



“A STUDY ON CORPORATE SOCIAL RESPONSIBILITY PRACTICES FOLLOWED BY INFOSYS COMPANY IN BANGALORE”

Dr. Mallikarjuna. N.L* **Veena .N****

**Dean, Professor and Chairman. P.G. Studies & Research in Management, Faculty of Commerce and Management, KSAWU, Janashakthi campus, Torvi, Vijayapura, Karnataka.*

***Research Scholar, P.G. Studies & Research in Management, Karnataka State Akkamahadevi Women University, Vijayapura, Karnataka.*

Abstract

Corporate Social Responsibility plays an important role in developing the economical and societal condition of the nation. Especially it is very much helpful for the developing countries like India. As per companies Act 2013, it is mandatory for all the corporates to take initiative towards Corporate Social Responsibility. This research paper is purely based on secondary sources of data collection. Data is collected for a duration of 6 years .i.e. from 2018-19 to 2023-24 from various sources such as company websites, published articles, journals, research papers and Newspapers. The data is related to Net profits, Budgeted CSR amount to be spent, actual amount spent and unspent by the Infosys Company limited. This paper tries to compare and depict the Budgeted CSR with CSR amount spent and unspent. The study reveals that CSR contribution made by the company helped for faster growth in Goodwill(Reputation) of the company and also has a Positive impact on the growth rate of Profits of the Company.

Key words: *Corporate Social Responsibility (CSR), Infosys Limited, Net Profits, Contribution.*

Introduction to CSR

Corporate Social Responsibility is a business model, which helps the corporates to be socially accountable to itself, its stakeholders and the society. As per the companies act, all companies must spend atleast 2% of their net profits towards Corporate Social Responsibility activities. As the companies utilises the resources of the nation and earn profit out of that, it is their responsibility to spend for their social causes.

Corporate Social Responsibility is a self-regulation business activity which provides benefits to public. From voluntary decisions it has moved mandatory schemes in the present decade. Corporate Social Responsibility is an extension of creating shared value which is a way for corporate sectors to make profits. Corporate Social Responsibility is considered as a strategic initiative which helps the organisations to increase their brand value and companies reputation.

Businesses engage in CSR for ethical purposes, where they contribute a portion of their profits voluntarily for the societal benefit.

Meaning of CSR

Corporate Social Responsibility is a self-regulated business activity initiated by corporates for societal benefit and to be socially accountable for the shareholders.

Definition of CSR

“Corporate Social Responsibility is a business model where companies integrate social concerns in their business operations & interact with their stakeholders with an intention to serve the society apart from profit making”.



About Infosys limited

Infosys limited was started in 1981 by seven engineers with just US \$ 250 as Infosys consultant's private limited @ Mumbai. Mr. Narayan Murthy is the founder & he led proficient team of tech professionals. They established their business to bring great ideas & enterprise solutions for progress of their clients. Now they are operating globally with more than 300000 employees & 50+ countries. It is a NYSE listed company & it is ITServices Company, where it has its Head Quarters is in Bangalore.

Infosys Vision

"To be globally respected Company that provides best-of-breed business solutions, leveraging, and technology delivered by best-in-class people".

Infosys Company has framed a set of Corporate Social Responsibility practices to itself to follow ethical, sustainable and social business practices.

Review of Literature

1.MeeraBalbhim (2021-22)- Had examined the study of CSR in relation to Tata Motors in India. The objective of the study is to identify emerging trends of CSR, observe different strategies & analyse CSR impact on customer, Environmental & community. Both Primary & secondary data was collected for past 10 years .i.e. from 2015-2025. The study revealed that CSR was very useful in social development, community development and was beneficial to common man.

2. Kumar.N (2014) – Opined in his study about the impact and challenges of CSR in Indian Companies & recognised that CSR has a greater impact on corporate sector & society. He revealed that the components have to spread out the awareness among the public and they should approach CSR interventions for effective result through CSR initiatives.

3. Kaur. S&Tandon (2017) – They had done a research study on "The reasons for the growth of CSR and benefits in India". The study showed the benefits of CSR for general public, crisis management & brand recognition. The study also revealed that as CSR is beneficial for the business sectors, SME's have to spread the awareness of CSR to the remote areas in India.

4. Dr.Praveen & Prof. Pavan Kumar (2021) – They have done a research study on CSR practices of selected Indian Companies. In their research paper they have analysed the CSR practices followed by the companies operating in India. They tried to recognize what India really needs as CSR from the corporates. This paper has identified the failures of corporates in satisfying the expectations of the public and also takes feedback and suggestions for better CSR service to the society.

5. HarbajanBansal (2012) – They have done a research study titled "Emerging trends of CSR in India". In this paper they have analysed 30 companies related to 11 sectors in BSE. The data was collected from secondary sources .i.e. from the annual reports of the company. Today's companies are not only earning profits but also contributing to the benefits of the society and they have also learnt being social, friendly gives a new turn to the corporates.

Research Methodology

This research study is descriptive in nature. The data is collected from secondary sources such as websites of Infosys Limited, publishes journals, articles, research papers and various other websites. The data collected is for past 6 years for analysis purpose.

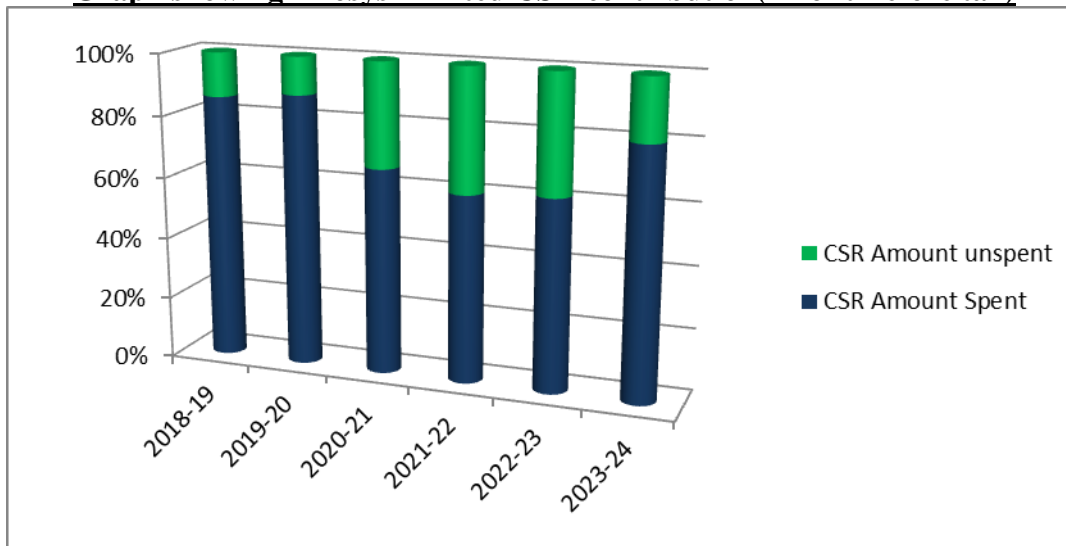
Data analysis & Interpretation

The data is collected related to Infosys Company for past 6 years related to its Net profits, Budgeted CSR, Actual amount to be spent and unspent amount. This data is collected various sources such as company websites, published articles, journals, research papers and Newspapers. CSR practices followed by Infosys limited & Infosys foundation for past 6 years from FY 2018-19 to 2023-24 is being shown in the following table.

Table showing Infosys Limited CSR contribution (Profit Before Tax)

Year	Net Profit	CSR amount to be spent (2% of N/P)	Amount in Crores	
			Actual Amount Spent	Amount unspent
2018-19	19,927	398.54	342.04	56.50
2019-20	20,477	409.54	359.94	49.60
2020-21	24,477	489.54	325.32	164.22
2021-22	28,495	569.90	344.91	224.99
2022-23	31,643	632.86	391.51	241.35
2023-24	35,953	719.06	577.00	142.06

Graph showing Infosys Limited CSR contribution (Profit Before tax)



Analysis and Interpretation

The above table & Graph shows the actual net profit of Infosys Company, Actual CSR amount to be spent as per Companies Act 2013 (i.e. 2% of their Net Profit), Actual amount spent and also the actual amount unspent on CSR activities. It is also observed in the graph that the company has spent major portion of the prescribed CSR amount and the actual unspent CSR amount is being carried forward to CSR account. The CSR committee is formed by the top management where they take care of the CSR activities of the company.

Findings

It is observed and found that the company has a CSR committee formed by the top management where they see that every rupee allotted for CSR is spent properly and documentation is done with valid proofs.

It also reveals that whatever CSR amount which is being unspent out of the budgeted CSR is being credited to CSR account, so that it is spent in the coming future without any misappropriations.

Suggestions

- Company can come out with creative and innovative strategies to reach people through their CSR activities.
- Focus on long term changes to bring sustainability
- Involve more number of employees to volunteer themselves in CSR activities and inculcate CSR culture among themselves
- Company can take steps to support the farmers in their agricultural activities, as we all know agriculture is the main source of income of our nation
- They can also focus on rural areas for developmental activities and help for girls education and women empowerment
- They can keep a check on CSR team whether they are working on continual improvement of society and every rupee allocated is spent for the society

Limitations of the study

The study was limited to secondary sources of data collection and the duration for this paper was very less. The samples chosen for this is also related to only one company for a period of 6 years which may not be very accurate to give a final conclusion.

Conclusion

This research paper investigates the CSR practices followed by Infosys Company for past 6 years. The data collected shows CSR commitment of Infosys Company for the up gradation of the society. The study has tried to highlight the various CSR programs taken up by the company. It shows the ethical and moral values the company is trying to inculcate within itself through its CSR activities. The company is into various activities such as women empowerment, rural area development, sustainability, environment protection, Skill development, hospitalization during Covid -19, flood relief activities, etc. the company has a responsible corporate behaviour which brings a positive result for the company. It also leads to increased brand reputation and employees are willing to work for the company on a longer duration which is a pride for them to work under such companies.

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