

# The companies supporting bereaved families during India's second covid wave

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A second wave of covid-19 has had a devastating impact on India. Having ravaged major cities, the virus – including the new Delta variant – has [spread to rural areas](#), stretching the country's healthcare system to [breaking point](#).

Officially, India has reported almost 30 million cases of the novel coronavirus with more than 374,000 fatalities. However, new modelling by epidemiologists [suggests](#) underreporting by state governments, in part caused by a lack of testing and access to remote areas of the country, means the death toll could be five times higher.

Although the [second wave now appears to be receding](#), hundreds of thousands have been left financially vulnerable by the death of loved ones who may have been the primary breadwinners of the family. The impact of India's milder first wave in 2020 pushed 75 million Indians into poverty, nearly 60% of [the global increase in poverty](#), according to [findings](#) from the Pew Research Center, which also found that the nation's middle class shrunk by 32 million last year.

Conscious of the economic impact of the virus, some of India's biggest employers are stepping into the breach with new schemes designed to go beyond standard death-in-service benefits and make regular financial contributions to bereaved families.

The automotive industry, in particular, is leading the way in providing assurance and comfort to the families of covid-19 victims. In addition to a one-time payout equivalent to 20 months' basic salary, Tata Motors says it will pay half an employee's basic salary, every month, to their family until the deceased worker's age of retirement. The Mumbai-headquartered company has so far lost 47 employees to covid-19 since last year.

Motorcycle and rickshaw manufacturer Bajaj Auto announced in May that it would pay a salary of up to 200,000 rupees (\$2,700) per month for two years to the family of a lost employee, as well as fund the education of up to two children of the deceased.

Similarly, Chennai-based TVS Motor Company, India's third-largest motorcycle maker, said it will pay up to three times an employee's gross annual salary, cover covid-related hospitalisation costs, pay medical insurance for three years, and fund the education of any children up to undergraduate level.

Elsewhere, India's largest drug manufacturer, Sun Pharmaceutical Industries, pledged the equivalent to two years' salary to bereaved families. The payout will range from at least 2.5 million rupees (\$34,000) to a maximum of 12 million rupees (\$163,000), depending on the employee's salary.

In addition to one year's salary payment, Siemens also announced a lump sum of 2.5 million rupees to support the families of workers lost to covid-19, as well as ongoing support towards school fees and continued medical insurance for immediate family members. The global tech powerhouse will also grant supplemental leave for colleagues recovering from the virus and an additional 10-days' wellness leave for every employee, it said in a statement.

"In these difficult and exceptional circumstances, the community and our employees need concrete measures for their wellbeing," said Sunil Mathur, managing director and chief executive officer of Siemens India. "We will continue to support every employee and their family at this very difficult time. The organisation is doing everything possible to ensure that every employee feels safe and cared for."



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“Employers’ response to the second wave has been completely different from the first wave,” explains Vikram Shroff, the Mumbai-based head of HR Law at Nishith Desai Associates. “During the first wave, employers were unsure and unprepared, leading to certain difficult HR decisions. It was more of a sudden or knee-jerk reaction to the lockdown.

“The second wave has hit us hard in India but, fortunately, employers were positive and benevolent. There are many examples of employers going out of their way to support their employees and their families. Several of these examples will go a long way in strengthening the employer-employee relationship and I am hoping that some of these best practices will continue for a longer time.”

Although the establishment of covid-19 policies and trusts is heartening, there are limits on the scope of the financial assistance available to bereaved families. “I am yet to come across these benefits being provided to extended families or in cases of same-sex relationships, since it is not strictly permitted in India,” says Shroff, adding that the employer schemes might not apply to workers who can work remotely.

“Obviously, some of the policies are directed towards employees needing to step out to go to offices and factories for their employment, as they would take additional risks as compared to employees working from home.”

The operating length of such schemes is also a question employers will need to grapple with, especially considering the presence of “[long covid](#)” and that the [long-term effects of the virus on survivors](#) as they age – such as the possibility of cognitive decline and Alzheimer’s disease – have yet to be investigated.

“While some of these policies and practices are primarily triggered as a result of the second wave and the ongoing crisis, it remains to be seen if they will continue for a longer time,” says Shroff.

Ultimately, widespread vaccination of India’s population will be key to ensuring the world’s fifth-largest economy survives a third wave of the virus. But with only 3% of its 1.3 billion population fully inoculated and a state-run vaccination drive facing [challenges](#), it may be up to [India’s employers to once again step into the breach](#).

Last month, Narendra Modi’s government [announced](#) it will now allow employers to vaccinate the family members and dependents of workers. The reversal in policy followed arguments from companies and industry bodies that limiting the scope of private entity vaccination policies would hamper India’s wider inoculation strategy.

Among the [companies](#) leading the way are Mercedes-Benz, which said it will cover the cost of vaccination for all its 6,000 workers and their dependents; IT consulting company Infosys; and e-commerce firm Paytm, which said in a statement: “We believe it is our duty to ensure that every [frontline field service executive] and their family members are safe and healthy.”