



## Contributions of Corporate Social Responsibility Towards health Care In Chennai

RUBINI V E<sup>1</sup> & K.SATHYAMURTHI<sup>2</sup>

1. Research Scholar & Team Leader – Communication & PPP, ITCSE – Directorate of Social Defence, Chennai-10.
2. Research Supervisor & HOD, Department of Social Work, Madras School of Social Work, Chennai-8.

### ABSTRACT

Corporate Social Responsibility (CSR) is a most happening and dynamic aspect of every Indian company fulfilling the provisions of the CSR guidelines as per the Companies Act (2013). Moreover, post COVID19 pandemic the nation is witnessing a changing trend in the practice of CSR and its inclination towards the health sector. This paper aims to stimulate a perspective of understanding and will help to analyze the contribution of the companies in Chennai towards the health care vertical both directly and indirectly to enable the underprivileged to access the various health benefits through the Corporate Social Responsibility, the expenditure mandataes per legal compliances and its relevance to towards the social and welfare measures for the betterment of the society.

**Keywords:** Corporate Social Responsibility, CSR, Health, Chennai

Received 06 Nov., 2022; Revised 18 Nov., 2022; Accepted 20 Nov., 2022 © The author(s) 2022.  
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### I. INTRODUCTION:

In the recent decade, the Corporate companies in India provides various contribution for the development and sustainability in health care of this country. Many companies have a well-designed CSR policy exclusively for their company to guide them in the process of resolving the beneficiaries and the sector of support to be provided. The implementation of the expenditure mandate as per Indian Companies Act (2013) to spend 2% of their average last three-year net profit towards the social and welfare activities as per Indian Companies Act is a milestone to achieve in the current scenario. Adding to this the amendments to the Act and the tightening up of the procedural aspects and certifications, authentic acknowledgements have turned to be a real time challenge to appropriately spend the CSR funds for the given sectors. This paper will help to understand and analyze the contribution of the companies in Chennai towards the health care vertical both directly and indirectly to enable the underprivileged people in accessing the health care through the Corporate Social Responsibility.

### II. OBJECTIVES

- To understand the provisions of CSR under Indian Companies Act 2012
- To analyse the core areas of companies supports to health care in Chennai
- To comprehend the corporate social responsibility policy and core focus area of companies
- To assess the need of improvisation in CSR provisions, to focus on important needs of developing country

### III. WHAT IS CORPORATE SOCIAL RESPONSIBILITY UNDER COMPANIES ACT ?

Corporate Social Responsibility is the act/term which allows the companies to engage in projects /programs/ activities related to social welfare and improvement enlisted to be concentrated for the development of marginalized community. This element provides the flexibility in company activities by allowing them to select their preferred CSR engagements through the adopted overall CSR policy of the company.

#### **IV. WHAT ARE ALL THE COMPANIES THAT ARE ENTITLED/ APPLICABLE TO IMPLEMENT CSR ?**

As per Section 135 of Indian Companies act, all the companies registered under Indian companies act has to perform the CSR activities and are obliged under the act which meets the following criteria,

- Companies with a net worth of Rs.500 crores or more, or
- Companies with a turnover of Rs.1000 crores or more, or
- Companies with a net profit of Rs.5 crores or more.

The above companies need to spent 2% of their profit (average last three year) towards their company's CSR. These company needs to formulate their CSR committee and overall CSR policy for the company which will serve as the guidelines for the companies to implement the CSR activities as prescribed in schedule VII of Indian Companies act 2013.

The following are the area where the companies can engage themselves to implement their CSR activities as adopted in their company's CSR policy which was derived from schedule VII of Indian companies act.

#### **V. THE ACTIVITIES ARE AS FOLLOWS AS PRESCRIBED IN SCHEDULE VII UNDER SECTION 135 OF INDIAN COMPANIES ACT**

1. Eradicating poverty, hunger and malnutrition, promoting health care including sanitation and preventive health care, support to the Swachh Bharat Kosh set-up by the Govt of India for the upgrade of sanitation and making available safe drinking water.
2. Education development – Including special education and strengthening the employment through vocation skills among children, women, elderly and the differently-abled and livelihood upgradation projects.
3. Developing gender equality, establish infrastructure like homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and steps to reduce inequalities faced by underprivileged groups.
4. Protecting environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining a quality of soil, air and water which also includes a contribution for revamp of river Ganga.
5. Safeguard of national heritage, art and culture, restoring of buildings and sites of historical importance and works of art, establish public libraries, develop and promote handicrafts and traditional arts.
6. Provide contribution for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces and Central Para Military Forces veterans, and their dependents including the widows.
7. Support and training to develop rural sports, nationally recognized sports, Paralympic sports and Olympic sports.
8. Contribution including to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for providing relief and welfare of the Scheduled Castes, the Scheduled and backward classes, minorities and women in India.
9. Financial support / Contribution to incubators or research and development projects funded by the Central Government, State Government, Public Sector Undertaking or any agency of the Central Government or State Government in the field of science, technology, engineering and medicine.
10. Support / Contributions to public funded Universities, IITs, National Laboratories and autonomous bodies established under DAE, DBT, DST, Department of Pharmaceuticals, Ministry of AYUSH, Ministry of Electronics and Information Technology and other bodies, namely DRDO, ICAR, ICMR and CSIR, involved in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals.
11. Rural development projects across India.
12. Slum area development across India.
13. Disaster management, including relief, rehabilitation and reconstruction activities across India.

#### **VI. CORE FOCUS AREAS OF THE COMPANIES**

As the companies focusing more to implement their CSR program around their company it will also improves their brand value, they utilize every opportunity for the development of the society and to develop their goodwill and brand value among the community it works. As we understand the Education, Health and employment opportunity is primary key areas needs to be focused in developing countries, the companies also focus more on these areas to have the better and easy reach among the communities, and ultimately it plays important role for the nation as it reaches the ulterior needs of their own citizens. The schedule VII under Section 135 of Indian Companies Act build the better wall for the companies as it enables the companies to derive their CSR policy.

## **VII. IMPORTANCE OF IMPROVING THE PUBLIC HEALTH CARE**

The full potential of any community could be attained if the community or the individual is healthy enough. If the middle class or lower middle class family has to develop, the planning and budgeting plays major role in their holistic development. If the marginalized community needs to spend more than 50% of their income towards the medical treatment, then their long term planning towards their children education and basic infrastructure development for their shelter will become the question mark.

The ideal suggestion is, the individual health is most important than anything else. Then the infrastructure facility in public health plays vital role for the family, community and Government proper functioning. The recent Covid-19 spread almost reduced the growth ratio of our nation even some of the developed countries as they had spent most of their budget towards the preventive and curative health care to safeguard their citizen from Covid-19 spread and its cure.

The government taking various steps to confirm the health care of the country, but the insufficient funds is always been the problem to meet the ultimate goal of the country towards the health care of the nation. The innovation and multiple strategies will serve as the better tool to bridge the gape between the Health care need and the source to achieve that. The one among the strategy is to pool the source from the private sectors and engage them to contribute for the nation towards the health care of the nation. There the term CSR arrived and direct the companies to spend for the social and development cause of the marginalized people and for the nation as well.

The Section 135 of the Indian companies act introduced in 2014 and created the compulsory mandate for the private companies to spent the certain % of their profit towards the social welfare and development. In continuation with that it also gives the direction under Schedule VII on the areas to be focused to implement the programs to enable the spent.

## **VIII. HOW EFFECTIVE, THE CSR ACT DIRECT THE COMPANIES TO SPEND TOWARDS THE PUBLIC HEALTH CARE?**

The few projects of the companies in Chennai towards health care will provide us the picture of how effective it is,

### **Mobile Medical Van;**

The mobile medical unit is one of the project is been implemented under Company's CSR by Muthoot Finance Ltd, 'Muthoot Anbin Nizhal', a CSR program of Muthoot Finance Ltd for the Prevention and early detection of Kidney related diseases, diabetes and Hyper tension ailments. Muthoot Anbin Nizhal is a mobile lab operated across Kerala and Tamil Nadu to facilitate the following blood & urine tests and create awareness among people about the dreaded disease. The following are the tests been done through the Mobile medical van to the deprived segments of the community at free of cost.

1. Cholesterol
2. Creatinine
3. Sugar
4. BP
5. HBsAg

### **Project Summary:**

The Muthoot Anbin Nizhal van will reach the community at 7 am and will collect the blood samples of participants at the camps from 7.00 am to 9.00 am. The samples collected are tested and verified by the lab technician in the Mobile Laboratory and the results are ready before 4 PM, followed by an awareness session. The camps are being organised with the help of local agencies, clubs, etc. Every day the unit will serve the needy people of on an average of more than 100 blood samples.

During the awareness session vital information regarding prevention and treatment of the disease will be imparted to the participants. The results are categorized into 3 different groups viz A, B & C. 'A' category people are absolutely fine. 'B' category are recommended to consult with doctor, & 'C' Category to meet the doctor for treatment. Close follow up is done with people who fall under C category, for any continued medical help for which we can extend financial support.

### **Financial support for the medical treatment of the individual:**

In one of the other initiative of Muthoot Finance Ltd, the financial assistance been provided to the people who undergo for the medical treatment like surgery and dialysis etc., the service been rendered to the needy and poor people which is been confirmed through the 2 to 3 levels of verification and the acknowledgement from the hospitals and local community leaders, Trusts and social organizations.

**Support during calamities;**

In the year 2022, Muthoot finance Ltd supported various hospitals by donating the oxygen concentrators, PPE kits, facial masks and surgical gloves to the hospitals, social organizations and the Covid front line warriors in the measure to take part in their effort to combat Covid-19.

In the year 2021, Muthoot Finance Ltd supported the tribal community in Tiruvallur District during the flood with the basic grocery items and other basic items which lasts for at least one month, with the coordination and support for distribution from the local community leaders, social workers and Rotary Club of Tiruvallur district.

**Free Eye camp for the Truck Drivers Community:**

Glovis India pvt ltd - the logistical company organizing the free eye camp twice in a year for over 1200 truck drivers community. The camp including the complete eye check up and providing free spectacles (for needy people) and other travel safety items to all those participants. Being the heavy vehicle drivers undergoing the eye check up really need for them and company plays vital role in organizing those camps for the benefits of truck drivers.

**Infrastructure development in Govt Hospitals:**

Glovis India pvt ltd provided improved infrastructure facility for the night shelter home functioning inside Stanley Govt Hospital, Chennai. The patients travel from other district may have to stay in Hospital for some days. The family member (women) who accompanied patient can stay in the shelter home. The facilities like RO water plant, CCTV facility, Sanitary napkin vending machine and incinerator, Cupboards to safeguard their belongings, Induction stove has been provided by Glovis India pvt ltd through an implementing agency.

The above cited few activities are implemented by two companies under their Corporate Social Responsibility. The needs and demands are more in health care sector. Can the Govt fulfill everything? may not be possible always with the budget constraints. Hence the new strategy and intervention can be the supplement factor to achieve those needs, the Govt came up with the idea stating Corporate Social Responsibility and it became mandate for the companies under Indian Companies Act to implement the welfare activities from certain part of their business profit.

**IX. IMPROVISATION IN CSR PROVISIONS, TO FOCUS ON IMPORTANT NEEDS OF DEVELOPING COUNTRY**

It is observed that, Healthcare is a worldwide concern and not only an issue which the Government alone can be handled. The growing trend, fast increment and complexity of medical problems in the everyday scenario it has turned into a critical requirement for companies to step in and collaborate with the Government to address this problem. Corporates along with other stock holders in the healthcare related sectors should actively participate and indulge in promoting the health activities, Educational research related to preventive and curative health care, various kind of Health Camps and awareness programs, Participate in Policy Drafting and the active Implementation.

The Healthcare concept in Corporate Social Responsibility is not a very new concept, few companies in India like TATA and TVS is been doing the welfare activities for the betterment of the community even before the term CSR coined. But when it comes to health care infrastructure in India, it seeks more contribution from the Corporates due to the limited availability of resources and scientific literatures about CSR and Health. By accepting the fact, the idea CSR implemented by the Govt is the excellent strategy to connect the gaps in healthcare sector with the support of funds from the Companies as referred as Corporate Social Responsibility.

To make this contribution more effective and to motivate the companies to spend more CSR funds towards the healthcare sector, the Govt should recognize the Companies in common forum by the awards for those who spends more on preventive and curative healthcare, going ahead the additional tax exemption to be considered for the companies who spends on healthcare under few particular projects which can be designed by the governments to reach the holistic developments in terms of healthcare infrastructure in the country.

The nominees from the different segments of the society to be involved in seminar regarding the future scope and needs of healthcare infrastructure in India which enables the 100% availability of healthcare facility to every common man in the country.

**X. CONCLUSION**

CSR is implemented vigorously across the nation and especially in metropolitans like Chennai. Many companies have gone a step beyond expected and sincerely implemented CSR though some are yet to oblige with the legal compliance in the country. The health sector though being one of the most sensitive field, it also carries its own liabilities interms of risking the life or normalcy of an individual thus limiting and restricting corporates to a specified set of activities thus leading them to refrain from major health intervention or treatments which might risk the branding or reputation of the company. Still, post COVID19 first wave we can observe a significant change in the trend, there is a considerable rise in the number of companies addressing the

health sector through CSR. This paves way to explore more and variant healthcare projects to be covered through CSR for the benefit of the society.

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