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ABSTRACT

Ethics, responsibility and social responsiveness have become significant themes in research and the public domain. They are discussed under labels such as the ethical economy, sustainability, fair trade, corporate citizenship and more generally as Corporate Social Responsibility or CSR and it can be regarded as a corporate attempt to institutionalize ethics. CSR typically stands for corporate responses to ethical, environmental and social issues. Indian businesses have a long tradition of engaging in philanthropic and community programs and entrepreneurs today are effectively using these principles of social-business. In India, public sector enterprises have taken a lot of CSR initiatives which have met with varying needs of the society. The present study has made an attempt to understand the status of CSR initiatives and practices made by Navratna Central Public Sector Enterprises (CPSEs) in India by measuring their level of CSR disclosure. For this, an original Corporate Social Responsibility Disclosure Index for Navratna Central Public Sector Enterprises (CSRDI – NRCPSE)) was developed and used. The required data for the period of five years from 2010-2011 to 2014-15 were collected from the annual reports of Navratna companies using content analysis. It also finds the year-wise, company-wise and Indices-wise differences in the CSR Disclosures of Navratna Central Public Sector Enterprises in India.

***Key Words*:** Central Public Sector Enterprises, Corporate Social Responsibility, CSR Disclosure Index, Navratna CPSEs.

JEL Classification: M14

INTRODUCTION

Corporate Social Responsibility has been an uprising issue for the last two decades. It has been developed from US and Europe simultaneously over series of irresponsible activities from Multinational companies. CSR has been defined by many groups. Although they all bear similar meanings relating to taking responsibilities of the society as a business entity, its definition has been getting wider from a traditional point of view of philanthropy and volunteerism to doing the business in a responsible way. Again, every new business firm has to work under some social environment that is known as a society and as a good corporate entrepreneur, one has to be responsible for the society where their firm is operating. Helping the society by means of preserving the environment, minimizing the wastage of natural resources, helping the needful, conducting educational camps, promoting IT education, running schools/NGO's, recycling of products, offering counseling sessions, conducting awareness programs regarding the different diseases. All these types of activities constitute corporate social responsibility practices or initiatives, which help the society, inspiring the lives of the underprivileged and lend a hand in the upliftment of the society. If every business firm starts taking initiatives of CSR practices, this planet will be a marvelous place to live.

CSR responsibilities or initiatives are very wide. Enormous amount of effort is required for the association between the CSR initiatives taken up and the society at a glance. A wealth of literature has been published on CSR over the years, many containing their own definitions of CSR and associated concepts have been undertaken (Blomback and Wigren, Muller and Kolk).

REGULATORY FRAMEWORK FOR CSR REPORTING

The companies are expected to do a responsible business and embrace all the stakeholders connected with it to sustain the company's reputation and become a market leader in the society. Considering the importance and the need for expertise in the area of sustainability disclosure, various institutions came up to assist the companies in the process. One of the renowned institutions is a GRI (Global Reporting Initiative). The recent guidelines developed by them called G4 are an all encompassing framework that helps companies to report their performance in people, planet and profit. The increasing awareness of the new framework of reporting has resulted in Corporate Sustainability Reports (CSR) around the world.

In India, the Ministry of Corporate Affairs has conferred the Companies rules, 2014 under the Companies Act 2013 in which Corporate Social Responsibility has

conferred under the section in 135, consisting of the CSR policies, CSR Committee, Expenditure, Reporting and display of CSR activities in the concerned websites. In the revised guidelines, the thrust of CSR and Sustainability is clearly on capacity building, empowerment of communities, inclusive socio-economic growth, environmental protection, promotion of green and energy efficient technologies, development of backward regions, and upliftment of the marginalized and under-privileged sections of the society.

The KPMG survey (2013) on the practice of CSR reporting indicates some interesting trends. As per this, the United States of America leads in CSR reporting across the world. When comes to the quality of CSR disclosure, Moller Meserk (Denmark); BMW (Germany) and CISCO Systems (US) get the first three ranks. There has been a significant increase of this practice in Asia Pacific regions. Since 2011, more than 53% of the companies have been publishing CSR reporting which shows the high growth rate of CSR reporting in India.

The stock market regulator SEBI (Securities and Exchange Board of India) also came up with the "National voluntary guidelines on social, economical and environmental responsibilities of business" under clause 55 of the listing agreement. These requirements are mandatory for the top 100 companies listed in BSE and NSE as on 31st March 2012. As per this, the companies have to disclose information such as spending on corporate social responsibility; present the data on the grievance redressal mechanism; divulge the details on sustainable sourcing of products; provide information on the diversity amongst the employees in terms of sex, disability, age and reveal the measures undertaken to tackle environmental related issues. This move clearly is an outcome of the increasing importance of CSR reporting.

Revised CSR and sustainability guidelines for CPSEs

India has emerged as one of the world's strongest emerging markets and Public Sector Enterprises (PSEs) have played a vital role in achieving this growth and development. In order to sustain this growth, CSR initiatives have become important as they form a crucial part of the companies' strategic decision-making process. In order to integrate this into their business models and achieve the nation's aim of inclusive growth, the revised CSR and sustainability guidelines issued by the Department of Public Enterprises (DPE) in Dec 2012 (effective April 2013) are expected to play a crucial role. The revised guideline has urged the Central Public Sector Enterprises (CPSEs) to embrace a robust CSR practices in the interest of all stakeholders.

As per the new guidelines, it is mandatory for CPSEs to disclose its various CSR initiatives and performance to stakeholders. Earlier, CSR and sustainable development were treated as two separate subject areas and were dealt with differently for the purpose of memorandum of understanding (MoU) evaluation. However, now they are combined into a single set of guidelines for greater transparency. The budgetary allocation for CSR also stands modified.

The CPSEs would have to utilize and spend the entire amount earmarked for CSR, or would have to disclose the reasons for not utilizing the full amount. Further, if the CPSEs are unable to spend the earmarked amount for CSR in a particular year, it would have to spend the amount in the next two financial years, failing which, it would be transferred to 'Sustainability Fund'. Currently, its implementation mechanism is being formulated separately. However, the government has not mandated loss-making or negative net worth CPSEs to earmark specific funds for CSR activities. However, they are expected to pursue the same by integrating them into their business process. They can work in collaboration with other profit making CPSEs, in areas that do not require financial support.

The new guideline has also focused on implementing a robust mechanism for project monitoring. In order to avoid conflict of interest, the guideline enables companies to have a third-party monitoring mechanism. For instance, if a company is implementing CSR projects with the help of its own employees, then for monitoring its implementation, it would have to go through a third party and vice-versa.

REVIEW OF LITERATURE

Studies on Definitions

Bowen (1953) defines CSR as the social responsibilities of businessmen refer to the obligation of businessmen to pursue those policies, to make those decisions, or to follow those lines of actions which are desirable in terms of objectives and values of our society. According to Friedman (1970), the social responsibility of the firm is to increase profits. According to Davis (1973), Corporate Social Responsibility refers to the forms consideration and response to issues beyond the narrowly economic, technical and legal requirement of the firm. According to Carroll (1979), the social responsibility of business encompasses the economic, legal, ethical and discretionary expectations that society has of organizations at a given point in time. According to Jones (1980), corporate social responsibility is the notion that corporations have an obligation to constituent groups in society other than the stockholders and beyond what is prescribed by the law and union contract.

According to Epstein (1987), corporate social responsibility relates primarily to achieving outcomes from organizational decisions concerning specific issues or problems which (by some normative standards) have beneficial rather than adverse effects on pertinent corporate stakeholders. The normative correctness of the products of corporate actions has been the main focus on corporate social responsibility. Brown and Dacin (1997) describe Corporate Social Responsibility as a company's status and activities with respect to its perceived societal or at least stakeholder obligations. Matten and Moon (2004) describe Corporate Social Responsibility as a cluster concept which overlaps with such concepts as business ethics, corporate philanthropy, corporate citizenship, sustainability and environmental responsibility. It is a dynamic and contestable concept that is embedded in each social, political, economic and institutional context.

Studies on CSR Theories

According to Garriga and Mele (2004), the most relevant CSR Theories can be classified under four heads as follows:

- Instrumental Theories - In this group of theories, CSR is seen only as a strategic tool to achieve economic objectives and, ultimately, wealth creation.
- Political Theories - A group of CSR theories and approaches focus on interactions and connections between business and society and on the power and position of the business and its inherent responsibility.
- Integrative Theories - This group of theories looks at how business integrates social demands, arguing that business depends on society for its existence, continuity and growth.
- Ethical Theories - There is a fourth group of theories or approaches focus on the ethical requirements that cement the relationship between business and society. They are based on principles that express the right thing to do or the necessity to achieve a good society.
- Agency Theory – According to Friedman (1970) CSR is indicative of Self serving behavior on the part of managers and thus reduces shareholder wealth.
- Stewardship Theory – Donaldson(1990) – There is a moral imperative for managers to "do the right thing", without regard to how such decisions affect firm performance.
- Institutional Theory – Jennings and Zandbergen (1995) – Institutions play an important role in shaping the consensus within a firm regarding the establishment of an ecologically sustainable organization.

- Theory of the firm – Baron et al (2001) - The use of CSR to attract socially responsible consumers is referred to as strategic CSR, in the sense that firms provide a public good in conjunction with their marketing/business strategy.
- Strategic Leadership Theory – Waldman et all (2005) - Certain aspects of CEO leadership can affect the propensity of firms to engage in CSR. Companies run by intellectually stimulating CEOs do more strategic CSR than comparable firms.

Studies on Descriptive and Empirical Research on CSR

According to Bindu Bhushan and Mahendra (2013) contribution through CSR by companies will uplift the lives of the poor community and environmental development. The companies Bill 2012 will bring the CSR discipline through its mandate on CSR policy, activities, spending and disclosure and he also described that we should appreciate the Ratna companies for the CSR activities undertaken during 2009- 10 voluntarily and 2010-11 & 2011-12 by complying the DPSE guidelines. CSR Budget utilisation has to be improved.Reasons for not utilising the CSR budget has to be disclosed. National CSR Hub will play a key role to enable the PSEs to facilitate the development of a holistic and relevant CSR approaches, and provide common strategic directions and plans for PSEs to achieve greater impact with their CSR initiatives. Abha and Shruthi (2013) described CSR initiatives undertaken by both the private and public sector enterprises in the education sector. Several Indian corporations have developed synergistic initiatives towards higher education and vocational training. Most of the enterprises are involving in the educational activities like primary and higher education to help in both holistic and academic development of underprivileged children and youth across the rural pockets of India. Girl child gets special focus in these temples of learning, radiating knowledge and excellence and providing scholarships and development of the school facilities and computer education.

Salma jahan (2014) Studied the case of NMDC and its CSR initiatives taken up even before the new CSR guidelines.NMDC mainly focuses on education mid day meals, scholarships, sanitation toilets, construction of wells and hand pumps for safe drinking water, roads, flyovers, skill development, rural development, infrastructure facilities, recreation facilities, plantation and environmental friendly initiatives. It concluded that the company is playing a key role for the betterment of the society and a cleaner as well safer environment. Moreover, the company is practicing within the framework of ethics, laws and regulations. Pooja Muttneja (2014) described that the five select Oil companies in India while doing their CSR activities they are giving more attention towards Education, Healthcare, and Community Development. They are spending major amount on these three areas. Water

conservation was given the second importance while doing CSR activities. Rural Development, Skill Development, and Drinking Water & Sanitation were given third importance. But it is also seen that oil companies should give more stress on environmental protection but while doing CSR activities, environmental protection was not given attention as it should be given. Companies are also providing some funds towards Promotion of arts, culture and sports, Infrastructure, Vocational training, Fostering entrepreneurship, Child Care, Income generating schemes.

Praveen Sigh and Shaizy Ahmed (2015) described the status of the organizations with respect to their compliance of CSR. It is found that both private and public sector enterprises are participating in CSR and they are spending amount mainly in the areas of rural development, concern for health care and society, employee welfare, upliftment of society and Child and women welfare. Few challenges are also noticed like CSR is confined to financial concerns only, lack of concomitant rules and regulations, lack of awareness and csr strategies and activities are not becoming central to the business strategy. Ramesh V (2015) found that there is a need for creation of awareness about CSR among the private sector corporate as to follow the guidelines. the public sector corporate could not spend the entire fund for the Triple Bottom Line (TBL – viz., People, planet and profit). The correlation between social performance and financial performance often originates CSR. Corporate Philanthropy a result that creates charitable efforts to improve their competitive context along with the quality of the business environment. Most of the companies spend below 2% of Average PAT towards CSR activities.

Lakshmi Das and Amalendhu (2015) described the association between CSR and Finacial Performance Indiactors of Navratna Companies, in which he considered corporate social responsibility expenditures as a dependent variable and a few selected financial performance indicators as independent variables, namely, current ratio (CR), debtasset ratio (DER), log of assets (LA), log of sales (LS), net profit margin (NPM), return on assets (ROA) and return on sales (ROS).That financial performance indicators are positively and negatively associated with corporate social responsibility in case of Nabaratna companies in India. Correlation statistics indicate that all the financial performance indicators, that is, liquidity, financial leverage, fund's size, firm's size, net profit margin and return on sales are related stumpy positively with corporate social responsibility but return on assets are related inversely with corporate social responsibility where all the results are not statistically significant, which indicates that corporate social responsibility does not affect financial performance indicators remarkably.

RESEARCH GAP

Indian businesses have a long tradition of engaging in philanthropic and community programs and entrepreneurs today are effectively using these principles of social-business. Even though India has shown substantial economic progress since its independence, most of the Indians are still living in the below poverty line, and the beginning of the public sector enterprises has started considering the economic as well as the social development of the country. In India, public sector enterprises have taken a lot of CSR initiatives which have met with varying needs of the society. There are many case studies available on the CSR initiatives undertaken by the public sector enterprises. Few studies on CSR also deal with the CSR communication and disclosure using CSR Index for non-financial firms. But, there is no comprehensive study, which measures the CSR disclosure by CPSEs in India. Hence, this study attempts to fill this gap.

STATEMENT OF THE PROBLEM

The objective of any government is to provide welfare state. Towards this, the central public enterprises are undertaking a lot of CSR initiatives such as education, health, community development and environment besides capacity building. As per Original govt. announcement about the Navratnas 1997 "public sector companies that have comparative advantages", giving them greater autonomy to compete in the global market so as to "support [them] in their drive to become global giants". The Navaratna companies can invest up to Rs 1,000 crore in a project without explicit government approval.

In the light of the above, this study aims to study the CSR initiatives by Navratna CPSEs in India by studying their CSR disclosure in their annual reports vis-à-vis CSR reporting regulations/guidelines by SEBI, Companies Act and Ministry of Corporate Affairs (MCA) & Department of Public Enterprises (DPE), Government of India.

OBJECTIVES OF THE STUDY

The objectives of the study are

- To review the CSR regulations and reporting guidelines available for Central Public Sector Enterprises in India.
- To develop a CSR Disclosure Index for Navratna Central Public Sector Enterprises in India.

- To measure the level of CSR Disclosure by Navratna CPSEs using the above CSR Disclosure Index.

Table I: Variables used for constructing unweighted CSR Disclosure Index for Navratna Central Public Sector Enterprises (CSRDI - NRCPSEs) in India

Disclosure on Sub-Indices	No. of Variables	Score	Score (%)
Education Index (EI)	11	11	100
Health Index (HI)	11	11	100
Environmental & Sustainability Development Index (ESDI)	08	08	100
Rural & Community Development Index (RCDI)	12	12	100
Other Activities Index (OAI)	06	06	100
Corporate Social Responsibility Disclosure Index for Maharatna CPSEs (CSRDI - MRCPSEs)	48	48	100

Note: Constructed by researchers based on regulations and guidelines for CPSEs in India.

Table I shows the variables used for constructing the CSR Disclosure Index for Navratna CPSEs (CSRDI-NRCPSEs) in India. First, the earlier literature on corporate social responsibility disclosure was studied and the annual reports of the Indian Public Sector Enterprises were studied to understand the CSR disclosure under various components. The same were extracted and collated. The broader framework of Companies Rules 2014 of the Company's Act 2013, guidelines given by DPE, MCA and SEBI's have also been used in extracting the variables used in the study. The CSRDI-NRCPSEs along with the details of individual variables for each of the sub-indices is given in Annexure I.

RESEARCH METHODOLOGY

This is an empirical study. It used secondary data. The secondary data include the details on CSR initiatives/activities which are sourced from the annual reports and the sustainability reports of the companies from their official websites, Besides, GRI regulations, the company's Act, DPE's and SEBI's CSR Guidelines, research papers, financial dailies, websites, etc. were used for collecting other required information. The sample for this study includes 16 Navratna Central Public Sector

Enterprises (NRCPSEs) which are part of BSE PSU Index (Refer Annexure – 2 for details).

This study covers a period of 3 years, viz., from 2012-13 to 2014-15 for measuring the level of CSR disclosure. This study used manual *content analysis* as a technique to collect the data required. The information disclosed for each of the variable is obtained by studying the contents of the annual reports of select companies. This study used ANOVA to find the company-wise, year-wise, Indices-wise differences in the level of CSR disclosures by Navratna CPSEs. The software packages such as MS Excel and SPSS 16.0 are used for analysing the data.

Methodology for Constructing CSR Disclosure Index

To assess the level of CSR disclosure by the Indian Public Sector companies, this study tried to identify an appropriate proxy/variable. As there was no single proxy/variable available, this study has constructed an original, comprehensive, unweighted (equal weighted) Corporate Social Responsibility Disclosure Index (CSRDI) consisting of five variables. The variables of the index were arrived after a thorough and rigorous study of the existing literature, regulatory framework and annual reports of the companies. An equal score of 1 was given if the item is disclosed or 0 otherwise. The scores of CSR Disclsoure Index were arrived by totaling the points secured by the various variables and converted into percentage terms to ensure equal weightage.

HYPOTHESES

Following are the hypotheses tested in this study:

H_{01}: There is no significant year-wise difference in H_{01a}: Education Index (EI), H_{01b}: Health Index (HI), H_{01c}: Environmental & Sustainability Development Index (ESDI), H_{01d} : Rural & Community Development Index (RCDI), $H_{01e:}$ Other Activities Index (OAI), $H_{01f:}$ Corporate Social Responsibility Disclosure Index of Navratna Central Public Sector Enterprises (CSRDI - NRCPSEs) in India.

H_{02}: There is no significant company-wise difference in H_{02a}: Education Index (EI), H_{02b}: Health Index (HI), H_{02c}: Environmental & Sustainability Development Index (ESDI), H_{02d} : Rural & Community Development Index (RCDI), $H_{02e:}$ Other Activities Index (OAI), $H_{02f:}$ Corporate Social Responsibility Disclosure Index of Navratna Central Public Sector Enterprises (CSRDI - NRCPSEs) in India.

H_{03}: There is no significant Sub-indices-wise difference in the CSR Disclosure of Navratna Central Public Sector Enterprises (CSRDI - NRCPSEs) in India.

RESULTS AND DISCUSSIONS

Reliability of the Index

Table II: Reliability Statistics of CSRDI – NRCPSEs in India

Cronbach's Alpha	No. of Items
0.703	48

Note: Results computed using SPSS 16.0.

Table II depicts the reliability statistics of the elements quoted in the Corporate Social Responsibility Disclosure Index of Navratna CPSEs. The value of Cronbach's alpha is 0.703 and hence, the index is reliable.

Descriptive Statistics for sub-indices of CSRDI-NRCPSEs

Table III: Descriptive Statistics for sub-indices of CSRDI-NRCPSEs

	N	Minimum	Maximum	Mean	Std. Deviation
EI	51	4.00	9.00	6.6275	1.58696
HI	51	4.00	10.00	7.3529	1.53393
ESDI	51	1.00	8.00	4.4118	1.68732
RCDI	51	2.00	12.00	6.0980	2.64011
OAI	51	1.00	6.00	3.7255	1.26615
Valid N (listwise)	51				

Source: Computed using SPSS 16.0

Table III depicts the indices-wise descriptive Statistics of CSRDI-NRCPSEs in India. Mean values show that most of the navratna central public sector enterprises are taking CSR initiatives and making disclosure in the areas of Health, Education and Rural and community Development.

Level of CSR Disclosure by Indian Navratna Central Public Sector Enterprises

Table IV depicts the CSR disclosures by Indian Navratna Public Sector Enterprises during the study period. OIL, PGCIL and BPCL are undertaking more CSR initiatives and disclosing the same in their CSR and sustainability reports. The remaining companies are moderately disclosing CSR initiatives.

Table IV: Level of CSR Disclosure by Indian Navratna Central Public Sector Enterprises using CSRDI-NRCPSEs - Descriptive Statistics

Company	N	Mean	Std. Deviation	Minimum	Maximum
BEL	3	28.3333	7.02377	21.00	35.00
BPCL	3	32.0000	7.00000	25.00	39.00
CCIL	3	25.3333	6.02771	19.00	31.00
EIL	3	26.3333	5.03322	21.00	31.00
HAL	3	28.3333	8.02081	20.00	36.00
HPCL	3	27.3333	6.50641	21.00	34.00
MTNL	3	26.0000	6.55744	20.00	33.00
NAlCo	3	27.6667	5.68624	23.00	34.00
NBCCL	3	26.6667	7.02377	20.00	34.00
NLCL	3	28.3333	6.11010	23.00	35.00
NMDC	3	29.3333	6.50641	23.00	36.00
OIL	3	35.6667	7.50555	28.00	43.00
PFCL	3	26.0000	5.00000	21.00	31.00
PGCIL	3	32.0000	6.55744	26.00	39.00
RECL	3	27.0000	4.58258	22.00	31.00
RINL	3	26.0000	4.58258	22.00	31.00
SCIL	3	27.3333	6.11010	22.00	34.00
Total	51	28.2157	5.83546	19.00	43.00

Source: Computed using SPSS 16.0

Results of Analysis of Variance

Year-Wise Differences using ANOVA

H_{01}: There is no significant year-wise difference in H_{01a}: Education Index (EI), H_{01b}: Health Index (HI), H_{01c}: Environmental & Sustainability Development Index (ESDI), H_{01d} : Rural & Community Development Index (RCDI), $H_{01e:}$ Other Activities Index (OAI), $H_{01f:}$ Corporate Social Responsibility Disclosure Index of Navratna Central Public Sector Enterprises (CSRDI - NRCPSEs) in India.

Table V: Results of Analysis of Variance - Year-Wise

		Sum of Squares	df	Mean Square	F	Sig.
CSRDI	Between Years	1298.980	2	649.490	77.235	.000
	Within Years	403.647	48	8.409		
	Total	1702.627	50			
EI	Between Years	1.922	2	.961	.372	.691
	Within Years	124.000	48	2.583		
	Total	125.922	50			
HI	Between Years	25.529	2	12.765	6.651	.003
	Within Years	92.118	48	1.919		
	Total	117.647	50			
ESDI	Between Years	68.118	2	34.059	22.022	.000
	Within Years	74.235	48	1.547		
	Total	142.353	50			
RCDI	Between Years	275.922	2	137.961	91.229	.000
	Within Years	72.588	48	1.512		
	Total	348.510	50			
OAI	Between Years	45.922	2	22.961	32.192	.000
	Within Years	34.235	48	.713		
	Total	80.157	50			

Source: Computed using SPSS 16.0

Table V gives the results based on ANOVA test. As the p value is less than 0.05, the null hypotheses $H_{01b,}$ $H_{01c,}$ $H_{01d,}$ H_{01e} and H_{01f} are rejected at the 1% level of significance. *Thus, during the study period, there is a significant year-wise differences in Health Index, Sanitation Index, Environmental & Sustainability Development Index, Rural & Community Development Index, Other Activity Index and CSR Disclosure Index among the Indian Navratna Public Sector Enterprises*. As the p values are more than 0.05, the null hypotheses H_{01a} is accepted. Thus, during the study period, there is no significant year-wise difference in Education Index.

Company-wise Differences using ANOVA

H_{02}: There is no significant company-wise difference in H_{02a}: Education Index (EI), H_{02b}: Health Index (HI), H_{02c}: Environmental & Sustainability Development Index (ESDI), H_{02d} : Rural & Community Development Index (RCDI), $H_{02e:}$ Other

Activities Index (OAI), $H_{02f:}$ Corporate Social Responsibility Disclosure Index of Navratna Central Public Sector Enterprises (CSRDI - NRCPSEs) in India.

Table VI gives the results based on ANOVA test. As the p value is less than 0.05, the null hypotheses H_{02a} and H_{02b} are rejected at the 1% level of significance. *Thus, during the study period, there is a significant Company-wise differences in Education Index and Health Index among the Indian Navratna Public Sector Enterprises*. As the p values are greater than 0.01, the *null hypotheses* $H_{02c,}$ H_{02d}, H_{02e} and H_{02f} are *accepted.* Thus, during the study period, There is no significant company-wise differences in Environment & Sustainability Development Index, Rural & Community Development Index, Other Activities Index (OAI) and Corporate Social Responsibility Disclosure Index of Navratna Central Public Sector Enterprises (CSRDI - NRCPSEs) in India.

Table VI: Results of Analysis of Variance - Company-wise

		Sum of Squares	df	Mean Square	F	Sig.
CSRDI	Between Companies	353.294	16	22.081	.556	.894
	Within Companies	1349.333	34	39.686		
	Total	1702.627	50			
EI	Between Companies	115.922	16	7.245	24.633	.000
	Within Companies	10.000	34	.294		
	Total	125.922	50			
HI	Between Companies	67.647	16	4.228	2.875	.005
	Within Companies	50.000	34	1.471		
	Total	117.647	50			
ESI	Between Companies	49.686	16	3.105	1.139	.361
	Within Companies	92.667	34	2.725		
	Total	142.353	50			
RDI	Between Companies	37.843	16	2.365	.259	.997
	Within Companies	310.667	34	9.137		
	Total	348.510	50			
OAI	Between Companies	16.824	16	1.051	.564	.888
	Within Companies	63.333	34	1.863		
	Total	80.157	50			

Sub-Indices Wise Difference in CSR Disclosure using ANOVA

H_{03}: There is no significant sub-indices-wise difference in the CSR Disclosure of Navratna Central Public Sector Enterprises (CSRDI - NRCPSEs) in India.

Table VII: Results of Analysis of Variance – sub-Indices-wise

IW	Sum of Squares	df	Mean Square	F	Sig.
Between Indices	259.796	2	129.898	31.820	.000
Within Indices	1028.729	252	4.082		
Total	1288.525	254			

Source: Compiled by using spss 16.0

Table VII gives the results based on ANOVA test. As the p value is less than 0.01, the *null hypothesis (H_{03}) is rejected at 1% level of significance.* Thus, there is significant sub-indices-wise difference in the CSR Disclosure of Navratna Central Public Sector Enterprises (CSRDI - NRCPSEs) in India.

FINDINGS OF THE STUDY

- Based on CSR reporting and disclsoure, most of the Navratna Central Public Sector Enterprises are undertaking CSR initiatives in the areas of education, community development and health.
- OIL, PGCIL and BPCL are undertaking more CSR initiatives and disclosing the same in their CSR and sustainability reports. The remaining companies are moderately disclosing CSR initiatives.
- There is a significant year-wise differences in CSR initiatives and disclosure of Indian Navratna Central Public Sector Enterprises in the areas of health, environment & sustainability development , rural and community development. This shows that the Navratna companies are improving over the years on all areas of CSR activities.
- There is a significant company-wise differences in CSR initiatives and disclosure of Indian Navratna Central Public Sector Enterprises in the areas of health and education. This shows that the navratna companies are concentrating on the similar activities and they can focus more on other areas of CSR and disclose similarly as they are subject to Department of Public Enterprises Guidelines.

- There is a significant sub-indices difference in CSR initiatives and disclosure of Indian Maharatna Central Public Sector Enterprises. This shows that the Navratna companies are concentrating on different areas for CSR activities.

SCOPE FOR FUTURE RESEARCH

This study has analysed the various CSR initiatives undertaken by Indian Navratna Central Public Sector Enterprises through CSR disclosure using an index, viz., CSRDI-NRCPSEs. Research in CSR in India is still relatively underdeveloped and so there is no comparable benchmarking data available. There is tremendous scope and need for further research on CSR in India at national, state and sectoral levels. Further researches can be undertaken on other categories of CPSEs, viz., Miniratnas-I and II to evaluate the effectiveness of CSR activities from the beneficiaries side.

CONCLUSION

CSR in India has been more voluntary and informal in terms of legal enforcement till 2010. Making an economic contribution is often seen as the best way for business to make a positive social impact. The top three CSR areas covered by Navratna Central Public Sector Enterprises in India include healthcare, education, and rural and community development. Most of the Navratna companies are now focusing on environment and sustainable development. These are mere token gestures considering the business stature of these companies. Thus, it is hoped that the Navratna companies will step up their CSR activity areas and levels than ever before.

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Annexure – I

Corporate Social Responsibility Disclosure Index of Navratna Central Public Sector Enterprises (CSRDI-NRCPSEs) in India

Educational Index (EI)

- Enhancing Vocational Skills
- Construction of Classrooms
- Construction of Science Room
- Construction of Library
- Construction of kitchen and Toilet Blocks
- Augumentation of Infrastructure
- Construction of Compound walls to schools
- Engaging school drop outs
- Empowering teachers
- Women empowerment in training them as teachers
- Any other activities

Health Index (HI)

- Construction of Hospitals
- Donation of Medicines and equipment
- Construction of special wards in hospitals

- Preventive Health care programs
- Medical camps
- Blood Banks
- Coverage of tribal women and children for nutrition
- Rural Health care programs
- Primary immunization of children
- Community health programs
- Any other activities

Environmental & Sustainable Development Index (ESDI)

- Green Initiatives
- Tree plantation
- Setting up of Recycling plant
- Rain water Harvesting
- Awareness Programs
- Preserving Natural Resources
- Preserving Historical/Cultural resources
- Any other activities

Rural & Community Development Index (RCDI)

- Construction of Roads
- Construction of Toilets
- Providing improved drinking water
- Providing Generators/electricity facilities
- Water conservation
- Promoting sustainable livelihood activities
- Ground water recharge
- Enhancing Programs to empower farmers
- Community development programs
- Capacity Building Programs
- Skill Devlopment Programs
- Any other activities

Other Activities Index (OAI)

- Corporate objectives/ policies: General disclosure of corporate objectives/ policies relating to the social responsibility of the company to the various segments of society.
- Receiving CSR awards.
- CSR or part of CSR as a theme on title page/ part of company mission/ vision statement.
- Issuance of value added statements.
- Encouragement to implement official language
- Disclosing CSR information in news other than their business websites

Annexure – II

List of Navratna Central Public Sector Enterprises in India

- Bharat Electronics Limited
- Bharat Petroleum Corporation Limited
- Container Corporation of India Limited
- Engineers India Limited
- Hindustan Aeronautics Limited
- Hindustan Petroleum Corporation Limited
- Mahanagar Telephone Nigam Limited
- National Aluminium Company Limited
- National Buildings Construction Corporation Limited
- NMDC Limited
- Neyveli Lignite Corporation Limited
- Oil India Limited
- Power Finance Corporation Limited
- Power Grid Corporation of India Limited
- Rashtriya Ispat Nigam Limited
- Rural Electrification Corporation Limited
- Shipping Corporation of India Limited