

## **Indexing of Corporate Social Reporting (In Selected Private Sector Enterprises of Manufacturing Industry)**

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### **Abstract**

Traditionally the primary focus of corporate reporting has been on disclosure through corporate annual reports to the shareholders. In recent years, however, the scope of corporate reporting has undergone a remarkable change. It is now widely agreed that a company is a socio-economic entity. Accordingly, a company enters into a legal and a social agreement with the society. The social contract theory states that a company is under an obligation to justify its existence in society in terms of both these agreements. Thus, the accountability of a company in the new regime has two distinct aspects. One is legal and other is social. Importantly, in the new regime, the accountability of a company extends to such other publics as employees, suppliers, customers, government and the society at large. In short, a company is at present accountable for its performance and affairs not only to the shareholders but also to the other stakeholders. In alternative terms, companies are now obliged to serve the additional informational needs of the aforesaid public even though not mandated under the law.

There are many terms that are currently used for reporting of society related activities undertaken by business enterprises such as social audit, social accounting, socio-economic accounting, social responsibility accounting and social reporting, etc. These terms have been used interchangeably as they appear to be synonymous. Although the question of terminology is without much significance, its use should characterise appropriate and generally accepted conceptual framework.

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The term 'social audit' has been in much use but some argue that this is not auditing at all but a frame of social report. It can be concluded that social responsibility accounting refers to the ordering, measuring, analysis and disclosure of the social and economic consequences of activities done by government, business and other enterprises. It includes the activities and their consequences at the micro and macro level. At the micro level, the purpose of the social responsibility reporting is the measurement and reporting of the impact of organisational behavior of the enterprises on their environment. At macro level, its purpose is the measurement and disclosure of the economic-social performance of the nation. Social responsibility accounting broadly, therefore, includes measurement, accounting and reporting and the role of accounting in economic development as well.

#### **SOCIAL REPORTING OF BUSINESS TO WHOM AND FOR WHAT: -**

The old contract between business and society was based on the view of that economic growth was the source of all progress, social as well as economic. In this contract, business had a basic economic mission to produce goods & services and perform other economic function. The new contract between business and society is based on the view

that economic growth has some detrimental side effects that impose social costs of business out of a sense of social responsibility. It does not invalidate the old; it supply adds new terms to that contract. Businessman being an important part of society, it is very essential for him to know what will be his reporting and responsibility towards different section of the society. It is clear that business has a social responsibility and reporting towards different sections of the society. Business is conducted by the society, for the society and with the co-operation of the society.

### **NEED OF THE STUDY**

Social reporting is directly associated with social responsibility, therefore, any disclosure on social concern must highlight the multiple effect of business activities on society. The basic need for social information arises only because social groups and business share an accountability relationship. The term of contract between industry and society are changing. The corporate social responsibility is no longer merely a charitable activity, but every possible a decisive condition of organizational survival. Social responsibility is an unique goal in itself for companies to attach to the economic goal of profitability.

Society being a source of basic infrastructure for a company deserves to be paid back in term of social benefits. The companies not only exploit the community's economic resources to attain the primary goal of profit making but also help themselves with the social resources. Therefore, it is essential that companies behave as trustee of the society. All these cannot be achieved without the management being themselves informed about the social programmes; the company is having, in relation to its impact on society due to its productive activities.

It becomes evident from the Exhibit 1.1 that the basic or dominant need to social reporting is in its discharging corporate accountability. The management, trade unions, employees (which are clubbed as internal users) would find social information very useful. The other users (outside the corporation) who would find the social report useful are stakeholders, the local community, consumers, the government and the public in general.

### **Internal Users**

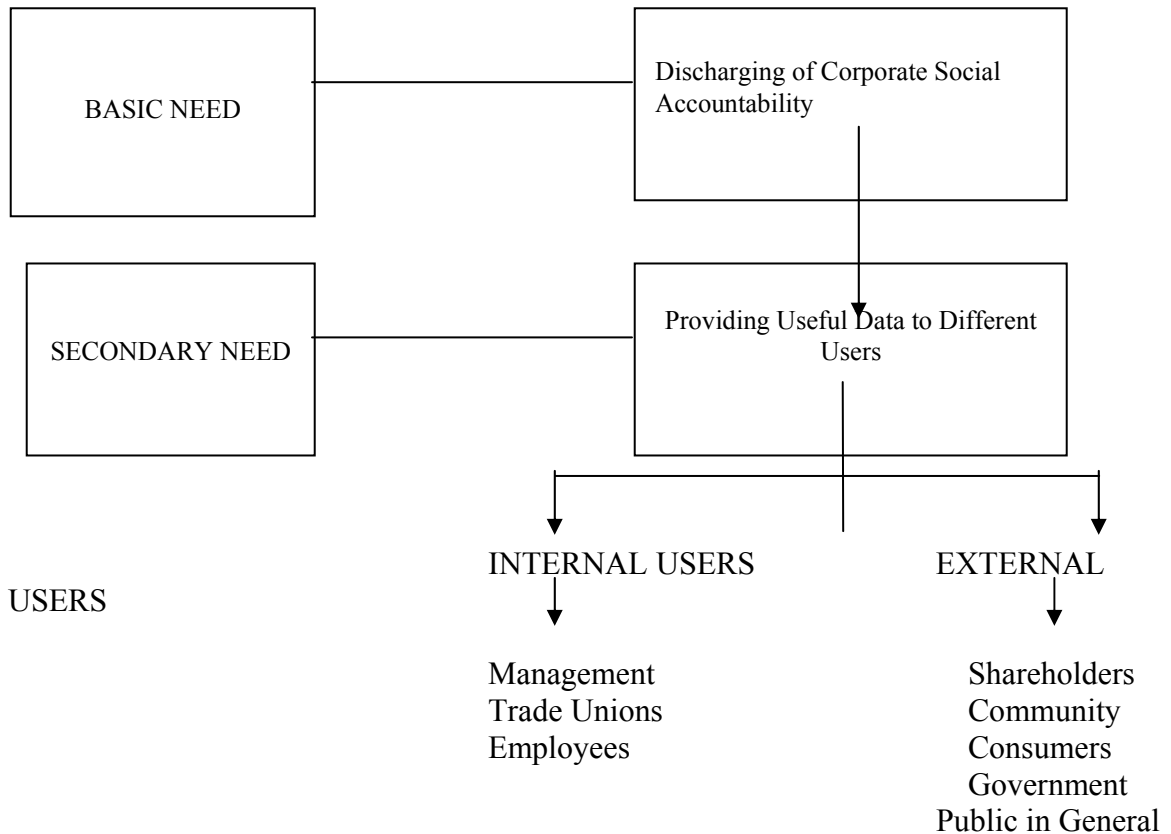
As far as the internal audience of corporate social reporting is concerned, there are mainly three groups of users, i.e. the top management, employees and the labor unions. The expectations of the society in general are changing and the company should keep pace with them in order to survive. The top management needs to be kept informed about the effects of the business activities on society. They will have to inform about the shady areas of the business environment. Also they will have to get prepared to counter the queries of pressure groups like environmentalist, social workers, trade unions and consumers. Thus the need to prepare a social report arises, for the top management. On the other hand labor unions can also seek social performance information. They need to know about safety in work place, discrimination in work place, benefits accruing to them and also major decision like their entitlement to participate in decision to control industrial pollution etc. Social reporting is also being considered as one of the critical means for bargaining while drawing up of contracts.

### **External Users**

The main objective of accounting is to measure the business income and communicate it to the various categories of users of information. In order to achieve this objective, it has become necessary to prepare financial statement. Also, one of the major objectives of

financial statement is external to the business. The external users of financial statement include shareholders and potential investors, creditors, bankers, financial institution, trade unions, government and the general public.

**EXHIBIT – 1.1  
USERS OF CORPORATE SOCIAL REPORTING**



*Source: Made by the Researcher*

**OBJECTIVES OF THE STUDY: -**

The present study has been undertaken with the objective to measure and identify the performance of the private sector enterprises (PTSEs) from towards various dimensions of social reporting through indexing and to rank them according to their performance in respective dimensions of social reporting.

**RESEARCH METHODOLOGY**

To accomplish the objectives of the study the researcher has used both types of information, Primary Information as well as Secondary Information, to make findings more scientific and accurate.

For the collection of **primary data** the researcher constructed and administered a questionnaire, to obtain the view of the executive towards current and prospective practices of corporate social reporting in India. The questionnaire was formulated for conducting survey of the corporate social programmes and their attitude to corporate social responsibility in terms of planning, controlling and assessment of social

performance. A survey with the help of structured questionnaires has been carried out from the executives belonging to the same enterprises. Selection of the executives from an organisation would be used on random sampling. In this way, on an average 5 executives from each selected enterprises have been chosen for administration of questionnaire.

For the collection of **secondary information** efforts have been made to use all published information from the annual reports of the selected manufacturing enterprises. For the aggregative analysis of the primary and secondary information which covered from 30 PTSEs in the manufacturing industry having at least 10 years of life of operations in India have been selected (Table 1). These enterprises have been selected from the following five major industrial groups in the manufacturing industry.

**Table 1**  
**Sample Size of PTSEs**

<b>Industry</b>	<b>No. of PTSEs</b>
Iron & Steel (I&S)	9
Minerals & Metal (M&M)	4
Fertilizers (Fert.)	6
Oil & Petroleum (O&P)	3
Chemical & Pharmaceuticals (C&P)	8

**LIMITATIONS OF THE STUDY: -**

- The study is confined to only manufacturing industry in the private sector. Therefore, it excludes insurance, banks, investments, finance and public utility concern etc. from the scope of study.
- Self-constructed tools have been administered, as no standards prepared tool was available in this area.
- The dimensions of corporate social reporting has been broadly classified into five major categories viz. consumers, shareholders, employees, government or nation and general public or community.

In order to quantify the practice of corporate social reporting in private sector in India, an attempt has been made to construct an index. The index has been used as a measure to identify the performance of various enterprises towards various dimensions of social reporting. On the basis of the index the enterprises have been ranked in order of performance in respective dimensions.

**SCORING OF ITEMS OF INFORMATION: -**

The items included for the indexing of corporate social reporting are not, truly, of equal importance. Some items of information are apparently more valuable than the others. The researcher evaluated each information item independently and to assign it points (score) based on the usefulness of the information item in evaluating corporate social reporting practices. The following rules were observed by the researcher in assigning points (scores) to each individuals item of information.

- 0 points if the item is unimportant in the enterprises
- 1 points if the item is slightly important in the enterprises
- 2 points if the item is moderate important in the enterprises
- 3 points if the item is most important in the enterprises

**CONSTRUCTION OF AN INDEX OF CORPORATE SOCIAL REPORTING (ICSR): -**

For the purpose of constructing an index of corporate social reporting (ICSR), social reporting has been divided into five categories, viz. consumers, shareholders, employees, government or nation and general society or community. Thus, five ICSR has been calculated. These are ICSR (C) for consumers, ICSR (S) for shareholders, ICSR (E) for employees, ICSR (G/N) for government or nation and ICSR (GS) for general society or community. Each of these categories has a certain number of items on the questionnaire. Each item elicits responses concerning a particular social performance. For every social performance, a number of alternative ways are possible, varying in degree of theoretical soundness. For e.g., to examine the reporting on social accounting information cost benefit analysis approach is considered the most superior while cost or outlay approach is the most rudimentary. Other approach such as preparation of separate schedules, value added approach and inventory approach etc. fall in between. So, on the item relating to general society or community a maximum score is assigned to cost benefit analysis approach while minimum is assigned to value added. This way, for each item a minimum score and a maximum score is decided. Then total score obtained by a company in a particular social reporting category is divided by the maximum obtainable score. This ratio is multiplied by 100 to give ICSR for that company in the given category.

For e.g., there are five items in consumer category. Suppose the score of a company on item h is  $W_h$  while maximum possible score on this item is  $W_{hm}$ . Then

$$ICSR (C) = \frac{\sum W_h}{\sum W_{hm}} \times 100 \tag{1}$$

Here  $h = 1,2,3,4,5$  (corresponding item related to consumers of the questionnaire).

Similarly, if the company has scores  $X_i$  on item i in the shareholders category while the maximum possible score is  $X_{im}$ . Then

$$ICSR (S) = \frac{\sum X_i}{\sum X_{im}} \times 100 \tag{2}$$

Here  $i = 1,2,3,4,5$  (corresponding item related to shareholders of the questionnaire)

Likewise, the company has a score of  $Y_j$  on the item j in the employee’s category whereas maximum score on item j could be  $Y_{jm}$ . Then

$$ICSR (E) = \frac{\sum Y_j}{\sum Y_{jm}} \times 100 \tag{3}$$

Here  $j = 1,2,3, \dots, 10$  (corresponding item related to employees welfare of the questionnaire).

Similarly, if the company has scores  $Z_k$  on the item k in the government or nation category while the maximum possible score is  $Z_{km}$ , then

$$ICSR (G/N) = \frac{\sum Z_k}{\sum Z_{km}} \times 100 \tag{4}$$

Here  $k = 1,2,3, \dots, 10$  (corresponding to item related to government or nation of the questionnaire).

Finally ICSR (GS) for general society or community is calculated. There is only one item in the questionnaire relating to the category of general society or community. So the index is calculated as

$$ICSR (GS) = \frac{GS}{GS_m} \times 100 \quad (5)$$

Equation (1), (2), (3), (4) and (5) are used to find the respective ICSRs.

Further, in order to calculate an aggregate index, ICSR (AG), all the five separate indices have been given equal weightage. ICSR (AG) is simply the average of the five indices. That is, ICSR (AG) is given by equation (6).

$$ICSR (AG) = \frac{ICSR (C) + ICSR (S) + ICSR (E) + ICSR (G/N) + ICSR (GS)}{5} \quad (6)$$

**ICSR IN PRIVATE SECTOR ENTERPRISES (PTSEs): -**

The ICSR (C) brings out the fact that TISCO and HIL has provided maximum information about its corporate social reporting towards consumers. It can be highlighted from the table 1.1 that the value of ICSR (C) as regard to this dimension varies between 86.67% in TISCO and HIL and to a low of 33.33% in PPL and SBPL.

In the I&S industry, ICSR (C) has been highest in case of TISCO (86.67%) and lowest in the case of ESCL with the index value of 40.00%. HIL with the index value of 86.67% has been the highest in M&M industry, whereas PPL have the lowest index value 33.33%. In the Fertilizer industry, DFPCL and IGCL have scored maximum index value of 66.67%, whereas the lowest value has been obtained by the ZIL of 46.67%. In the O&P industry, RPL has been leading enterprise with the value of 73.33% and least being MRPL with the value of 53.33%. In C&P industry, TCL has been found to disclosed maximum information with an index value of 80.00%, whereas least being SBPL with the value of 33.33%

As regard to industry wise comparison, the average value of ICSR (C) from the table 1.1 shows that O&P industry has made efforts for maximum disclosure, while M&M industry requires sincere efforts in this direction as its average value 56.67% is lowest among all the industry.

**TABLE: - 1.1  
CALCULATION OF ICSR (C) FOR PRIVATE SECTOR ENTERPRISES**

COMPANY	1	2	3	4	5	$\Sigma W_h / \Sigma W_{hm}$	IN % ICSR (C)
ESCL	1/3	2/3	1/3	2/3	1/3	7/15	46.67
SGL	2/3	1/3	2/3	1/3	1/3	7/15	46.67
BFL	2/3	2/3	2/3	2/3	0/3	8/15	53.33
JSL	2/3	2/3	2/3	2/3	0/3	8/15	53.33
TISCO	3/3	3/3	2/3	3/3	2/3	13/15	86.67
USL	1/3	1/3	1/3	3/3	1/3	7/15	46.67
IIL	3/3	3/3	2/3	2/3	2/3	12/15	80.00
JISCL	3/3	3/3	2/3	2/3	1/3	11/15	73.33
UIL	2/3	2/3	2/3	1/3	0/3	7/15	46.67
GMDCL	1/3	2/3	2/3	1/3	1/3	7/15	46.67

PPL	1/3	2/3	2/3	0/3	0/3	5/15	33.33
HIL	3/3	3/3	3/3	2/3	2/3	13/15	86.67
IACL	3/3	2/3	2/3	1/3	1/3	9/15	60.00
UPFL	2/3	3/3	2/3	1/3	0/3	8/15	53.33
DFPL	2/3	2/3	2/3	2/3	1/3	10/15	66.67
CFCL	2/3	2/3	2/3	1/3	1/3	8/15	53.33
GSFC	2/3	2/3	2/3	2/3	1/3	9/15	60.00
IGCL	2/3	3/3	2/3	2/3	1/3	10/15	66.67
ZIL	2/3	2/3	2/3	1/3	0/3	7/15	46.67
CIL	2/3	2/3	2/3	2/3	1/3	9/15	60.00
RPL	3/3	3/3	3/3	1/3	1/3	11/15	73.33
MRPL	2/3	2/3	2/3	1/3	1/3	8/15	53.33
TCL	3/3	3/3	2/3	3/3	1/3	12/15	80.00
GLAXO	3/3	3/3	2/3	2/3	1/3	11/15	73.33
CIPLA	2/3	3/3	2/3	3/3	1/3	11/15	73.33
NIL	2/3	2/3	2/3	1/3	0/3	7/15	46.67
SBPL	2/3	2/3	1/3	0/3	0/3	5/15	33.33
DIL	3/3	2/3	3/3	2/3	1/3	11/15	73.33
GHCL	2/3	3/3	2/3	2/3	1/3	10/15	66.67
TPL	1/3	2/3	2/3	1/3	0/3	6/15	40.00
OCPL	2/3	2/3	2/3	1/3	0/3	7/15	46.67

Average ICSR (C) for Private Sector Companies = 58.71

The table 1.2 related to ICSR (S) in the PTSEs depicts that the index value ranges between a maximum of 93.33% to a minimum of 46.67%. TISCO and HIL have lead with the maximum index value, whereas the lowest index value has been for USL and SBPL. In the I&S industry, TISCO have the highest index value being 93.33%, whereas the lowest being 46.67% in USL. In the M&M industry, the maximum index value has been for HIL (93.33%), whereas the minimum value has been found in PPL (53.33%). DFPCL is leading enterprise with an index value of 86.67% and ZIL trailed with 53.33% value in the Fertilizer industry. In the O&P industry, RPL with 80.00% of value has been the top most enterprise and CIL with a low of an index value of 66.67%. In the C&P industry, the leading enterprise honor has been gained by TCL with an index value of 86.67%, whereas SBPL requires greater attention where an index value has been minimum to 46.67%.

On an average, O&P industry has the highest value of ICSR (S) is 73.33% and C&P industry has the lowest value of ICSR (S) is 64.44%.

The table 1.3 shows that the highest and lowest value of an ICSR (E) is 83.33% and 43.33% respectively. The highest value was in favor of TISCO and HIL, whereas the lowest value was in favor of USL. The above analysis brings out the fact that both the highest and lowest values are found in the I & S industry.

In the M&M industry, HIL has been the leading enterprise with the maximum index value of 83.33% and least being PPL with an index value of 46.67%. DFPCL with an index value of 70.00% has been the highest in the Fertilizer industry, whereas ZIL being the lowest with an index value of 46.67%. In the O&P industry, RPL has been found to



disclose maximum information with an index value of 70.00%, whereas least being in CIL with an index value of 46.67%. Table also depicts that the highest index value in C&P industry is 73.33% for two enterprises i.e. TCL and GLAXO, whereas lowest index value are also in respect of two enterprises i.e. SBPL and OCPL is 46.67%.

On an average, M&M industry has made maximum disclosure with an average index value 65.00%, while I&S industry has made minimum disclosure with an average index value 58.89%.

**TABLE: - 1.2**  
**CALCULATION OF ICSR (S) FOR PRIVATE SECTOR ENTERPRISES**

COMPANY	1	2	3	4	5	$\Sigma X_i / \Sigma X_{im}$	ICSR (S) IN %
ESCL	3/3	2/3	1/3	1/3	1/3	8/15	53.33
SGL	3/3	2/3	2/3	1/3	1/3	9/15	60.00
BFL	3/3	2/3	1/3	1/3	1/3	8/15	53.33
JSL	3/3	2/3	2/3	1/3	2/3	10/15	66.67
TISCO	3/3	3/3	3/3	2/3	3/3	14/15	93.33
USL	3/3	1/3	1/3	1/3	1/3	7/15	46.67
IIL	3/3	2/3	3/3	1/3	2/3	11/15	73.33
JISCL	3/3	3/3	1/3	2/3	3/3	12/15	80.00
UIL	3/3	2/3	2/3	1/3	1/3	9/15	60.00
GMDCL	3/3	2/3	2/3	1/3	1/3	9/15	60.00
PPL	3/3	2/3	1/3	1/3	1/3	8/15	53.33
HIL	3/3	3/3	3/3	2/3	3/3	14/15	93.33
IACL	3/3	2/3	3/3	1/3	1/3	10/15	66.67
UPFL	3/3	2/3	2/3	1/3	2/3	10/15	66.67
DFPL	3/3	3/3	2/3	2/3	2/3	13/15	86.67
CFCL	2/3	1/3	2/3	3/3	1/3	9/15	60.00
GSFC	3/3	2/3	2/3	2/3	2/3	11/15	73.33
IGCL	3/3	3/3	2/3	2/3	2/3	12/15	80.00
ZIL	3/3	2/3	1/3	1/3	1/3	8/15	53.33
CIL	3/3	2/3	2/3	2/3	1/3	10/15	66.67
RPL	3/3	2/3	2/3	2/3	2/3	12/15	80.00
MRPL	3/3	3/3	1/3	1/3	2/3	11/15	73.33
TCL	3/3	3/3	2/3	2/3	2/3	13/15	86.67
GLAXO	3/3	2/3	3/3	3/3	1/3	11/15	73.33
CIPLA	3/3	2/3	1/3	1/3	2/3	10/15	66.67
NIL	3/3	2/3	1/3	1/3	1/3	8/15	53.33
SBPL	3/3	1/3	1/3	1/3	1/3	7/15	46.67
DIL	3/3	2/3	1/3	1/3	2/3	10/15	66.67
GHCL	3/3	2/3	2/3	2/3	2/3	11/15	73.33
TPL	3/3	1/3	1/3	1/3	1/3	8/15	53.33
OCPL	3/3	1/3	2/3	2/3	1/3	9/15	60.00

Average ICSR (S) for Private Sector Companies = 67.09



**TABLE: - 1.3**  
**CALCULATION OF ICSR (E) FOR PRIVATE SECTOR ENTERPRISES**

COMPAN Y	1	2	3	4	5	6	7	8	9	10	$\Sigma Y_j / \Sigma Y_{jm}$	IN %
												ICSR (E)
ESCL	3/3	2/3	0/3	1/3	1/3	1/3	0/3	1/3	2/3	3/3	14/30	46.67
SGL	3/3	2/3	0/3	2/3	1/3	1/3	0/3	1/3	2/3	3/3	15/30	50.00
BFL	3/3	2/3	0/3	1/3	1/3	1/3	1/3	1/3	2/3	3/3	15/30	50.00
JSL	3/3	3/3	1/3	2/3	2/3	1/3	1/3	1/3	3/3	3/3	20/30	66.67
TISCO	3/3	3/3	1/3	3/3	3/3	2/3	2/3	2/3	3/3	3/3	25/30	83.33
USL	3/3	2/3	0/3	1/3	1/3	0/3	0/3	1/3	2/3	3/3	13/30	43.33
IIL	3/3	3/3	1/3	2/3	1/3	1/3	1/3	1/3	3/3	3/3	19/30	63.33
JISCL	3/3	3/3	1/3	2/3	2/3	1/3	1/3	2/3	3/3	3/3	21/30	70.00
UIL	3/3	2/3	0/3	2/3	1/3	1/3	1/3	1/3	3/3	3/3	17/30	56.67
GMDCL	3/3	3/3	1/3	1/3	2/3	1/3	1/3	2/3	3/3	3/3	20/30	66.67
PPL	3/3	3/3	0/3	1/3	0/3	1/3	0/3	1/3	2/3	3/3	14/30	46.67
HIL	3/3	3/3	1/3	3/3	3/3	2/3	2/3	2/3	3/3	3/3	25/30	83.33
IACL	3/3	3/3	1/3	1/3	2/3	1/3	2/3	1/3	2/3	3/3	19/30	63.33
UPFL	3/3	3/3	0/3	1/3	1/3	1/3	1/3	2/3	3/3	3/3	18/30	60.00
DFPL	3/3	3/3	1/3	2/3	2/3	1/3	2/3	1/3	3/3	3/3	21/30	70.00
CFCL	3/3	3/3	1/3	2/3	1/3	1/3	1/3	1/3	3/3	3/3	19/30	63.33
GSFC	3/3	3/3	1/3	1/3	2/3	1/3	1/3	2/3	3/3	3/3	20/30	66.67
IGCL	3/3	3/3	1/3	2/3	2/3	1/3	1/3	2/3	3/3	3/3	21/30	70.00
ZIL	3/3	3/3	0/3	1/3	0/3	1/3	0/3	1/3	2/3	3/3	14/30	46.67
CIL	3/3	3/3	2/3	1/3	1/3	0/3	0/3	1/3	0/3	3/3	14/30	46.67
RPL	3/3	3/3	3/3	2/3	2/3	1/3	2/3	1/3	3/3	3/3	21/30	70.00
MRPL	3/3	3/3	1/3	1/3	2/3	1/3	2/3	1/3	2/3	3/3	19/30	63.33
TCL	3/3	3/3	1/3	2/3	2/3	1/3	2/3	2/3	3/3	3/3	22/30	73.33
GLAXO	3/3	3/3	1/3	2/3	2/3	1/3	2/3	2/3	3/3	3/3	22/30	73.33
CIPLA	3/3	3/3	1/3	2/3	2/3	1/3	1/3	2/3	3/3	3/3	21/30	70.00
NIL	3/3	3/3	0/3	1/3	1/3	1/3	1/3	1/3	2/3	3/3	16/30	53.33
SBPL	3/3	2/3	0/3	1/3	1/3	0/3	1/3	1/3	2/3	3/3	14/30	46.67
DIL	3/3	3/3	1/3	1/3	1/3	0/3	2/3	2/3	3/3	3/3	20/30	66.67
GHCL	3/3	3/3	1/3	1/3	1/3	2/3	1/3	1/3	2/3	3/3	18/30	60.00
TPL	3/3	2/3	0/3	1/3	1/3	1/3	1/3	2/3	2/3	3/3	16/30	53.33
OCPL	3/3	2/3	0/3	1/3	1/3	1/3	1/3	1/3	2/3	2/3	14/30	46.67

Average ICSR (E) for Private Sector Companies = 60.97

As for as the ICSR (G/N), an index value is ranging between 40.00% to 90.00%. Both the values, the lowest and highest, belong to PPL and HIL respectively from the M&M industry.

In the I&S industry, TISCO has the highest index value of 86.67%, whereas the lowest index value is 46.67% in USL. In the fertilizer industry, the highest index value has been found in DFPL i.e. 70.00%, whereas lowest index value has been found in ZIL i.e.

50.00%. RPL has an index value of 73.33%, while MRPL has value of 43.33% in the O&P industry. In the C&P industry, TCL has made sincere efforts for corporate social reporting towards government or nation with the highest index value of 80.00%, whereas SBPL requires greater attention where an index value has been found to be 43.33%.

It has been observed from the Table 1.4 that an average index value of I&S industry (64.07%) is more as compared to other industry in ICSR (G/N).

It is observed from the Table 1.5 that the lowest and highest value of ICSR (GS) is 20.00% and 80.00% respectively. TISCO, HIL and TCL have the highest value, whereas 12 enterprises in this sector have the lowest index value.

In the I&S industry, TISCO has honour of acquiring the highest value and 5 enterprises i.e. ESCL, SGL, BFL, USL and UIL in this industry have the lowest index value. In the M&M industry, the maximum value 80.00% is gained by HIL, while lowest value 20.00% is gained by PPL. DFPCl again lead in the Fertilizer industry with an index value of 60.00% and ZIL trailed with an index value of 20.00% in this industry. In the O&P industry, RPL has 60.00% index value being the highest, whereas CIL have the lowest value. In the C&P industry, TCL has the highest index value of 80.00%, whereas 4 enterprises i.e. NIL, SBPL, TPL and OCPL from this industry have the lowest value of 20.00%.

As for the industry wise comparison, it is observed from the Table 1.5 that the M&M industry has the highest value of ICSR (GS) i.e. 50.00% and two industry i.e. I&S and C&P has the lowest average index value of ICSR (GS) i.e. 37.78%.

**TABLE: - 1.4**  
**CALCULATION OF ICSR (G/N) FOR PRIVATE SECTOR ENTERPRISES**

COMPAN Y											IN %	
	1	2	3	4	5	6	7	8	9	10	$\Sigma Z_k / \Sigma Z_{km}$	ICSR (G/N)
ESCL	3/3	2/3	2/3	2/3	1/3	2/3	1/3	0/3	2/3	2/3	17/30	56.67
SGL	3/3	1/3	2/3	2/3	1/3	1/3	1/3	1/3	2/3	2/3	18/30	60.00
BFL	3/3	2/3	2/3	3/3	2/3	1/3	1/3	1/3	2/3	2/3	19/30	63.33
JSL	3/3	2/3	2/3	3/3	2/3	2/3	2/3	1/3	2/3	2/3	21/30	70.00
TISCO	3/3	2/3	2/3	3/3	2/3	3/3	3/3	2/3	3/3	3/3	26/30	86.67
USL	3/3	1/3	1/3	2/3	1/3	1/3	0/3	1/3	2/3	2/3	14/30	46.67
IIL	3/3	2/3	2/3	3/3	1/3	3/3	1/3	1/3	2/3	2/3	20/30	66.67
JISCL	3/3	2/3	2/3	3/3	2/3	2/3	2/3	1/3	3/3	2/3	22/30	73.33
UIL	3/3	2/3	2/3	2/3	1/3	1/3	0/3	1/3	2/3	2/3	16/30	53.33
GMDCL	3/3	2/3	1/3	2/3	2/3	2/3	0/3	1/3	2/3	1/3	16/30	53.33
PPL	3/3	1/3	0/3	2/3	1/3	1/3	0/3	1/3	2/3	1/3	12/30	40.00
HIL	3/3	3/3	2/3	3/3	3/3	3/3	3/3	2/3	3/3	2/3	27/30	90.00
IACL	3/3	2/3	1/3	2/3	2/3	2/3	2/3	1/3	2/3	2/3	19/30	63.33
UPFL	3/3	2/3	1/3	2/3	2/3	2/3	2/3	1/3	2/3	2/3	19/30	63.33
DFPL	3/3	2/3	1/3	3/3	2/3	3/3	0/3	1/3	3/3	1/3	21/30	70.00
CFCL	3/3	2/3	1/3	3/3	1/3	2/3	0/3	1/3	2/3	2/3	17/30	56.67
GSFC	3/3	2/3	1/3	3/3	2/3	2/3	0/3	1/3	2/3	2/3	18/30	60.00
IGCL	3/3	2/3	2/3	3/3	1/3	2/3	0/3	1/3	2/3	2/3	20/30	66.67
ZIL	3/3	2/3	1/3	2/3	1/3	2/3	0/3	1/3	2/3	1/3	15/30	50.00

CIL	3/3	1/3	1/3	2/3	1/3	1/3	0/3	1/3	2/3	2/3	14/30	46.67
RPL	3/3	2/3	2/3	3/3	2/3	3/3	2/3	1/3	2/3	2/3	22/30	73.33
MRPL	3/3	2/3	1/3	2/3	0/3	1/3	0/3	0/3	2/3	2/3	13/30	43.33
TCL	3/3	2/3	1/3	3/3	2/3	3/3	3/3	1/3	3/3	3/3	24/30	80.00
GLAXO	3/3	2/3	1/3	3/3	2/3	1/3	0/3	1/3	2/3	2/3	17/30	56.67
CIPLA	3/3	2/3	1/3	3/3	2/3	1/3	1/3	1/3	2/3	2/3	18/30	60.00
NIL	3/3	2/3	1/3	2/3	1/3	2/3	0/3	1/3	2/3	1/3	14/30	46.67
SBPL	3/3	1/3	1/3	2/3	1/3	1/3	0/3	1/3	2/3	1/3	13/30	43.33
DIL	3/3	2/3	1/3	3/3	2/3	2/3	2/3	1/3	3/3	2/3	21/30	70.00
GHCL	3/3	2/3	1/3	3/3	2/3	2/3	1/3	1/3	2/3	1/3	18/30	60.00
TPL	3/3	1/3	1/3	2/3	1/3	2/3	0/3	1/3	2/3	1/3	14/30	46.67
OCPL	3/3	2/3	1/3	2/3	1/3	2/3	0/3	1/3	2/3	1/3	15/30	50.00

Average ICSR (G/N) for Private Sector Companies = 60.21

**TABLE: - 1.5**  
**CALCULATION OF ICSR (GS) FOR PRIVATE ENTERPRISES**

IN %

COMPANY	GS / GS <sub>m</sub>	ICSR (GS)
ESCL	1/5	20.00
SGL	1/5	20.00
BFL	1/5	20.00
JSL	2/5	40.00
TISCO	4/5	80.00
USL	1/5	20.00
IIL	3/5	60.00
JISCL	3/5	60.00
UIL	1/5	20.00
GMDCL	2/5	40.00
PPL	1/5	20.00
HIL	4/5	80.00
IACL	3/5	60.00
UPFL	2/5	40.00
DFPL	3/5	60.00
CFCL	2/5	40.00
GSFC	2/5	40.00
IGCL	2/5	40.00
ZIL	1/5	20.00
CIL	1/5	20.00
RPL	3/5	60.00
MRPL	2/5	40.00
TCL	4/5	80.00
GLAXO	2/5	40.00
CIPLA	3/5	60.00
NIL	1/5	20.00

SBPL	1/5	20.00
DIL	2/5	40.00
GHCL	2/5	40.00
TPL	1/5	20.00
OCPL	1/5	20.00

Average ICSR (GS) for Private Sector Companies = 40.00

**TABLE: - 1.6**  
**Ranking of PTSEs According to ICSR (AG) Value**

COMPANY	ICSR (AG)	Ranks
ESCL	43.33	21
SGL	47.33	18
BFL	47.99	17
JSL	59.33	12
TISCO	86.00	2
USL	40.67	23
IIL	68.67	6
JISCL	71.33	4
UIL	47.33	18
GMDCL	53.33	15
PPL	38.67	24
HIL	86.67	1
IACL	62.67	10
UPFL	56.67	13
DFPL	70.67	5
CFCL	54.67	14
GSFC	60.00	11
IGCL	64.67	8
ZIL	43.33	21
CIL	48.01	16
RPL	71.33	4
MRPL	54.67	14
TCL	80.00	3
GLAXO	63.33	9
CIPLA	66.00	7
NIL	44.00	20
SBPL	38.00	25
DIL	63.33	9
GHCL	60.00	11
TPL	42.67	22
OCPL	44.67	19

## **CONCLUSION:**

The index has been used as a measure to identify the performance of various enterprises towards various dimensions of social reporting. The items included for the indexing of corporate social reporting are not, truly, of equal importance. Some items of information are apparently more valuable than the others. The researcher evaluated each information item independently and to assign it points (score) based on the usefulness of the information item in evaluating corporate social reporting practices.

For the purpose of constructing an index of corporate social reporting (ICSR), social reporting has been divided into five categories, viz. consumers, shareholders, employees, government or nation and general society or community. Thus, five ICSR has been calculated. These are ICSR (C) for consumers, ICSR (S) for shareholders, ICSR (E) for employees, ICSR (G/N) for government or nation and ICSR (GS) for general society or community.

In order to rank the enterprises, weightage average was calculated. However, on an average index value, it has been found that two enterprises in the private sector maximum disclosure as to corporate social reporting has been made by HIL in the M&M industry with an average index value of 86.67%. SBPL in the C&P industry has placed in the last position i.e. twenty-fifth with an average index value of 38.00%.

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