

CSR AND BRANDING: A CASE STUDY ON RELIANCE INDUSTRIES LIMITED

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Abstract

The study looks at the CSR (Corporate Social Responsibility) initiatives of Reliance Industries Limited and how they affect growth trends, public welfare, and brand image. The study, which employs a mixed-method approach, finds that RIL routinely surpasses its allocated CSR budget and makes significant contributions to the fields of healthcare, education, reducing poverty, and environmental sustainability. RIL invested ₹812.33 crore in CSR in FY 2021–2022, positively affecting around 5.75 crore individuals. The research also emphasizes how proactive RIL was during the COVID-19 epidemic, especially in terms of producing oxygen and reducing hunger. According to the research, CSR measures not only support sustainable development but also improve RIL's corporate image, demonstrating the strategic importance of CSR to the company's long-term success and branding.

Key words: CSR, Branding and Reliance Industries Limited

Introduction

Reliance Industries Limited, a Mumbai-based multinational company, contributes significantly to India's GDP through its commitment to CSR, innovation, and sustainability. A 2024 study by Kumar & Srivastava analysed Reliance's CSR initiatives, revealing its commitment to sustainability, women's empowerment, healthcare, education, and environmental responsibilities. The study suggests that businesses should engage in CSR activities for reputation and long-term growth (Kumar & Srivastava, 2024). Reliance Industries Limited (RIL) spent USD 5.4 million on education-related Corporate Social Responsibility (CSR) activities in 2015, ranking 80th on the world's first comprehensive study in global corporate education CSR spends (Press Trust of India, 2015). RIL was the first Indian private sector company to post a profit of USD 1 billion net profit in a quarter (Press Trust of India, 2014) and spent over INR 700 crore on CSR in 2013-14 (Press Trust of India, 2014), primarily in healthcare and rural development initiatives. The 2014 annual report reported an expenditure of 3.24 per cent of net profits, with 59% of the total INR 712 crore spent on healthcare, 23% for rural development, 11% on education for poor children, and 7% on other social activities. The new Companies Bill mandates every firm with a net worth of Rs 100 crore to spend a minimum of 2% of their three-year average annual net profits for CSR activities. In order to advance philanthropy, sustainable development, and sustainability, corporations like India have embraced the notion of corporate social responsibility (CSR), which was first presented by Howard Bowen in 1953 (Kumar, 2021). Governments and corporations see corporate social responsibility (CSR) as an essential instrument for success in the global economy, despite accusations that it focuses too much on wealth creation (Jamali & Mirshak, 2007, p. 244). Since reporting became required in 2016, Indian firms have invested INR 1,013,719 million in CSR projects (Karnani, 2013). India aligned its CSR operations in 2022 and is ranked 121 out of 163 nations in the Sustainable Development Goals (SDGs) agenda 2030. This looks at the significance of Indian CSR for the 2030s and its effects since its inception in 2013 and its importance to the 2030 SDGs objective (Ministry of Electronics and Information Technology, 2022). The Companies Act, 2013 in India mandates businesses to allocate at least 2% of their net income to Corporate Social Responsibility (CSR) initiatives. This is the first time India has mandated this, and companies with a net worth of INR 500 crore or more, turnover of INR 1,000 crore or more, or net profit of INR 5 crore or more must form a CSR Committee (Kumar & Srivastava, 2024). The primary CSR development areas of Reliance Industries Limited are examined in this study in an effort to understand their functions, impacts, contributions, and connection to the company's brand. The research collected data from FY 2014–15 to FY 2022–23 in order to gain insights. The primary goal is to examine the relationship between brand building and corporate social responsibility. Reliance Industries Limited, a well-known company in India, is a major contributor to corporate social responsibility (CSR), with a focus on environmental sustainability, healthcare, education, and village adoption. The business has participated in CSR campaigns across India, even amid the COVID-19 outbreak. Since the study's goal is to explore these components, understanding them is crucial to understanding the company's CSR initiatives and how they affect brand growth.

Hypothesis of the Study

1. Reliance Industries Limited focuses on CSR Activities that promote sustainability to make life easier.
2. CSR activities play a major role in the branding of Reliance Industries Limited.

Objectives of the Study

- To identify the various CSR activities of Reliance Industries Limited and their impact.
- To evaluate the growth pattern of CSR contribution by Reliance Industries Limited.
- To analyse the pivotal role of CSR activities done by Reliance Industries in its branding.

Methodology

The study uses a mixed-method approach to analyse Reliance Industries Limited's corporate social responsibility (CSR) activities. Primary data is gathered through a survey to understand the role of CSR in enhancing RIL's branding. Secondary data is obtained from credible sources like company-published reports and journals. It focuses on understanding RIL's history, business operations, CSR activities, financial contributions, and their impact on public life, particularly during COVID-19. Quantitative methods are used to assess growth patterns in CSR contributions and their broader societal implications.

Results

CSR Contribution of Reliance Industries Limited (RIL)

Reliance Industries Limited (RIL) has been consistently ranked as one of the most profitable companies globally, as evidenced by its inclusion in the Fortune Global 500 list. In FY 2021-22, RIL achieved an annual revenue of about ₹7.9 lakh crore and a net profit of ₹67,845 crore. RIL has also maintained a leading position in Corporate Social Responsibility (CSR) contributions in India, with an expenditure of ₹1,186 crore in FY 2021-22, making it the largest CSR contributor over the past five years.

CSR Expenditure Overview

Table 1: CSR Expenditure Summary - FY 2022-23

Total No: of Companies	24392
Total Amount Spent on CSR	Rs. 29986.92 Crore
States and Union Territories Covered	40
Total No: of CSR Projects	51966
Development Sectors	14
CSR Spent by Reliance Industries Limited	Rs. 743.4 Crore

Source: (MCA, 2024)

In FY 2022-23, 24,392 companies in India implemented CSR projects, spending a total of ₹29,986.92 crore across 40 states and Union Territories, with a total of 51,966 projects spread across 14 development sectors. RIL contributed ₹743.4 crore to these activities, showcasing its leadership in CSR initiatives.

CSR Activities by RIL in FY 2021-22

Table 2: CSR Details of Reliance Industries Limited for the FY 2021-22

Average Net Profit	Rs. 36827.4 Crore
CSR Prescribed Expenditure	Rs. 736.55 Crore
CSR Spent	Rs. 812.33 Crore
Local Area Spent	Rs. 222.44 Crore
Development Sectors CSR Fund Utilised	Education, Training to promote sports, Environmental Sustainability, Health care, Poverty, Eradicating Hunger, Malnutrition, and Safe Drinking Water.

Source:(MCA, 2024)

RIL's average net profit for FY 2021-22 stood at ₹36,827.4 crore, with a prescribed CSR expenditure of ₹736.55 crore. RIL exceeded this requirement, spending ₹812.33 crore, of which ₹222.44 crore was allocated to local projects. Major sectors funded included education, healthcare, environmental sustainability, poverty alleviation, and providing safe drinking water.

Key CSR Achievements by RIL in FY 2021-22

- 5.75+ crore People reached through CSR activities
- 50,600+ Villages served through CSR initiatives
- 1,000 MT of oxygen produced every day for 1+ lakh patients
- Mission Anna Seva distributed 8.5+ crore meals to over 43+ lakh beneficiaries
- 1.4+ crore reusable masks distributed to caregivers and underprivileged people
- 2,000+ beds for COVID care set up and supported across various locations
- 44+ lakh persons provided advisories on COVID-appropriate behaviour, livelihoods, and social benefits
- 27+ lakh litres of free fuel dispensed to 70,000+ government-notified COVID emergency response vehicles
- Enhanced India's COVID-19 testing capabilities by developing its confirmatory tests with 15,000+ daily testing capacity
- Provided 40+ lakh vaccination doses free of cost to support our country's vaccination mission.
- Planted 2,50,000 on August 15, 2021, along the banks of water bodies.
- 10,896 Reliance Nutrition Gardens set up across 11 states in the FY 2021-22
- 1,900+ Relief kits (Clothing, hygiene kits, bedding) were distributed across Kottayam, Pathanamthitta, Alappuzha, and Idukki districts during the Kerala Floods, in October 2021.
- 28 National and International medals won by the scholarship athletes in archery, badminton, and weightlifting.
- 20,400+ Corneal transplantations were done under Reliance Foundation Drishti.

Source: (Report on CSR 2021-2022, 2022)

CSR Activities by RIL in FY 2020-21

Table 3: CSR Details of Reliance Industries Limited for the FY 2020-21

Average Net Profit	Rs. 44200 Crore
CSR Prescribed Expenditure	Rs. 884 Crore
CSR Spent	Rs. 922 Crore
Local Area Spent	Rs. 813 Crore
Development Sectors CSR Fund Utilised	Health care, Rural Development Projects, Education, Environmental Sustainability, Training to Promote Sports

Source: (MCA, 2024)

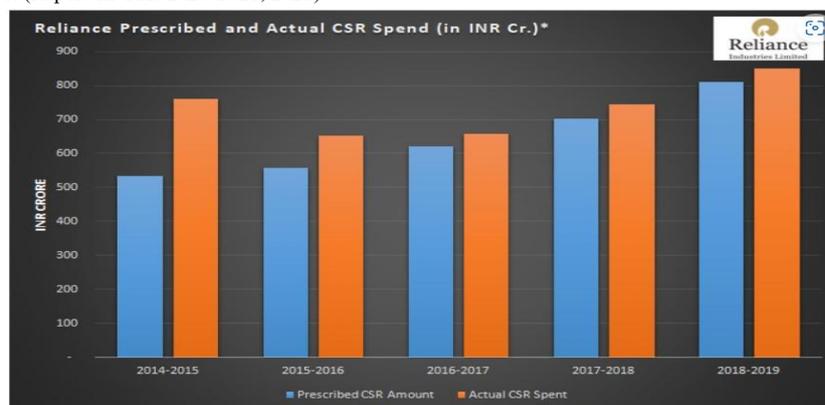
In FY 2020-21, RIL's average net profit was ₹44,200 crore, and it spent ₹922 crore on CSR, surpassing its prescribed expenditure of ₹884 crore. The company focused on healthcare, rural development, education, environmental sustainability, and sports promotion.

Key CSR Highlights of FY 2020-21

Highlights of the CSR Activities – Reliance Industries Limited during the FY 2020 – 21

- 4.5+ crore People were reached through CSR activities across 44,700+ villages
- 1,000 MT of Oxygen provided to COVID-19 patients daily, equivalent to the daily requirement of 1,00,000+ patients per day on average.
- 5.5+ crore Meals distributed till date to over 27+ lakh beneficiaries through Mission Anna Seva
- 81+ lakh reusable masks distributed to 50+ lakh beneficiaries across 21 states and 2 Union Territories
- 2,300+ Beds supported across various locations
- 39+ lakh Individuals supported with COVID advisories
- 37,000 Individuals whose queries on government schemes and social benefits were answered
- 50,000+ people vaccinated by the Reliance Foundation Hospital
- 1,000+ animals in distress were rescued through the Wildlife SOS's rapid response hotline
- Created 131+ lakh m³ of rainwater harvesting capacity, which has improved access to drinking water for 517 villages.
- Built a capacity of 22,000 women, youth, and elected representatives of Gram Panchayats.
- 45,260 units of blood collected for 73,000+ beneficiaries through blood donation camps
- 2,00,000+ underprivileged children have been positively impacted by the Education and Sports for All (ESA) program, together with the partner NGOs, since its inception.
- 2,600+ youths were provided with job-readiness training and career guidance.
- 4,400+ animals were provided medical treatment during the COVID-19 pandemic, and have done 81 surgeries.
- 4,428 animals were provided medical treatment and have rescued 1000+ animals from the urban, and rural areas.

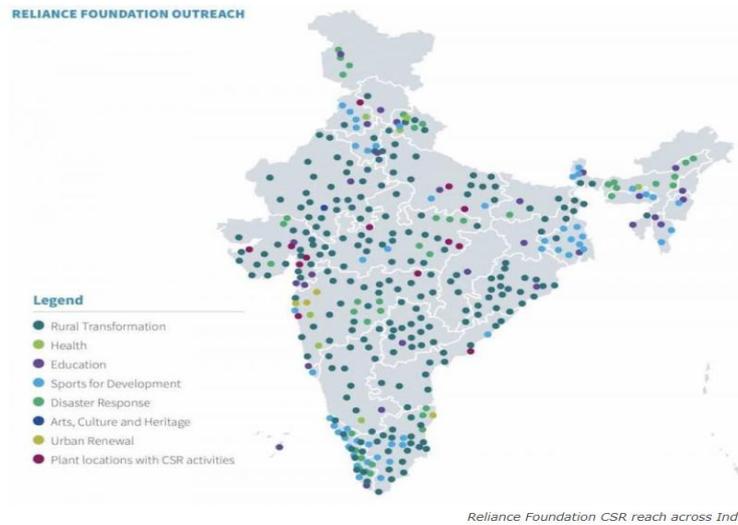
Source: (Report on CSR 2020-2021, 2021)



The Graph shows the mandatory CSR Budget vs. CSR spend by RIL Ltd in the last five years

Figure 1: Mandatory CSR Budget Vs CSR Spend by Reliance Industries Limited from FY 2014-15 to FY 2018-19

This figure by The CSR Journal shows the connection between the mandatory CSR Budget and CSR Spending by Reliance Industries Limited in five years starting from FY 2014-15 to FY 2018-19. It is evident from the graph that there is a close association between the CSR Budget and CSR spending by the company from the FY 2016-17. The RIL spent the highest CSR fund in 2018-2019 compared to previous years.



Source:(Thacker, 2023)

Figure 2: CSR Reach across India

This figure shows the outreach of CSR Activities by the Reliance Foundation. Along with that, the graph also denotes the major CSR activities of the company. It includes Rural Transformation, Health, Education, Sports for Development, Disaster Response, Arts, culture, and heritage, and urban renewal. Along with that, the graph also shows that the CSR activities of the company are spread out across the country helping the brand in achieving its goal of bringing about transformative change.

FY	CSR Expenditure (Rs. Crore)
2014-15	762
2015-16	659
2016-17	674
2017-18	771
2018-19	904
2019-20	1022

Source: (Kumar, 2021)

Figure 3: CSR Spent by Reliance Industries Limited from FY 2014-15 to FY 2019-20

This figure shows the amount spent by Reliance Industries Limited on CSR in various years. In the FY 2014-15, the company spent an amount of Rs. 762 Crore on CSR. Rs. 659 Crore in 2015-16, Rs. 674 Crore in the FY 2016-2017, Rs. 771 Crore in the FY 2017-18, Rs. 904 Crore in the FY 2018-19, and the FY 2019-20 the company has spent an amount of Rs. 1022 Crore on CSR which is the highest of the six years. This table also shows that the CSR Expenditure of the company has been considerably growing over the years. This shows a positive relationship with one of the key objectives of our study.

Particulars	2019-20 (Rs. In Crore)	2018-19 (Rs. In Crore)
Rural Transformation	58	133
Health	35	113
Education	254	527
Sports for Development	42	49
Disaster Response	519	26
Arts, Culture, Heritage and Urban Renewal	1	1
Total	909	849

Source: (Kumar, 2021)

Figure 4: CSR Spent by Reliance Industries Limited on the FY 2018-19 and FY 2019-20

The figure indicates a comparison of the amount spent on various CSR activities by the RIL in the two financial years of 2018-19 and 2019-20. The company spent a total of Rs. 909 Crore, and Rs. 849 Crore on CSR in FY 2019-20, and FY 2018-19 respectively showing an increase of Rs. 60 Crore on CSR Spending. In addition, the RIL has spent an amount of Rs. 519 Crore on disaster response, Rs. 254 Crore on education, and Rs. 58 Crore on Rural Transformation in the FY 2019-20. Further, the data also shows that the company has spent Rs. 527 Crore on Education, Rs. 133 Crore on Rural Transformation, and Rs. 113 Crore on health in the FY 2018-19.

Trends in CSR Expenditure

RIL’s CSR spending shows a consistent upward trajectory from FY 2014-15 to FY 2019-20 (Figure 3). The company spent ₹762 crore in FY 2014-15, increasing to ₹1,022 crore by FY 2019-20, indicating a significant growth in its commitment to CSR.

Statistical Analysis: Chi-Square Tests

1. **CSR and Positive Brand Image:**

Table 4: CSR Initiative by Reliance Industries Limited and Positive Brand Image

Chi-Square Tests			
Gender	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	17.340 ^a	2	.000

Chi-Square Tests			
Field of Profession	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	78.956 ^a	55	.019

The chi-square test (p-value = 0.019) shows that there is a significant relationship between the field of profession and perceptions of CSR's impact on RIL's brand image.

2. **CSR and Brand Recall:**

Table 5: CSR and Brand Recall

Gender plays a role in shaping opinions on the link between CSR activities and brand recall (p-value < 0.001), showing a statistically significant association.

3. **Age and Brand Recall:**

Table 6: Connection between the CSR Activities of RIL and Brand Recall

Age-Group	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	22.937 ^a	8	.003

Age also influences perceptions of CSR activities, with a significant variation across age groups (p-value = 0.003).

4. **Profession and Preference for Socially Responsible Brands:**

Table 7: CSR and Socially Responsible Brands

Chi-Square Tests			
Field of Profession	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	31.543 ^a	20	.048

The profession significantly affects consumer preferences for socially responsible brands, as evidenced by the p-value of 0.048.

5. **CSR and Brand's Overall Growth:**

Table 8: Engaging in CSR Activities and Brand's Overall Growth

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	12.938 ^a	2	.002

The chi-square test indicates a strong association between CSR engagement and the brand's overall growth (p-value = 0.002).

Discussion and Conclusion

Reliance Industries Limited (RIL) has continuously shown that it is a leader in Corporate Social Responsibility (CSR) in India by exceeding the mandatory CSR spending limits set by the government. For example, RIL was required to spend ₹736.55 crore on CSR in FY 2021–2022, but the business spent ₹812.33 crore. This proactive stance demonstrates RIL's dedication to going above and beyond regulatory requirements and actively promoting public welfare. CSR programs like the Mission Anna Seva, which fed over 8.5 crore people, and the COVID-19 relief effort, which delivered 1,000 metric tons of oxygen per day, highlight RIL's important role in times of need, especially during the pandemic. The company's CSR initiatives benefited more than 5.75 crore people in a variety of fields, including as education, healthcare, and poverty reduction, demonstrating its commitment to enhancing public existence.

RIL's CSR spending has increased steadily over time, rising from ₹762 crore in FY 2014–15 to ₹812.33 crore in FY 2021–22. This shows how RIL's CSR efforts have changed and grown in response to social demands rather than being stagnant. This rise is consistent with the second goal of the research, which assesses the trajectory of RIL's CSR contributions. The examination of the financial data demonstrates that RIL has increased its CSR initiatives, especially in areas like environmental sustainability, healthcare, education, and rural development. The corporation also demonstrates its leadership in corporate social responsibility during national emergencies with its significant contributions made during the COVID-19 epidemic.

Chi-square tests are used in statistical analysis to show that there is a substantial correlation between CSR initiatives and brand image. For example, the chi-square test for brand image and CSR produces a p-value of 0.019, suggesting that RIL's CSR actions have improved the public's opinion of the company's brand. Similarly, CSR actions assist increase brand remember across different demographic groups, especially with regard to gender and age, according to the chi-square test for CSR and brand recall, which has a p-value of less than 0.001. The third goal

and hypothesis—which concentrated on how CSR initiatives improve RIL's brand image—are supported by these findings. The results validate that corporate social responsibility (CSR) programs are not solely charitable endeavors but rather deliberate measures that greatly augment brand expansion and patronage. Furthermore, a p-value of 0.002 indicates a substantial correlation between CSR and total brand growth how a company's long-term business outcomes are positively impacted by its CSR activity.

The main areas that RIL has contributed to CSR have been environmental sustainability, healthcare, and education. ₹222.44 crore was allocated to local area projects in FY 2021–2022, demonstrating RIL's focus on grassroots, localized efforts meant to improve communities. This thoughtful distribution of funding among vital industries demonstrates RIL's dedication to promoting social progress and sustainable development.

According to the study's findings, RIL's CSR initiatives have significantly improved society welfare and the company's reputation. The organization has established itself as a leader in corporate social responsibility (CSR) due to its emphasis on important sectors including healthcare, education, and environmental sustainability as well as its prompt reactions to national emergencies like the COVID-19 epidemic. The Data analysis reveals a steady increasing trend in RIL's CSR spending, underscoring the company's sustained commitment to social responsibility. Furthermore, the results show that CSR initiatives are essential to improving RIL's brand recognition and image, which supports the company's overall expansion. The research supports the theory that CSR programs serve as strategic instruments for brand improvement in addition to advancing sustainability and enhancing public life. As a result, RIL's CSR initiatives are essential to both its commercial success and its contributions to society, serving as an example of responsible corporate leadership in India.

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