

Corporate Social Responsibility

(Analysis of Select Indian Private and Public sector companies)

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Abstract: Corporate social responsibility (CSR) is now seen as an integral part of corporate strategy. The main purpose of the study is to analyze the corporate social responsibility (CSR) activities carried out by Indian private (RIL) and public sector companies (ONGC) and to study the Indian government policies and programmes of CSR. The study is based on the secondary data taken from the annual reports of the select firms of RIL and ONGC for the year 2009-10 to 2012-13. The study adopts descriptive and analytical research design. The analyzed data reveals that though the Indian public and private firms are making efforts in the CSR areas but still there is a requirement of more emphasis on CSR. In India, the concept of CSR is governed by clause 135 of the Companies Act, 2013 encourages companies to spend at least 2% of their average net profit in the previous three years on CSR activities. CSR is viewed as vital tool for improving their competitive edge over their opponents. There is significant difference in the CSR practices of RIL and ONGC firms.

Keywords: Community development, Corporate Social Responsibility, Government Policies and Programmers, Private and Public sector firms.

I. INTRODUCTION

Corporate social responsibility (CSR) is on the rise all over the world, and India is no exception. The history of corporate paternalism has played an important part in shaping community expectations and CSR practices in India. Civil society, consumers and other actors have increased the pressure on companies to adhere to social and environmental standards, and this new "civil regulatory" environment has had impacts on business in India.

In the words of Prof.N.R.Sheth, A corporate enterprise has been recognized as a "person" in law. It should also be recognized as a person in society. A corporate takes birth and grows in response to needs and labours of various stakeholders- entrepreneurs, managers, workers, local community, larger society, buyers, suppliers and of course, the state. Healthy survival and development depend on adequate nurturing by all these stakeholders. The concept of social responsibility should therefore include the whole spectrum of stakeholders. Responsibility should be clearly perceived and projected as responsibility and therefore be kept away from ideas of philanthropy, charity, generosity and the like. A corporate, as a citizen, should understand that its own well-being is inextricably linked with the well-being of all stakeholders. Its financial management as well as human resources should notionally cover all stakeholders. One practical way of defining social responsibility is to allocate resources for material and human investment beyond legal obligations. How far and how should one contribute to the short-and long-term welfare of employees, clients, suppliers, people in the vicinity (especially those who supply human capital) and the wider population? What can be done to build bridges of understanding and mutuality with various categories of stakeholders? How does one demonstrate a mindset which emphasizes interest in other beyond the realm of self-interest? .Indian corporate sector is spending 0.2 percent of their profits towards CSR activities only. Indian government has mandated CSR activities for corporate firms which are earning profits as per company's act-2013. The study of CSR activities of Public and private sectors especially ONGC and RIL is very important as two firms are competing each other to emerge as leader in CSR India.

II. SIGNIFICANCE OF THE STUDY

India is the 2nd highest populous country in the world. Most of the population is living in the villages. India has achieved 65 % literacy rate only. Majority of the rural people are illiterates, not accessible to good health facilities and nutritious food. 20 percent of the rural people are in the poverty line.

The business houses are earning profits by rendering their services to customers in society. The government alone can't uplift the downtrodden people. The corporate houses and non-governmental organizations have to come forward to eradicate various social evils and play vital role in society development their activities such as providing quality education, extending healthcare facilities, nutritious food, creating awareness on environment safety ,drinking water facilities, sponsoring the sports events, participating in natural disaster management programmes,ethical values promotion, enriching the Indian culture ,etc.The corporate houses have to come forward to do their part towards development of the society. This contribution will be helpful to the organizations to enhance their brand awareness and reputation in the market. The society development should be treated as an integral part of the organization's strategy. CSR strategies promote the corporate sustainable development as well as society as at large. Therefore community development is a responsibility of the government, non-governmental organizations and business organizations as well.

III. OBJECTIVES OF THE STUDY

The study is intended to achieve the following objectives:

- To study the Indian government policies and programmes of CSR.
- The main purpose of the study is to analyze the corporate social responsibility (CSR) activities carried out by Indian private (RIL) and public sector companies (ONGC).

IV. METHODOLOGY

The study is based on the secondary data collected from the annual reports of Reliance Industries Limited (RIL) in private sector firms and Oil and Natural Gas Corporation(ONGC) in public sector firms for study period from 2009-10 to 2012-13. The study adopts descriptive and analytical research design. According to the section 135, Schedule VII of Companies Act-2013 initiatives of CSR.

Table -1: CSR activities as per Sec-135(Schedule, VII) of CSR activities

S.No.	Type of the CSR activity
1	Eradicating extreme hunger and poverty
2	Promotion of education
3	Promoting gender equality and empowering women
4	Reducing child mortality and improving maternal health
5	Combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases
6	Ensuring environmental sustainability
7	Employment enhancing vocational skills
8	Social business projects
9	Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
10	Other activity not mentioned above

Source: Sec-135- (Schedule VII) Companies Act 2013

A score of 10 was awarded if an activity was initiated which is mentioned above otherwise a score of 0 was awarded. A firm can score a maximum of 100 points and a minimum of 0. The scope of the study is confined to CSR activities under taken by RIL and ONGC and Government of India's policies and programmes towards CSR.

V. ANALYSIS OF THE STUDY

A. *Government initiatives in CSR:*

Several major CSR initiatives have been launched in India since the mid-1990s. Among these is the first voluntary code of corporate governance, "Desirable Corporate Governance: A Code", established in April 1998. This was an initiative by the Confederation of Indian Industry (CII), India's largest industry and business association.

A National Foundation for Corporate Governance (NFCG) has been established by the Ministry of Corporate Affairs. This is a partnership with the Confederation of Indian Industry (CII), the Institute of Company Secretaries of India (ICSI) and the Institute of Chartered Accountants of India (ICAI). The purpose of the National Foundation for Corporate Governance is to promote better corporate governance practices and raise the standard of corporate governance in India towards achieving stability and growth.

CSR Policy as per Indian Companies Act 2013

On 8th August 2013 the proposed new Companies Bill, 2012 was passed by Rajya Sabha. This bill will soon replace the Companies Act, 1956, which has governed Indian business for over 50 years. The new Company's Act -2013 will come into effect at a future date not yet determined. The Act contains an important clause (Clause 135) that mandates CSR regulations for Indian companies. It has many merits for one thing; it simplifies many issues and aims at greater transparency and ease of doing business in India. It has also introduced class action lawsuits, which will protect small holders, a remarkable move.

As per companies act 2013, CSR is mandatory 2 percent spend for companies with profits over 50 million Rupees (\$816, 000) in the last three years. While this mandatory spend may seem like an excellent move and a great business opportunity, especially for smaller consultancies and reveals that which is simply not true. Only companies of a certain size are included in Clause 135. The rules define the companies affected as those having net worth of Rs 500 crore or more; or annual turnover of Rs 1000 crore or more; or annual net profit of Rs 5 crore or more (net profit before tax, not include profits arising from branches outside India).

There are four major directives to companies that will have to comply with:

1. Create a "CSR Committee", made up of three or more Directors, one of whom must be an independent director.
2. Allocate at least two percent of net profits (The two percent CSR spending needs to be computed as two percent of the average net profits made by the company during every block of three years. For the purpose of the first CSR reporting, the net profit should be calculated as average of the annual net profit of the preceding three financial years ending on or before 31 March 2014.) to implementing CSR activities.
3. Create a "Corporate Social Responsibility Policy" that details which activities will be undertaken by the company, and what budget will be spent on them. This should be published on the company's website.
4. At the end of each year, the details of all CSR initiatives undertaken by the company must be reported in the Directors' Report and on the company website.

How to create CSR Policy

The rules of the new Act have some guidance on what the policy should and shouldn't include:

- The policy should specify the projects and programs that are to be undertaken.
- It should include a list of CSR projects/programs which the company plans to undertake during the implementation year, specifying modalities of execution and an implementation schedule for each.
- In specifying the CSR projects/programs, the policy should "give preference" to the local areas around it and where it operates.
- The CSR projects/programs may focus on integrating business models with social and environmental priorities and processes in order to create shared value.
- It should be clear that any financial surplus arising out of CSR activity will not be part of business profits of a company.
- The Committee should prepare a transparent monitoring mechanism for ensuring implementation of the projects/programs proposed in its policy.

Foundations, Trusts, and Collaborations

- If a company has already set up a Trust or Section 8 Company, or Society or Foundation, to implement its CSR activities, the company would have to specify the exact projects and programmes to be implemented by the organization as per the company's CSR policy. In addition the company would have to set up a monitoring system to ensure that its two percent contribution (under Clause 135) was spent for this purpose only.
- A company may also direct its CSR spending through a Foundation, Trust or Section 8 company that is not set up by the company itself. However, this is acceptable only if the organization has a track record of more than three years in implementing activities in the specified areas and if the company has a monitoring system in place to ensure the funds were spent as per the activities set out in its CSR policy.
- Companies may collaborate or pool resources with other companies to undertake CSR activities, within the areas specified in their CSR policy. Any expenditure incurred on such collaborative efforts would qualify for computing CSR spending for the year.

Excluding the Employee Benefits

- The Rules specify that CSR initiatives exclude any activities undertaken in pursuance of the normal course of business of a company. So even though point (vii) above references "employment enhancing vocational skills", this does not extend to vocational training undertaken in your company as part of your normal HR operations.
- The rules state further that activities or programs that are solely for the benefit of your employees and their families will not be considered part of the CSR spending. Our interpretation of this is that it's acceptable for your employees and their families to benefit from any projects/programs set up for the broader community, assuming they are in the target social demographic of the programs.
- Reasons for not supporting the CSR mandate
- There are many reasons for not supporting the CSR mandate by the Indian Corporates. Some of them are following:
- Unnecessary Focus on Reporting
- First, the mandatory spend immediately puts the focus on quantifying CSR activity and not qualitatively assessing what makes strategic sense for a business. Quantifying CSR activity puts focus on reporting, which in a country like India corporate manipulates the CSR reports. This ultimately acts as a deterrent for those of us who want to push CSR for its merits and not simply as something that requires additional paperwork.

- The Bill also goes against the very root of CSR, which is *voluntary* – it is a policy that a company undertakes that positively affects the triple bottom line. It mitigates risks, boosts employee morale, makes business practices more sustainable and impacts the consumer market. Making a voluntary action mandatory corrupts the very fundamentals of the concepts of CSR.
- Hinders Natural Progress of CSR
- Perhaps the biggest worry for practitioners is that making CSR mandatory affects the natural progress of CSR in a business culture as diverse as India's. Currently, CSR activity is at a very budding stage with the absence of an agreed-upon definition of what constitutes CSR, a continual roadblock. Instead of steering companies toward a model of creating shared value, the current changes will emphasize the advancement of a charity-based model of CSR, already quite prevalent across much of India Inc.
- CSR activity should not be Governmental duty
- According to the Bill, recognized CSR activity falls under the following categories:
 - Eradicating extreme hunger and poverty
 - Promotion of education
 - Promoting gender equality and empowering women
 - Reducing child mortality and improving maternal health
 - Combating HIV, AIDS, Malaria and other diseases
 - Ensuring environmental sustainability
 - Imparting employment enhancing vocational skills
 - Social business projects
 - Contribution to certain funds (Prime Minister National Relief fund, Chief Minister Relief fund for socio economic development and relief, ST,SC,OBC's, children, women, etc.)
- However, for CSR to be truly embedded and successful, it must act as a powerful lever to empower and engage a company's stakeholders and fit in with the strategic vision of a company. The above mentioned activities instead allocate social responsibility to a government duty instead of presupposing it as the responsibility of the private sector. How will a company, for example, decide what projects fit under its "CSR initiative" versus those handled by the government?

CSR needs not be altruistic to be effective

According to India's Corporate Affairs Minister Sachin Pilot,

"CSR should be viewed as something that you are doing – whether through cash or kind, or man-hours, or anything else – to bring smiles to the people's faces and not for your EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization)."

While inspiring, Pilot's declaration pivots CSR from being a call of business to something undefined and unrelated – something more. But CSR need not be altruistic to be effective. Companies like Pepsi Co and Coca-Cola invest in projects like water treatment facilities and a zero waste footprint for their products because it helps them reduce their resource use, which in turn helps them become sustainable and achieve higher profits. General Motors and saves itself millions of dollars because it is good business and impacts its bottom line while pushing innovation, better technology and building accountability.

CSR is a Corporate Tool

Finally, the Bill should not be expected to become a tool for companies to use CSR as a vehicle to promote philanthropy that has little or no alignment with their business – and therefore, tends to fall off the

radar after the initial run. Yet, this is exactly what it does. At the end of the day, CSR must be used as a corporate tool that makes companies accountable for their actions, not a governmental policy.

What CSR is, and should do

The Indian business scenario is not without its merits and CSR has an enormous role to play as long as it has guidelines to help in its progression. These guidelines need to play up India's strengths like innovation. Jugaad has always been a way of life in India – now if we can take this intrinsic concept and mix it with some systems thinking to streamline evolution, Indian Inc. will have a global playing field.

Besides, CSR should encourage cross-pollination of ideas, systems thinking and holistic problem solving. It should support transparency, innovation, and stakeholder engagement and consumer empowerment, all in order to make businesses do better by creating products and services that put human and environmental health at the forefront. Confusing these goals with mere policy will result in a stagnation of CSR. Sadly, this is what the mandatory spend encourages.

ONGC CSR (Corporate Social Responsibility)

ONGC Profile

Oil and Natural Gas Corporation Limited (ONGC) is state owned Oil and Natural Gas company founded on 14 Aug 1956. It is a Fortune Global 500 company ranked 413, and contributes 77% of India's crude oil production and 81% of India's natural gas production. It is the second highest profit making corporation in India. Indian government holds 74.14% equity stake in this company.

ONGC is Asia's largest and most active company involved in exploration and production of oil. It is involved in exploring for and exploiting hydrocarbons in 26 sedimentary basins of India. It produces about 30% of India's crude oil requirement. It owns and operates more than 11,000 kilometres of pipelines in India. In 2010, it stood at 18th position in the Platts Top 250 Global Energy Company Rankings. It has revenue of \$21.447 billion & 36826 employees (in 2010) and having headquartered at Dehradun, Uttaranchal.

ONGC Videsh is the international arm of ONGC. ONGC has made major investments in Vietnam, Sakhalin and Sudan and earned its first hydrocarbon revenue from its investment in Vietnam.

CSR Motto of ONGC

The 2009 CSR guidelines define ONGC's role on corporate social responsibility emphasizing transformation of the organization from "Philanthropy" to "stakeholder participation". ONGC which has been given the status of a 'Maharatna' by the government will be striving to get the same status in Corporate Social Responsibility, said A. A. Khan, Executive Director and ONGC Rajahmundry Asset.

CSR Focus Areas

- Education including vocational courses.
- Health Care.
- Entrepreneurship (self help and livelihood generation) schemes.
- Infrastructure support near our operational areas.
- Environment protection, ecological conservation, promotion.
- Protection of heritage sites, UNESCO heritage monuments etc.
- Promotion of artisans, craftsman, musicians, artists etc. for preservation of heritage, art and culture.

- Women's empowerment, girl child development, gender sensitive projects.
- Promoting sports/sports persons; supporting agencies promoting sports/sports persons.
- Water management including ground water recharge.
- Initiatives for physically and mentally challenged.
- Sponsorship of seminars, conferences, workshops etc.

CSR Achievements

Water Management: CSR Initiatives

Project Sarswati launched in 2005 to discover deep aquifers left by mythical river Sarswati in North west Rajasthan, Aims to locate fresh water unexploited deep ground water resources, Sarswati-1 near Jaisalmer town was drilled upto 500m. Water Reservoir located and Project in Progress to bring water to people in draught prone areas

Education: CSR Initiative

Education CSR initiatives includes financial assistance to Anganwadis in Western region, Akshay Patra foundation for modern kitchen to facilitate mid day meals for school children in Andhra Pradesh, Tamana special school for computer centre for disabled children, Braille machine for blind children of north Eastern states, Himalayan school society,-Dehradun for scholarship, adopted underprivileged girl students affected by Tsunami,Vocational educational centres for women in southern region,Support for Institution of engineers and Financial support for Bal Bhavan, Dehradun.

Disaster Relief: CSR Initiative

Post Orissa cyclone relief and rehabilitation work, reconstruction of 500 house for people below poverty line, Relief and Rehabilitation of Gujarat victims, Rehabilitation of Kargil war victims-employment to 50 war disabled soldiers and 20 war widows, Post Tsunami relief measures in affected areas of Karaikal, Nagapattinam and Tharagambadi, 1000 blankets through Indian army along with one day salary of employee for earthquake affected people.

Project HEAT - CSR Initiatives

January 19, 2010 : Hemophilia Federation (India) (HFI) and Oil and Natural Gas Corporation (ONGC) have come together with a vision to transform lives of Children with Hemophilia (CwH) through education, with the formal launch of Project HEAT. The ONGC-funded and HFI-implemented Hemophiliacs Education and Transformation (HEAT) project will benefit 1000 CwH in its first year of operations.

"ONGC support is a milestone in the history of CwH of the country. With this, they will be able to dream, and see a silver lining in their hitherto-dark horizons. HFI is determined to execute the project successfully and educate even more children in the following years", said a hopeful Dr Suresh Hanagavadi, President, HFI, while briefing about HEAT, one of HFI's first of its kind projects. Earlier too, ONGC has come forward to support HFI in more ways than one. Advertising in HFI publications, and support for organizing Usha Utthup's nite in Mumbai are some of them.

Other Key achievements in CSR

ONGC movement "PURA"

- PURA - Providing Urban Amenities in Rural Areas - envisioned by former President A. P. J. Abdul Kalam.

- ONGC to provide gas-based power from isolated & idle gas wells to initiate PURA process
- ONGC PURA in each state where ONGC produces Oil & Gas and availability of isolated gas, Tripura - already launched, Assam, Andhra Pradesh, Tamil Nadu and Gujarat
- Project Partners for PURA are ONGC - Gas from isolated idle wells, NABARD - Soft loan & entrepreneurial development, TERI - Project study & development, Wartsila - power generation and Thermax - cold chain

Asha Deep Charitable Organization: The organization based in Muzaffarnagar in rural India is catering to the welfare of the needy including arrangements of training to mentally impaired children and helping the aged person, widows etc. They were facing a very simple problem of safe transportation of differently abled children from their residences to the institute. ONGC intervened to provide a van for the safe transportation and to help them tide over their problems.

Health Care: Over the next five years, we contemplate providing comprehensive healthcare support through 20 Mobile Medicare Units to two lakhs elderly persons across the country.

Environmental protection: We have promoted a novel campaign to nurture environmental movement amongst school children of three Kendriya Vidyalaya's.

Protection of Heritage site: ONGC is working to preserve four heritage archaeological monuments in the state of Assam. In 2012-13, ONGC has also dedicated itself towards preservation of Heritage Monuments. Six monuments - Taj Mahal at Agra, Red Fort at Delhi, Ellora & Eliphanta Caves in Maharashtra, Golkonda Fort at Hyderabad and Shore Temple in Mahabalipuram near Chennai - have been taken up under Clean India Campaign of Ministry of Tourism with the help of Archaeological Survey of India (ASI).

Sports -CSR Initiatives: ONGC was the "Principal Sponsor" of the Indian Contingent for the Olympic Games 2012 held in London. ONGC's contribution for Team India was not only restricted to the monetary support of 10 million but also the 15 ONGCians making the qualifying mark and getting selected to represent India at this most prestigious event.

. Awards

- Golden Peacock Award for Excellence in Corporate Social Responsibility in Emerging Economies' 2006 - by World Council for Corporate Governance, UK.
- The Gold Trophy for SCOPE meritorious award for Corporate Social Responsibility & Responsiveness for the year 2007-08 and Gold Trophy for R&D, Technology Development & Innovation for the year 2008-09.
- Cauvery Asset, Kariakal of ONGC has been awarded INR 0.5 million and Citation by the Government of Tamil Nadu for its valuable contribution towards CSR during the year 2007-08. (Awarded in October 2009).

Profile of RIL

Reliance Industries Ltd is an India-based company. The company is India's largest private sector company on all major financial parameters. They are the first private sector company from India to feature in the Fortune Global 500 list of 'World's Largest Corporations' and ranks 117th amongst the world's Top 200 companies in terms of profits. The company operates world-class manufacturing facilities across the country at Allahabad, Barabanki, Dahej, Hazira, Hoshiarpur, Jamnagar, Nagothane, Nagpur, Naroda, Patalganga, Silvassa and Vadodara. The company operates in three business segments: petrochemicals, refining, and oil and gas. The petrochemicals segment includes production and marketing operations of petrochemical products. The refining segment includes production and marketing operations of the

petroleum products. The oil and gas segment includes exploration, development and production of crude oil and natural gas. The other segment of the company includes textile, retail business and special economic zone (SEZ) development. In the year 1966 the RIL was founded by Shri Dhirubhai H.Ambani, it was started as a small textile manufacturer unit. In May 8, 1973 RIL was incorporated and conformed their name as RIL in the year 1985. Over the years, the company has transformed their business from manufacturing of textiles products into a petrochemical major.

CSR Philosophy of RIL

Social welfare and community development is at the core of Reliance's Corporate Social Responsibility (CSR) philosophy and continues to be a top priority for the Company. It revolves around the Company's deeply-held belief in the principle of symbiotic relationship with the local communities, recognizing that business ultimately has a purpose - to serve human needs. Close and continuous interaction with the people and communities in and around the manufacturing divisions has been the key focus while striving to bring around qualitative changes and supporting the underprivileged.

CSR Activities

Trust / Foundation for CSR: Dhirubhai Ambani Foundation (DAF), Reliance Rural Development Trust, (RRDT) & The Reliance Foundation

CSR Areas of RIL :

1. Children
2. CommunityWelfare
3. DisasterRelief
4. Education
5. Healthcare
6. HeritageConservation
7. PhysicallyChallenged
8. PovertyEradication
9. RuralDevelopment
10. VocationalTraining
11. Water
12. Women

CSR activities are:

1. Community Welfare
2. Education
3. Heath care

Education

A network of nine schools caters to 13,251 students spread across geographies in India. CSR teams from RIL's manufacturing divisions and E&P operations work ardently to support the educational requirements of the community and schools in the neighbouring region benefiting thousands of students from the underprivileged section of the society. RIL plays a pivotal role in supporting Government's initiative towards education of girl child. In Gujarat, under the project "Kanya Kelvani", RIL's Dahej Manufacturing Division has extended financial assistance towards education of girl child in the state.

RIL's CSR teams continue to provide uniforms, books etc, to students of neighbouring villages of manufacturing divisions and E&P operations. Further, continuous monitoring is being done in local schools for improving the performance of students. Regular counseling sessions are also being arranged with experts in personality development and psychology for motivating the children to achieve better results.

RIL's Project Jagruti, the project to tackle dyslexia in Surat, is setting the pace for the community's response to the social dogma of the mentally underprivileged children. More than 8,800 hours have been spent by 35 trained teachers and more than 1,000 hours by RIL volunteers to uplift and bring the dyslexic students from the underprivileged segment into the main stream. RIL employee's spouses are supporting this activity and many teaching aids have been developed. NIOS registration has been initiated for Academic Year ("AY") 2011-12.

Drishti

A unique joint initiative of RIL and National Association of Blind, Project Drishti has undertaken over 9,000 free corneal graft surgeries for the visually challenged Indians from the underprivileged segment of the society. It is the largest corneal grafting surgery project enabled by a single corporate entity in India. The initiative to combat TB, HIV / AIDS is a unique public private partnership program between the Government, NGOs, several agencies and RIL. It extends from creating awareness to providing care, support and treatment including free of cost treatment to those who cannot afford the same.

The Primary Health Centre (PHC) at Dahej, Bharuch district, adopted by RIL under the National Rural Health Mission Programme caters to the community health needs of 23 surrounding villages. In 2004, RIL established the PHC at Gadimoga. The PHC has six member medical staff with all the amenities such as two-bed nursing room. Medicines are offered free of cost. Further, RIL runs two sub-centres of the PHC at Bhairavapalem and Laxmipathipuram. RIL is also constructing a new 30-bed PHC and the existing PHC will be shifted to the new building.

Environment initiatives for the community

RIL organised programmes of industrial, academic, historical and environmental importance such as Chemical Industry-2020 Vision and Action at Ankleshwar; Global Bird Watchers Conference at Jamnagar; Van Mahotsav- 2010 at Palitana; International Conference on Global Warming at Gujarat Vidyapeeth; Conference on Synergy with Energy; Conference on Gujarat's Maritime History by Darshak Itihas Nidhi. Further, tree plantation activities were organised at many locations. Awareness of cleaner, greener environment and global warming issues are made at schools and also to villages from the surrounding region.

Livelihood Support Programmes

RIL has always been at the forefront in implementing initiatives especially for the welfare of rural women and youth of surrounding villages through various self-help groups (SHG). Continuing with the services and keeping up the tradition, Hazira, Vadodra, Nagothane, Gadimoga and many other manufacturing divisions offer training programmes through various SHGs help the rural women and youth to be "self sustaining" and generating income for themselves and supporting their families

Improving quality of agricultural produce

RIL conducted several programmes and participated in farming related exhibitions to propagate advanced technologies in the production, handling, storage and distribution of agricultural products. Use of Leno bags made out of polypropylene (PP) was extensively promoted amongst farmers. Leno bags are immensely beneficial to farmers as it reduces handling losses in fruits and vegetable products.

Supporting Indian Culture

During the traditional Navratri garba festival, gifts to girls were distributed individually by RIL. Several institutions organizing Navratri festival at Jamnagar, Chorwad, Ahmedabad, Gandhinagar, Mumbai, etc. were given financial assistance. RIL sponsored a state level navratri festival under the banner of Gujarat Industries Navratri Festival Society.

Promoting Sports and Sportsmen

RIL continues to promote and support sports and sportsmen. The Company extended support to Reliance Inter-Cricket Tournament, G1 Cricket Tournament, affiliated MPCA's All India Cricket Tournament, Central Board of Cricket, etc. Financial support was given to International Tournament for upcoming chess-players; Gujarat State Chess Association for conducting under-09 chess tournament; as well as to one upcoming chess-player. Support was also given to Gujarat State Football Association and Jamnagar District Football Association for players' coaching fees, uniform and their daily allowances as well as to the publication of a special handbook on the Football World Cup. Third Gujarat Major Ranking Badminton Tournament at Ahmedabad, Hockey League Night Tournament at Rajkot, Tennis Tournament of Government Employees at Ahmedabad, Table Tennis Championship Tournament at Vadodara, Kabaddi Tournament of Maharashtra Krida Mandal, Shuttle Tournament at Kochi and Sports Carnival at Bhopal were some of the major sports-events that were supported during the year.

Mumbai Indians (MI), the Mumbai-based IPL franchise owned by IndiaWin Sports Pvt. Ltd, a subsidiary company of Reliance Industries Limited is led by Sachin Tendulkar. MI registered the most number of wins in Season III of the Indian Premier League, and reached the finals. MI has been the most followed team in the IPL and enjoys a huge global fanbase.

Rural Development

Billionaire Mukesh Ambani- run Reliance Foundation has undertaken a CSR initiative on rural transformation, which covers 24 of the poorest pockets across 10 states, engaging 20,000 farming households from 250 villages. For the initial phase, 24 pockets across Gujarat, Rajasthan, Madhya Pradesh, Chhattisgarh, Odisha, Jharkhand, Maharashtra, Andhra Pradesh, Karnataka and Tamil Nadu were selected.

Table 2: CSR Budget of ONGC and RIL

Particulars	3 Years average	CSRBudget
Company	Profit*(In Cr)	-2%
ONGC	20,271.49	405.43
RIL	18853.89	377.08

* (F.Y of 2009-10, 2010-11 & 2011-12) Source: BS Research Bureau

The table -2 reveals that CSR Budget allocations of Private sector (RIL) and Public sector (ONGC) for three years 2009-10, 2010-11 and 2011-12. The CSR budget of ONGC was more than that of Private Sector (RIL) CSR budget. Therefore, it can be observed that ONGC more CSR activities than the RIL.

Table-3: CSR Scores of RIL and ONGC

S.No.	Type of the CSR activity	RIL CSR Score				ONGC Score			
		2009-10	2010-11	2011-12	2012-13	2009-10	2010-11	2011-12	2012-13
1	Eradicating extreme hunger and poverty	10	10	10	10	10	10	10	10
2	Promotion of education	10	10	10	10	10	10	10	10
3	Promoting gender equality and empowering women	10	10	10	10	10	10	10	10
4	Reducing child mortality and improving maternal health	10	10	10	10	10	10	10	10
5	Combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases	10	10	10	10	10	10	10	10
6	Ensuring environmental sustainability	10	10	10	10	10	10	10	10
7	Employment enhancing vocational skills	10	10	10	10	10	10	10	10
8	Social business projects	10	10	10	10	10	10	10	10
9	Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.	10	10	10	10	10	10	10	10
10	Other activity not mentioned above	0	0	0	0	10	10	10	10
Total Score obtained		90	90	90	90	100	100	100	100
Average CSR Score		RIL Avg CSR score = 90				ONGC Avg CSR score =100			

Source: Prepared by Author from annual reports of RIL and ONGC.

The average CSR score indicates the average level of corporate social Responsibility activities under taken an organization over a period of time. Table -3 shows that average CSR score of ONGC in Public Sector firms is more than that of RIL in Private Sector firms. RIL are not disclosed other activities such as CSR budget, heritage site protection and promotions etc., when compared with ONGC.

VI. CONCLUSION

Corporate Social Responsibility is essential in India as more than 65% of population is living in rural areas. There are huge differences between urban and rural India in terms health care facilities, education levels, infrastructure, housing, nutritious food, awareness on their rights of protection, etc. The analyzed data reveals that though the Indian public and private firms are making efforts in the CSR areas but still there is a requirement of more emphasis on CSR as Indian corporate sector is spending merely 0.2 percent of their profits towards CSR activities. In India, the concept of CSR is governed by clause 135 of the Companies Act, 2013 encourages companies to spend at least 2% of their average net profit in the previous three years on CSR activities. CSR is viewed as vital tool for improving their competitive edge over their opponents. There is significant difference in the CSR practices of RIL and ONGC firms as the CSR budget of ONGC is more than RIL during the 2009-10, 2010-11 and 2011-12 and average CSR score of ONGC is more than that of RIL during 2009 to 2013. India is the first country in the world which made CSR compulsory for business houses as per companies act -2013. The corporate sector in India has to share responsibility with government for promoting the community development.

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