competitors in the long run. CSR also has become a plan to beat the competitor. By practising CSR companies are succeeding in building customer loyalty, business performance, image creation. Hence it is identified that study on CSR will have a wider scope and there would be requirement of more studies to build theory on it.

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