

# **Corporate Social Responsibility of Tata Consultancy Services (TCS)**

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## **I. INTRODUCTION**

Corporate social responsibility (CSR) is the idea that businesses should operate according to principles and policies that make a positive impact on society and the environment. Corporate Social Responsibility traditionally was a philanthropical activity where the concept is promoted to ensure that companies are considering the protection and upliftment of society and the environment even though they are profit making concerns. The CSR spending became mandate from 1st April 2014.

As per Section 135 of Indian Companies Act 2013, those companies which have an annual turnover of Rs.1000 crore or a net worth of 500 crore or a net profit of 5 crore are mandatorily required to spend 2% of their average net profit for the past three years.

There are several activities that can be chosen by companies for discharging corporate social responsibilities such as contributions to PM's funds meant for socio-economic development, activities for promoting sanitation, availability of drinking water, health promotional activities, educational support of women and children, setting up of hostels for women, public library, contribution to research and development of science and technology etc. to name a few. At the same time benefits provided to company's employees and their families as well as donations to political parties are not considered as CSR activities.

According to Kotler and Lee (2005) CSR initiatives are cause promotion, cause marketing, corporate social marketing, corporate philanthropy, community volunteering, and socially responsible business practices.

Sanjay Pradhan and Akhilesh Ranjan (2010) examined CSR practices by corporate sectors in rural development and concluded that CSR activities have a positive impact on rural development and their business also.

Nitin Kumar and Akansha Jain (2014) studied the CSR rules under companies act 2013 and found that the mandated 2 percent CSR investment is a noble solution to India's social problems.

## **OBJECTIVES OF THE STUDY**

- 1) To understand the concept and scope of CSR.
- 2) To know how TCS has fulfilled its responsibilities towards its stakeholders.
- 3) To know the benefit which a company is getting by performing CSR.

## **RESEARCH METHODOLOGY**

This research phase involves mainly the secondary data sources.

Secondary data sources involved are as follows:

- 1) Company CSR reports.
- 2) Company annual reports.
- 3) Research conducted by industry associations.
- 4) Research conducted by NGOs.
- 5) Paper published in online journals and magazines.
- 6) Relevant websites.

## **CORPORATE SOCIAL RESPONSIBILITY OF TCS**

Tata Consultancy Services, globally referred to as TCS is India's largest software and IT services company. A part of India's largest multinational business Tata group, TCS has over 420,000 of the world's best trained consultants in 50 countries across major continents.

Talking about their corporate social responsibility, TCS gives special attention to STEM (Science, Technology Engineering, and Mathematics) and rural education. In keeping with the philosophy of Tata Group, the company channelizes its best resources to improve literacy level and train the innovators and tech geniuses of tomorrow. Other areas of focus for social change include marine conservation, health and sanitation.

TCS invests in addressing the most pressing needs of the community through various CSR initiatives and programs focused on education, skilling, employment, and entrepreneurship, aligned with the UN Sustainable Development Goals (UN SDGs). With a focus on bridging gaps in access to opportunities, TCS also invests in social innovation and community projects targeted the poorest sections of society, and supports programs addressing basic health and wellness, water sanitation and hygiene, conservation, and disaster relief efforts.

In the FY 2021-22, Tata Consultancy Services had spent Rs 727 crores on corporate social responsibility which has gone up to Rs 783 crore in FY.

#### CSR Policy of TCS in India

Tata Group Founder Jamshedji Tata's words sum up the basic tenet of corporate social responsibility at the Tata companies: "In a free enterprise, the community is not just another stakeholder in our business, but it is in fact, the very purpose of its existence." In line with this thought, TCS CSR programs are all about sustainable well-being.

Coming from the Tata Group legacy, which gives utmost respect to the community, environment and employees, TCS in India has a strong commitment to corporate social responsibility. A recent example of its concern for employees is how, when most other companies were either laying off their workforce or imposing salary cuts during the COVID-19 pandemic, this tech company announced a salary hike for its employees across all levels, making TCS the first IT firm in India to declare an increase in pay during the pandemic.

TCS' community development programmes across the world include health and wellness, biodiversity, education, STEM, digital literacy and skill development. CSR of TCS also includes other activities like disaster management.

#### Key highlights of TCS' CSR initiatives in the FY 2022-23

1. Working towards closing the literacy gap including a pioneering public-private partnership reaching all 52 districts of Madhya Pradesh with the State Literacy Mission Authority.
2. goIT continues to empower the next generation of innovators in school; 41,971 students across 28 countries are now digital innovators, solving real-world problems. Nearly half the goIT and IMF beneficiaries are girls and over 70% from minorities and underserved groups.
3. Ignite my Future helped 293,697 students across India, US, Canada and ANZ learn computational thinking.
4. Youth Employment Program (YEP) empowered 10,869 rural youth, creating new pathways to 21st century jobs, and now reaches students across every state and union territory in India.
5. BridgeIT program is helping marginalized youth turn into digital entrepreneurs and earn well, providing essential last mile services for 1,736 villages in rural India.
6. Supported institutions such as, Tata Memorial Center and Cancer Institute in India.

#### Top CSR projects of TCS in FY 2022-23

##### Health and Wellness

TCS has provided an integrated Hospital Management System and IT infrastructure, which includes a comprehensive and fully integrated web-based solution to The Cancer Institute, Chennai. TCS has also provided support to integrate the Health Insurance Scheme with the National Medical Commission (NMC) dashboard to facilitate daily syncing of patient data and statistics to aid monitoring and auditing. It has also been building new features including compliance with statutory requirements.

TCS contributes to initiatives at TTCRC through multi-omics and bioinformatics analysis, scientific data management, management of multi-centric clinical studies – such as the large one on Acute Lymphoblastic Leukemia (ALL), clinical decisions automation and the development of innovative digital solutions.

##### Education

##### Literacy as a Service (LaaS)

Adult non-literacy continues to be a problem holding back India from reaching its full economic potential. Women account for 65% of the illiterate population, and the rest is from marginalized communities. To address the causes of non-literacy, TCS devised the Literacy as a Service Programme (LaaS) which augments the Government of India's efforts to improve literacy.

##### Ignite My Future (IMF)

Ignite My Future is a teacher professional development programme which introduces the concept of computational thinking into all core subjects. This is a transdisciplinary education programme that transforms the way students learn.

Teachers and students from schools like School of Scholars (Maharashtra), BGS Schools (Karnataka), Podar International School (Maharashtra), Rajya Ashram Paddhati Vidyalaya (Samaj Kalyan Department, Uttar Pradesh), APSWREIS (Andhra Pradesh) in India have collaborated with schools from North America under this programme.

Overall, the participants from India worked on 109 innovation projects, clocking over 560 collaborative learning hours and 268 videos over Microsoft Flip tool. Teachers were very appreciative of the opportunity to learn and collaborate with educators around the world.

#### goIT

TCS' flagship program goIT (go Innovate Together) is a Digital Innovation program which prepares students with culturally relevant and context-appropriate learning experiences, coupled with modern technologies. goIT prepares students with engaging design workshops and custom mentorship to pursue the careers of tomorrow of which involve STEM and computer sciences. The programme has benefitted students in several Indian states.

#### Employment, Entrepreneurship and Self-Employment

##### BridgeIT

BridgeIT is a unique initiative created to bridge the digital divide that places socially and economically underprivileged communities at a disadvantage. The programme creates digital entrepreneurs who use IT to help local citizens avail essential digital services in education, adult literacy, unemployment and social discrimination. It attempts to address prevailing social inequities in India by proactively reaching out to women, Scheduled Caste and Scheduled Tribes (SC/ST) communities.

In FY 2023, the programme had 347 active digital entrepreneurs (146 of these being women).

##### Youth Employment Programme (YEP)

YEP tackles one of the biggest challenges in India – unemployment among youth, especially those from marginalized sections of society, due to lack of 21st century skills. YEP provides employability training, imparting skills such as business communication, aptitude, computer programming and domain skills with the help of subject matter experts, domain leaders, and certified trainers from TCS.

In FY 2023, more than 31,000 students were trained across India, of which 57% were women and 17% from the groups qualifying for affirmative action programmes. Over 10,000 students have gained employment in the IT/ITES, banking, retail fields.

#### Social Innovation

Digital Impact Square (DISQ) is a social innovation platform established in 2015 in Nashik, Maharashtra. The platform encourages innovation among young employees who harness the power of digital technology and engage with the digital ecosystem, to develop solutions for a lasting change in society.

In FY 2023, DISQ encouraged innovation using digital technologies to address the social challenges drawn from the voice of citizens, domain experts, local administration and the government.

#### Employee Engagement

Through its unique engagement model, TCS leverages its intellectual capability, technology expertise, large employee base volunteering their time and skills and of course financial capacity to invest in programs that deliver longer term social impact across the globe.

##### 'Each one Empowers one' portal

In August 2022, TCS launched the 'Each one Empowers one' portal which allows employees of TCS and Tata Group, along with their families, to empower non-literates in their local community, such as security guards, domestic workers and gardeners.

As per TCS' Integrated Annual Report for the FY 2022-23, the company has spent a total amount of Rs 783 crore towards CSR which is more than the two percent of average net profit of the Company as per sub-section (5) of section 135: Rs 773 crore.

TCS in India has a massive STEM education and skilling legacy. The IT major plays on its strengths while designing CSR programmes. This has led to a high success rate and life-changing benefits for the participants.

## II. CONCLUSION

In today's market the competition is so tough that many companies are making strategies on how to beat their competitors and excel in the market. Due to the tough competition, companies are paying less attention on the corporate social activities. But still there are few companies, inspite having paucity of time, are still able to do best for the upliftment of the society and TCS is one such company which is spending a huge amount on the corporate social activities for the upliftment and betterment of the employee as well as the society as a whole.

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