

**CORPORATE SOCIAL RESPONSIBILITY PRACTICES IN THE TIMES
OF COVID-19: WITH SPECIAL REFERENCE
TO MAHARASHTRA STATE**

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Abstract:

The present research paper attempts to define the Corporate Social Responsibility in Maharashtra state during the pandemic times of Covid-19 in the state. Corporate social responsibility is now accepted as a means to achieve sustainable development of an organization. The World Health Organization has considered Covid-19 as a global pandemic in the academic year 2020. The contagious disease enormously disrupted socio-economic conditions of the planet. The Government of India and state governments announced lockdowns throughout the country in March 2020 in order to promote social distancing and stop the spread of virus. The comprehensive lockdowns worsened economic quandary of the Maharashtra state. Heavy population and a lack of educational awareness added so many socio-economic and health related problems in the life of people. The corporate sector of Maharashtra government stood shoulder to shoulder with public and state government to help the needy in the difficult times.

Key Words: *Corporate Social Responsibility, pandemic, lockdown, philanthropic etc.*



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Introduction:

Maharashtra is one of the most economically progressive states, which has largest industrialization in the country. It is widely known for its national and international business zones and its prominent headquarters. The corporate sector in the state brings peace and prosperity in the life of thousands of common people. It also provides maximum tax to the state and central government. However, the contagious disease of Covid-19 enormously disrupted socio-economic conditions of the state. The corporate sectors in the state contributed their lions share to bring the socio-economic conditions of the state properly. At the outset of the paper it is necessary to understand what is corporate social responsibility. According to the author Sanjay K Agarwal “The concept of social responsibility among businessman particularly in India is not new and can be easily seen in the form of magnificent temples, high mosques, large dharamsala and great education institutions. Indian literature is full of incidents when businessman have gone out of the way to help extract kings and societies out of crisis. Many Indian businesses are unknown for staying one step ahead of the government as far as the welfare of employees and societies is concerned.” P.11 Corporates in Maharashtra came forward to help the society during the pandemic times.

Objectives:

- ❖ To understand and evaluate the corporate social responsibility in Maharashtra state.
- ❖ To know which industry has largely contributed for the welfare of the society.
- ❖ To know what is corporate social responsibility.
- ❖ To know the success and failure of corporate sectors while supporting to the government and society.

Data collection Methods:

The researcher has selected primary and secondary data from various sources such as different websites of corporate companies, government and non-government departments, Newspaper Articles, Research Papers and Magazine Articles, books etc. This has helped to collect correct data for research work. Traditionally people assumes that CSR means only philanthropy work. It includes charity for social, cultural and religious purposes whereas modern viewpoint stressed on long term interest of stakeholders and sustainable development for the society.



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Need of the research study:

The present research study aims to explain the importance of corporate social responsibility during the pandemic situation of Covid-19 with special reference to Maharashtra state. As most of the business tycoons voluntarily came forward to support the society and state government. They have imprinted glorious footprints in the history of corporate sectors by their philanthropist work. Another purpose of this study is to explore the various definitions and descriptions of Corporate Social Responsibility (CSR); expounding upon the scope of corporate social responsibility in Maharashtra by studying the positioning of CSR practices over the last two years.

A few important definitions of CSR are given below:

“The social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time” (Carroll, 1979).

World Business Council for Sustainable Development defines CSR as “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 the local community and society at large” (WBCSD,2000).

World Bank Group states that “CSR is the commitment of business to contribute to sustainable economic development by working with employees, their families, the local community and society at large, to improve their lives in ways that are good for business and for development” (World Bank, 2013).

Literature Review:

Corporate Social Responsibility is one of the most important aspects of corporate world. The state is no exception to it. In state context, this term and phenomena is more suitable as India is a budding economy and needs to discharge a lot of social obligations to a larger society. The organizations are valued highly by its stakeholders who do well in terms of social and environmental aspects. CSR is an extensive thought that can take many forms, depending on a company and its different sectors. Through CSR programmes, philanthropy and volunteer efforts are taken and hence businesses can benefit the society while boosting their brands.

A prominent author, Catherine Malecki states, “CSR is a self-regulating business model that



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helps a company to be socially accountable — to itself, its stakeholders, and the public. By practicing corporate social responsibility, also called corporate citizenship, companies can be conscious of the kind of impact they are having on all aspects of society, including economic, social and environmental”. Most companies have long practiced some form of corporate social and environmental responsibility with the broad goal of contributing to the well-being of the community and society and on which they depend.

According to Section 135 of Companies (CSR) Rules, 2014 and Schedule VII of Companies Act 2013: *Every company with a net worth of Rs 500 crore or more or turnover of Rs 1,000 crore or more or net profit of Rs 5 crore or more during the immediate preceding financial year, must have a CSR committee and spend at least 2 per cent of average net profits earned during three immediate preceding financial years to CSR activities.*

In the present era of COVID-19, the Government of Maharashtra is stimulating companies to afford social support. According to a March 23, 2020 Ministry of Corporate Affairs circular, all expenditures incurred on activities related to COVID-19 would be added as permissible avenues for CSR expenditure.

Activities for what the CSR fund is spent in Maharashtra.

Funds may be spent for various activities related to COVID-19, under the following items of Schedule VII of the Companies Bill 2012.

- To promote funds for educational purpose in weaker section of the society.
- To encourage gender equality and empower the women.
- Combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases such as Covid -19 virus.
- Safeguarding environmental sustainability.
- To enhance Employment skills among unskilled youths.
- To provide funds for hospitals equipment's and corona war heroes.
- To contribute to the Chief Minister's State Relief Fund or any other fund set up by the Central Government or the State Governments for socioeconomic development and relief funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and; other matters as may be prescribed.

The State Government is planning to have a Special Purpose Vehicle to monitor spending of



CSR Fund and Projects. The State Government want that there should be full utilization of CSR fund for the welfare of the needy class or society.

Existing CSR Activities of some companies in Maharashtra

There are many prominent industrialists in Maharashtra who have been contributing to its industrial growth as well as to the social sectors. Mumbai and Pune are Industrial hubs and have major industries in Maharashtra. Pune district is known for the IT and manufacturing industry. The industrialists in Thane district are contributing to the service sector and promoting for the educational programs. The industrialists in Nashik district are sharing the highest revenue for the agriculture and allied activities sector which helps directly to the community.

Following are few industries & industrialist who have helped community at large and state government at general.

- The Tata group- Tata Trusts & Tata Sons have contributed the amount of 1500 crore for the Corona Relief Fund.
- Bajaj Auto is also supporting Bhartiya Yuva Shakti Trust (BYST) in training 25000 young persons in Aurangabad and Wardha to create 1000 entrepreneurs in upcoming five years.
- Reliance Industries Limited initiated a project to support the Oxygen Tanks of 100 tons to the needy hospitals. Honorable Mukesh Ambani of Reliance industries contributed 500 Crore for Chief Minister Relief Fund.
- Mahindra & Mahindra launched a unique kind of concept to plants trees to protect the glob for future safeguards.
- Tata Consultancy Services is India's leading software service company and has won the Asian CSR award for initiating community development work. Major focus of the company is on education sector. Company is working upon literacy program that cares TCS designed computer based literacy model to teach adults and this program is known as a adult literacy program. Company is also working upon environment policy and has been developing environment friendly products and services in Maharashtra state.
- Infosys: As a leading software company Infosys is into the providing language and computer education. Company has special program for poor children by which company



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teaches them various skills and change their outlook too. Company also donates carom, chess board, chocolates etc. to the needy ones. CSR activity includes

Blood donation camp and Infosys foundation has been working in the sectors of health care, education, environment preservation and social rehabilitation in Maharashtra state.

- Wipro: Company has taken various initiatives to women empowerment. Three main CSR activities include environment sector, education sector and energy conservation.

Future scope and limitation of the Study:

- Effective CSR gives a company the power to stand out in today's saturated market and connect with customers.
- The present research paper points out the contribution of CSR fund provided by various industries in Maharashtra state. Therefore, this study will be useful for the research scholars and those who have keen interest in this field.
- However, this study needs to study in detail for further work as it lacks comprehensive survey. The practical survey of the companies CSR policies and personal interview of the management would provide detail elaboration of the topic.

Conclusion:

According to Thomas Maak, "Corporate social responsibility has been used as an umbrella term since 1960 to describe not only the social but the societal responsibilities of business and their decision makers." Therefore, effective CSR gives a company the power to stand out in today's saturated market, connect with customers on a level that ensures long-term loyalty, and potentially even brand advocacy. The research study is helpful to know the CSR contribution in Maharashtra state for upcoming research scholars. However, this study needs to learn in detail for further work as it lacks comprehensive survey.

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