

A Study on Corporate Social Responsibility Reporting Practices by Indian Automobile Companies Listed In NSE 100

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Abstract

Transportation stands to be an important part of life. Automobile Companies are innovating and producing on a daily basis to satisfy the need of its consumers. Automobile Companies besides merely satisfying needs of its consumers are also supposed to take active part in developing the economy because the responsibility of business in modern business practice extends beyond supply of quality goods and services. However, just taking up projects for the welfare of the stakeholders does not serve the purpose, the same needs to be disclosed to the stakeholders through proper reporting format. Corporate Social Responsibility involves applying the concept of sustainable development to the corporate world. In India, Ministry of Corporate Affairs and Securities and Exchange Board of India (SEBI) jointly prescribe formats for such disclosure.

The Ministry of Corporate Affairs, Government of India has recently notified the Section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014 "hereinafter CSR Rules" and other notifications related thereto which makes it mandatory (with effect from 1st April, 2014) for certain companies who fulfil the criteria as mentioned under Sub Section 1 of Section 135 to comply with the provisions relevant to Corporate Social Responsibility.

As researcher, we take the initiative to investigate the CSR activities and the CSR spending of the automotive companies. This study mainly focuses on the actual theoretical framework of CSR activities happening in the automotive companies listed in NSE 100. This study also focuses on to check whether CSR expenditure by selected automobile companies has similarities in expenditure patterns and the effect of CSR expenses on the market price of the selected companies.

Key Words: *Corporate Social Responsibility Report (CSR), Securities and Exchange Board of India (SEBI), Stakeholder, Sustainability.*

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I. Introduction

A business house cannot survive without the support of its stakeholders. Economics states, the business houses use the factor services supplied by the households and in return pay factor payments to the households, however, in this modern day just the factor payments are not enough. In this competitive environment every corporation aims at sustainability of its business and to achieve the same, stakeholder relationship stands to be the one of the most important factors.

Before moving ahead, we need to understand the meaning of Stakeholder refers to all of the parties who have a stake or interest in the performance and output of the corporation. Stakeholders include the company's employees, unions, investors, suppliers, consumers, local and national governments, and communities that may be affected by corporate activities such as construction, manufacturing, and pollution.

Sustainability is derived from the word sustainable, which means to exist for a long duration. In the business world sustainability means to survive for a long period. Any business that starts its operations has an aim to grow bigger, expand its business over the years and to be in the business for infinite period. Every risk taker or entrepreneur has a motive for sustainable development i.e. to develop their business ensuring the sustainability.

Competition among corporations has always been cut throat in the business world, opening up of economies world-wide has made competition more fierce and paved way for globalisation. Globalisation in the business world has come up with new challenges like growing inequality across and within nations, volatility in financial markets, environmental degradation and exploitation of natural resources. Corporate Social Responsibility is a way for the business houses to compensate for the environmental loss.

The Corporate Social Responsibility Rules under Section 135 of the Companies Act, 2013, the Chairman of the CSR Committee mentioned the Guiding Principle as follows: *"CSR is the process by which an organization thinks about and evolves its relationships with stakeholders for the common good, and demonstrates its commitment in this regard by adoption of appropriate business processes and strategies. Thus CSR is not charity or mere donations. CSR is a way of conducting business, by which corporate entities visibly contribute to the social good. Socially responsible companies do not limit themselves to using resources to engage in activities that increase only their profits. They use CSR to integrate economic, environmental and social objectives with the company's operations and growth."*

Corporate social responsibility (CSR) can be defined as the ethical role of the corporations in society. The aim of CSR is to increase long-term profits and the trust of shareholders as well as stakeholders through positive public relations and high ethical standards to reduce business and legal risk by taking responsibility for corporate actions. In modern business practice, business houses cannot achieve sustainability with just profit motive or supplying quality goods and services as an attitude towards growth, rather for an all over growth a corporation must take into account the stakeholder interests. CSR strategies encourage the companies to make a positive impact on the environment and stakeholders. Social responsibility and ethical practices are important for the success of a corporation.

Stakeholders are much aware of the importance of social responsibility, and actively seek goods and services from businesses that operate ethically. Corporate Social Responsibility demonstrates that a business that takes an interest in wider social issues, rather than just those that impact the profit margins, sales figures and financial stability which will attract the public at large. Therefore, it makes good business sense to operate sustainably. Corporate Social Responsibility does not only pave way for long run sustainability of the business but also ensures good public image of the company, customer engagement, better stakeholder relationship, employee development (further helping in overall productivity of the company). The range of benefits offered by Corporate Social Responsibility is innumerable. The objectives of Corporate Social Responsibility policy ensures establishing a guideline for compliance with the provisions of Regulations to dedicate a percentage of Company's profits for social projects, to ensure the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting and creating opportunities for employees to participate in socially responsible initiatives.

II. Literature Review

Kumar N (2014) conducted a study on *"CORPORATE SOCIAL RESPONSIBILITY: AN ANALYSIS OF IMPACT AND CHALLENGES IN INDIA"* where the researcher examines impact of CSR on Business Practices and disseminate information about the latest happenings in the CSR field to people engaged in policymaking, policy analysis, policy research, practitioners and other Stakeholders along with understanding the concept of CSR and challenges in execution of CSR policies. The study concludes that the corporates functioning in India have become aware of their social responsibility.

Shyam R. (2016) conducted a research on *"AN ANALYSIS OF CORPORATE SOCIAL RESPONSIBILITY IN INDIA"* to understand the CSR governing policies, development of CSR in India and its changing trends and initiatives taken by SMEs regarding the CSR guidelines. The study also suggests ways to accelerate growth of CSR initiatives.

Kaur S. and Tandon N. (2017) in their paper *"THE ROLE OF CORPORATE SOCIAL RESPONSIBILITY IN INDIA"* the research throws light on the global guidelines on CSR, growing importance of CSR and CSR activities of some corporate in India concluding that some companies have already started using the CSR as a strategy, which aims at mutual development of company and the community simultaneously

S. Vijay Kumar (2017), *"CORPORATE SOCIAL RESPONSIBILITY IN INDIA: AN OVER VIEW"* studies the different phases of CSR in India and its significance, drivers of CSR, key issues in CSR and future prospects of CSR in India.

Silpa. G (2017) *et. al.* in their study *"CORPORATE SOCIAL RESPONSIBILITY OF INDIAN IT COMPANIES- A STUDY ON CSR ACTIVITIES OF SELECT COMPANIES"*, study CSR concerning IT sector of the Indian economy. The research aims at examining and categorising the CSR activities of selected companies and also to examine if the CSR activities are at par with Schedule VII of Companies Act, 2013. The research concludes that all the companies give importance to implement many activities in the area of environment and the least preference is given to the areas concerning community development.

III. Research Gap

The Companies Act 2013, Section 135 Schedule VII mandates the application of Corporate Social Responsibility from the financial year 2014 for the companies having a net worth of Rupees Five hundred crore or more or turnover of Rupees One thousand crore or more or a net profit of Rupees Five crore or more during any financial year.

Transport has been a crucial part of the busy life and this transport facility opens up a huge market for the automobile industries in India. The automobile companies functioning in the Indian economy experience a good sales figure because of the market size. The products manufactured by the companies are a major cause of pollutants in the environment (petrol and diesel vehicles). The major pollutants from the vehicles run by petrol or diesel are particulate matter, nitrogen oxides and carbon monoxides besides a few more.

The earlier researches conducted are more inclined towards developing an understanding of CSR policy and its activities and its future prospects. This study concentrates on the automotive sector of the Indian Economy, category of CSR investment by selected automobile companies, similarities (if any) in expenditure patterns and the effect of CSR expenses on the market price of the selected companies.

IV. Objectives

This research aims at drawing out conclusions for the following objectives:

- i) To study the category of CSR expenditure on activities as per schedule VII of the Companies Act 2013 for NSE 100 automobile companies
- ii) To scrutinise the similarity of expenditure in CSR activities of the selected companies (if any)
- iii) To analyse how the companies are meeting up with the prescribed CSR expenditure
- iv) To examine the effect of the CSR expenditure on the Market price of the selected companies

V. Research Methodology

5.1 DATA SOURCES

The study has been conducted based on secondary data and descriptive in nature. The data collected for this study is panel data. The main data required for the study is the annual report of the selected companies from the year 2014-15 to 2017-18. The annual reports are taken from the official website of the companies under study. Besides, the annual report, few journals, periodicals were studied.

5.2 SAMPLE SELECTION

The companies under study are selected from the Top 100 Companies based on Market Capitalisation as on March 31, 2018 - For Risk Management Committee as listed in the NSE (National Stock Exchange). All the companies which belong to the automotive industry and are part NSE 100 (Companies based on Market Capitalisation as on March 31, 2018 - For Risk Management Committee) are considered for the study. The companies chosen for the study are: Maruti Suzuki India Limited, Tata Motors Limited, Bajaj Auto Limited, Eicher Motors Limited, Hero MotoCorp Limited, MothersonSumi Systems Limited, Ashok Leyland Limited and TVS Motor Company Limited.

5.3 PERIOD OF STUDY

The Companies Act, 2013 Section 135 and Schedule VII declares that every company having a net worth of Rupees Five hundred crore or more or turnover of Rupees One thousand crore or more or a net profit of Rupees Five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee and shall undertake the activities prescribed in Schedule VII. Hence our period of study ranges from the year 2014-15 till 2017-18. The year 2014 is the first year for applicability of Companies Act, 2013.

VI. Data Summary

1. Company Name: MARUTI SUZUKI

Registered Office: New Delhi

Plant- Gurgaon & Manesar (Haryana)

R&D Centre- Rohtak (Haryana)

Average Net Profit (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
2505.30	3269.10	4462.20	6041.60

Prescribed CSR Expense (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
50.11	65.40	89.24	120.83

[NOTE: Prescribed CSR Expense (Rs. In crores)= 2% OF Average Net Profit of Last 3 Financial years] (Loss Excluded)

Actual CSR Expense (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
37.25	78.46	89.45	125.08

State in which CSR Activities were performed

2014-15	2015-16	2016-17	2017-18
<ul style="list-style-type: none"> • Local • Haryana- Guragaon, Rohtak • Gujrat- Ahmedabad 	<ul style="list-style-type: none"> • Local • Haryana- Guragaon, Rohtak • Gujrat- Ahmedabad 	<ul style="list-style-type: none"> • Local • Haryana- Guragaon, Rohtak, Gurugram • Gujrat- Ahmedabad • Karnataka- Bangalore 	<ul style="list-style-type: none"> • Local • Haryana- Guragaon, Rohtak, Gurugram • Gujrat- Ahmedabad, Mehsana • Uttar Pradesh- Mirzapur

EPS

2014-15	2015-16	2016-17	2017-18
122.85	151.33	242.91	255.62

MPS

2014-15	2015-16	2016-17	2017-18
3664	3488.5	6013	8813

2. Company Name: TATA MOTORS

Registered Office: Mumbai (Maharashtra)

Plant : Jamshedpur (Jharkhan), Pune(Maharashtra), Lucknow(Uttar Pradesh), Sanand (Gujrat),

Pantanagar(Uttarakhand), Dharwad(Karnataka)

Average Net Profit (Rs. in crores)

2014-15	2015-16	2016-17	2017-18
(180.40)	(2034)	(2337)	(2336.56)

Prescribed CSR Expense (Rs. in crores)

2014-15	2015-16	2016-17	2017-18
N.A.	N.A.	N.A.	N.A.

[NOTE: Prescribed CSR Expense (Rs. In crores)= 2% OF Average Net Profit of Last 3 Financial years] (Loss Excluded)

Actual CSR Expense (Rs. in crores)

2014-15	2015-16	2016-17	2017-18
18.62	20.57	25.94	21.44

State in which CSR Activities were performed

2014-15	2015-16	2016-17	2017-18
<ul style="list-style-type: none"> • Local Area • Jharkhand- East Singhbhum • Uttar Pradesh- Lucknow&Barbanki • Uttarkhand- Udham Singh Nagar, Nainital • Maharashtra- Nasik, Aurangabad, Pune, Mumbai, Thane • Gujrat-Ahmedabad • Karnataka- Dharwad, Dakshin Karnataka • Madhya Pradesh- Jabalpur 	<ul style="list-style-type: none"> • Local Area • Jharkhand- East Singhbhum • Uttar Pradesh- Lucknow&Barbanki • Uttarkhand- Udham Singh Nagar, Nainital • Maharashtra- Nasik, Aurangabad, Pune, Mumbai, Thane • GujratAhmedabad • Karnataka- Dharwad, Dakshin Karnataka • Madhya Pradesh- Jabalpur 	<ul style="list-style-type: none"> • Local Area • Jharkhand- East Singhbhum • Uttar Pradesh- Lucknow&Barbanki • Uttarkhand- Udham Singh Nagar, Nainital • Maharashtra- Nasik, Aurangabad, Pune, Mumbai, Navi Mumbai Thane, Valsad, Ratnagiri, Amravati, Nagpur, Kalyan, Palghar. • GujratAhmedabad • Karnataka- Dharwad, Dakshin Karnataka. • Madhya Pradesh- Jabalpur. 	<ul style="list-style-type: none"> • Jharkhand- East Singhbhum • Uttar Pradesh- Lucknow&Barbanki • Uttarkhand- UdhamSingh Nagar, Nainital • Maharashtra- Pune, Mumbai, Navi Mumbai Thane, Ratnagiri, Amravati, Nagpur, Kalyan, Palghar. • Gujrat- Ahmedabad • Karnataka- Bangalore, Dharwad, Dakshin Karnataka. • Madhya Pradesh- Jabalpur.

		<ul style="list-style-type: none"> Assam-Silchar. Nagaland-Dimapur 	
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EPS

2014-15	2015-16	2016-17	2017-18
(14.72)	0.68	(7.30)	(3.05)

MPS

2014-15	2015-16	2016-17	2017-18
554.625	351.975	465.2	348.8

3. Company Name: BAJAJ AUTO LIMITED

Registered Office: Akurdi (Pune-Maharashtra)

Corporate Office- Mumbai (Maharashtra)

Plant: Akurdi, Waluj (Maharashtra), Pune(Maharashtra), Pantanagar (Uttarakhand), Udham Singh Nagar (Uttarakhand)

Average Net Profit (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
4316.49	4323.05	4745.42	4991.41

Prescribed CSR Expense (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
86.33	86.46	94.91	99.83

[NOTE: Prescribed CSR Expense (Rs. In crores)= 2% OF Average Net Profit of Last 3 Financial years] (Loss Excluded)

Actual CSR Expense (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
42.91	86.72	94.98	100.51

State in which CSR Activities were performed

2014-15	2015-16	2016-17	2017-18
<ul style="list-style-type: none"> Maharashtra-Pune, Mumbai, Nagpur, Aurangabad, Wardha, Nasik, Gadchiroli, Ahmednagar Tamil Nadu- Puducherry New Delhi Telangana- Hydrebad Karanataka-Mysore Jammu & Kashmir Goa Gujrat-Nadiad 	<ul style="list-style-type: none"> Maharashtra-Pune, Mumbai, Nagpur, Aurangabad, Nasik Wardha, Waluj, Gadchiroli Yevatmal Ahmednagar Tamil Nadu- Puducherry, Chennai Karnataka-Mysore, Bangalore Noida Rajasthan- Ajmer New Delhi Telanagana- Hydrebad Goa Gujrat-Nadiad Pantanagar Banasthali-Tonk Uttar Pradesh- Lucknow Rajasthan-Dhod- Silkar 	<ul style="list-style-type: none"> Tamil Nadu- Villupuram, Chennai Maharashtra- Pune, Mahalunge, Rajgurunagar Mumbai, Nagpur, Aurangabad, Paithan, Latur, Wardha Jalgaon Rajasthan-Dhod- Sikar, Banasthali-Tonk, Ajmer Uttarakhand- Haridwar, Nainital Odisha New Delhi Uttar Pradesh- Lucknow Madhya Pradesh- Jabalpur West Bengal- South 24 parganas 	<ul style="list-style-type: none"> Maharashtra-Pune, Mumbai, Nagpur, Aurangabad, Man (Dahiwadi) Tehsil, Satara Rajasthan Uttarkhand Andhra Pradesh Karnataka

EPS

2014-15	2015-16	2016-17	2017-18
97.2	126.2	132.3	140.6

MPS

2014-15	2015-16	2016-17	2017-18
2094.675	2331.05	2850.375	2906.025

4. Company Name: EICHER MOTORS

Registered Office: New Delhi

Corporate Office: Gurgaon

Plant: Pithampur (Madhya Pradesh), Thiruvottiyur (Tamil Nadu), Thane (Maharashtra), Gurgaon (Haryana), Oragadam (Tamil Nadu), Dewas(Madhya Pradesh)

Average Net Profit (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
N.A.	417.79	916.61	1542.34

Prescribed CSR Expense (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
N.A.	8.36	18.33	30.85

[NOTE: Prescribed CSR Expense (Rs. In crores)= 2% OF Average Net Profit of Last 3 Financial years] (Loss Excluded)

Actual CSR Expense (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
N.A.	8.99	18.33	30.847

State in which CSR Activities were performed

2014-15	2015-16	2016-17	2017-18
<ul style="list-style-type: none"> • N.A. 	<ul style="list-style-type: none"> • Rajasthan- Alwar and other districts • Tamil Nadu- Chennai and other districts 	<ul style="list-style-type: none"> • Rajasthan- Alwar and other districts • Tamil Nadu- Chennai, Tiruvottiyur, Oragadam, Vallam and other districts. • Jammu & Kashmir- Leh • Himachal Pradesh- Spiti, Lahaul • Haryana- Gurgaon 	<ul style="list-style-type: none"> • Local Area • Rajasthan- Alwar and other districts • Tamil Nadu- Chennai, Tiruvottiyur, Oragadam, Vallam and other districts. • Jammu & Kashmir- Leh • Himachal Pradesh- Spiti, Lahaul • Haryana- Gurgaon • Punjab • Delhi & NCR

EPS

2014-15	2015-16	2016-17	2017-18
205.37	451.54	572.17	625.88

MPS

2014-15	2015-16	2016-17	2017-18
14743.00	19083.75	24406.20	28155.55

5. Company Name: TVS Motor Company Limited

Registered Office (state): Chennai, Tamil Nadu

Plants (in states): Tamil Nadu, Karnataka, Himachal Pradesh

Average Net Profit for Last Three Years (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
314.65	357.56	452.26	534.65

Prescribed CSR Expense (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
6.30	7.15	9.06	10.70

[NOTE: Prescribed CSR Expense (Rs. In crores) = 2% OF Average Net Profit of Last 3 Financial years] (Loss Excluded)

Actual CSR Expense (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
6.40	7.16	9.19	10.98

State in which CSR Activities were performed

2014-15	2015-16	2016-17	2017-18
<ul style="list-style-type: none"> • Karnataka (2) • Himachal Pradesh (1) • Tamil Nadu (1) 	<ul style="list-style-type: none"> • Karnataka(5) • Himachal Pradesh(1) • Andhra Pradesh (1) • Tamil Nadu (4) 	<ul style="list-style-type: none"> • Karnataka(3) • Andhra Pradesh (1) • Tamil Nadu(2) 	<ul style="list-style-type: none"> • Karnataka (3) • Himachal Pradesh(1) • Andhra Pradesh(1) • Tamil Nadu(2)

EPS

2014-15	2015-16	2016-17	2017-18
7.32	9.10	11.75	13.95

MPS

2014-15	2015-16	2016-17	2017-18
297.40	296.48	429.83	616.13

6. Company Name: ASHOK LEYLAND

Registered Office: Chennai, Tamil Nadu

Plants (in states): Tamil Nadu, Maharashtra, Uttarakhand, Rajasthan

Average Net Profit for Last Three Years (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
86	(41.15)	407.37	1182.95

Prescribed CSR Expense (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
1.72	0	8.1	23.65

[NOTE: Prescribed CSR Expense (Rs. In crores) = 2% OF Average Net Profit of Last 3 Financial years] (Loss Excluded)

Actual CSR Expense (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
1.77	3.69	8.34	15.67

State in which CSR Activities were performed

2014-15	2015-16	2016-17	2017-18
<ul style="list-style-type: none"> • Maharashtra (3) • Tamil Nadu (9) • Uttarakhand (1) • Rajasthan (1) 	<ul style="list-style-type: none"> • Maharashtra (2) • Tamil Nadu (1) • Uttarakhand (1) 	<ul style="list-style-type: none"> • Maharashtra 1) • Tamil Nadu (3) • Uttarakhand (1) • Rajasthan(1) • Andhra Pradesh(1) 	<ul style="list-style-type: none"> • Tamil Nadu(3) • Maharashtra(2) • Rajasthan (1)

EPS

2014-15	2015-16	2016-17	2017-18
1.20	2.54	4.24	5.32

MPS

2014-15	2015-16	2016-17	2017-18
71.5	98.8	87.08	144.88

7. Company Name: Hero MotoCorp Ltd.

Registered Office: New Delhi

Plants (in states): Haryana, Uttarakhand, Rajasthan, Gujarat.

Average Net Profit for Last Three Years (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
2202	2909.05	2530.78	429.92

Prescribed CSR Expense (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
44.04	58.18	70.62	82.6

[NOTE: Prescribed CSR Expense (Rs. In crores) = 2% OF Average Net Profit of Last 3 Financial years] (Loss Excluded)

Actual CSR Expense (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
44.04(unspent41.63)	58.18	70.62	82.6

State in which CSR Activities were performed

2014-15	2015-16	2016-17	2017-18
<ul style="list-style-type: none"> • New Delhi(3) • Haryana(2) 	<ul style="list-style-type: none"> • Uttar Pradesh (1) • Orissa (1) • Rajasthan (1) • Uttarkhand (1) • Bihar (1) • General (2) 	<ul style="list-style-type: none"> • Gujarat (1) • Uttar Pradesh (1) • Orissa (1) • Rajasthan (1) • Uttarkhand (3) • Bihar (1) • General (2) 	<ul style="list-style-type: none"> • Gujarat (1) • Uttar Pradesh (1) • Orissa (1) • Rajasthan (1) • Uttarkhand (3) • Bihar (1) • General (2)

EPS

2014-15	2015-16	2016-17	2017-18
119.46	156.86	169.12	185.13

MPS

2014-15	2015-16	2016-17	2017-18
2628.75	2746.08	3281	3545.4

8. Company Name: MothersonSumi Systems Limited

Registered Office: Mumbai, Maharashtra

Plants (in states): Uttar Pradesh, Uttarakhand, Haryana, Maharashtra, Gujarat, Rajasthan, Karnataka, Tamil Nadu, Madhya Pradesh, Puducherry

Average Net Profit for Last Three Years (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
585.9	682.4	769.7	887.4

Prescribed CSR Expense (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
11.7	13.6	15.4	17.75

[NOTE: Prescribed CSR Expense (Rs. In crores) = 2% OF Average Net Profit of Last 3 Financial years] (Loss Excluded)

Actual CSR Expense (Rs. In crores)

2014-15	2015-16	2016-17	2017-18
11.7 (unspent 11.55)	13.6 (unspent 11.34)	15.4 (unspent 14)	17.75 (unspent 16.90)

State in which CSR Activities were performed

2014-15	2015-16	2016-17	2017-18
<ul style="list-style-type: none"> • Uttarakhand (1) • Maharashtra (1) 	<ul style="list-style-type: none"> • Maharashtra (1) • Pondicherry (1) • Delhi (4) • Karnataka (1) 	<ul style="list-style-type: none"> • Delhi (2) • Maharashtra (1) • Gujarat (1) 	<ul style="list-style-type: none"> • Maharashtra (1) • Delhi (5)

EPS

2014-15	2015-16	2016-17	2017-18
5.84	5.38	6.05	4.18

MPS

2014-15	2015-16	2016-17	2017-18
489.45	248.28	364.50	317.95

7. ANALYSIS & INTERPRETATIONS

ANALYSIS 1

Company Name: MARUTI SUZUKI

Broad Areas of CSR Expenditure

Years	ENVIRONMENT	HEALTH	EDUCATION	SPORTS	INFRA-STRUCTURE	COMMUNITY DEVELOPMENT
2014-15	✖	✖	✓	✖	✓	✓
2015-16	✖	✖	✓	✖	✓	✓
2016-17	✖	✖	✓	✖	✓	✓
2017-18	✖	✖	✓	✖	✓	✓

Company Name: TATA MOTORS

Broad Areas of CSR Expenditure

Years	ENVIRONMENT	HEALTH	EDUCATION	SPORTS	INFRA-STRUCTURE	COMMUNITY DEVELOPMENT
2014-15	✓	✓	✓	✖	✖	✖
2015-16	✓	✓	✓	✖	✖	✖
2016-17	✓	✓	✓	✖	✖	✓
2017-18	✓	✓	✓	✖	✖	✓

Company Name: BAJAJ AUTO LIMITED

Broad Areas of CSR Expenditure

Years	ENVIRONMENT	HEALTH	EDUCATION	SPORTS	INFRA-STRUCTURE	COMMUNITY DEVELOPMENT
2014-15	✓	✓	✓	✓	✖	✓
2015-16	✓	✓	✓	✖	✓	✓
2016-17	✓	✓	✓	✖	✓	✓
2017-18	✓	✓	✓	✖	✖	✓

Company Name: EICHER MOTORS

Broad Areas of CSR Expenditure

Years	ENVIRONMENT	HEALTH	EDUCATION	SPORTS	INFRA-STRUCTURE	COMMUNITY DEVELOPMENT
2014-15	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2015-16	✓	✓	✓	✖	✖	✓
2016-17	✓	✓	✓	✖	✓	✓
2017-18	✓	✓	✓	✖	✓	✓

Company Name: TVS Motor Company Limited

Broad Areas of CSR Expenditure

Years	ENVIRONMENT	HEALTH	EDUCATION	SPORTS	INFRASTRUCTURE	COMMUNITY DEVELOPMENT
2014-15	✓	✓	✓	✗	✓	✓
2015-16	✓	✓	✓	✗	✓	✓
2016-17	✓	✓	✓	✗	✓	✓
2017-18	✓	✓	✓	✗	✓	✓

Company Name: ASHOK LEYLAND

Broad Areas of CSR Expenditure

Years	ENVIRONMENT	HEALTH	EDUCATION	SPORTS	INFRASTRUCTURE	COMMUNITY DEVELOPMENT
2014-15	✓	✓	✓	✗	✗	✗
2015-16	✓	✓	✓	✗	✗	✓
2016-17	✗	✓	✓	✗	✗	✗
2017-18	✓	✓	✓	✗	✗	✓

Company Name: Hero MotoCorp Ltd.

Broad Areas of CSR Expenditure

Years	ENVIRONMENT	HEALTH	EDUCATION	SPORTS	INFRASTRUCTURE	COMMUNITY DEVELOPMENT
2014-15	✓	c	✓	✗	✗	✓
2015-16	✓	✓	✓	✗	✗	✓
2016-17	✓	✓	✓	✗	✗	✓
2017-18	✓	✓	✓	✗	✗	✓

Company Name: MotherSumi Systems Limited

Broad Areas of CSR Expenditure

Years	ENVIRONMENT	HEALTH	EDUCATION	SPORTS	INFRASTRUCTURE	COMMUNITY DEVELOPMENT
2014-15	✗	✗	✓	✗	✗	✗
2015-16	✗	✗	✓	✗	✗	✓
2016-17	✗	✗	✓	✗	✗	✓
2017-18	✓	✗	✓	✗	✗	✓

ANALYSIS 2

Company Name: MARUTI SUZUKI

The area mainly targeted for CSR are the places where the registered office of the company and plants are situated and Gujarat and Uttar Pradesh(2017-18) after removing there investments from Karnataka.

Company Name: TATA MOTORS

The areas mainly targeted for CSR are the places where the registered office of the company and plants are situated and also in places like Madhya Pradesh

Company Name: BAJAJ AUTO LIMITED

The area targeted for CSR are the places where the registered office of the company and plants are situated and various other states where these companies don't have near link with either plants or registered office.

Company Name: EICHER MOTORS

The area targeted for CSR are the places where plants are situated only in Tamil Nadu and the rest being other states as in the table.

Company Name: TVS Motor Company Limited

The area targeted for CSR are mainly the places where the registered office of the company and plants are situated

Company Name: ASHOK LEYLAND

The area targeted for CSR are mainly the places where the registered office of the company and plants are situated.

Company Name: Hero MotoCorp Ltd.

The area targeted for CSR are mainly the places where the registered office of the company and plants are situated and some other states like Bihar and Gujrat.

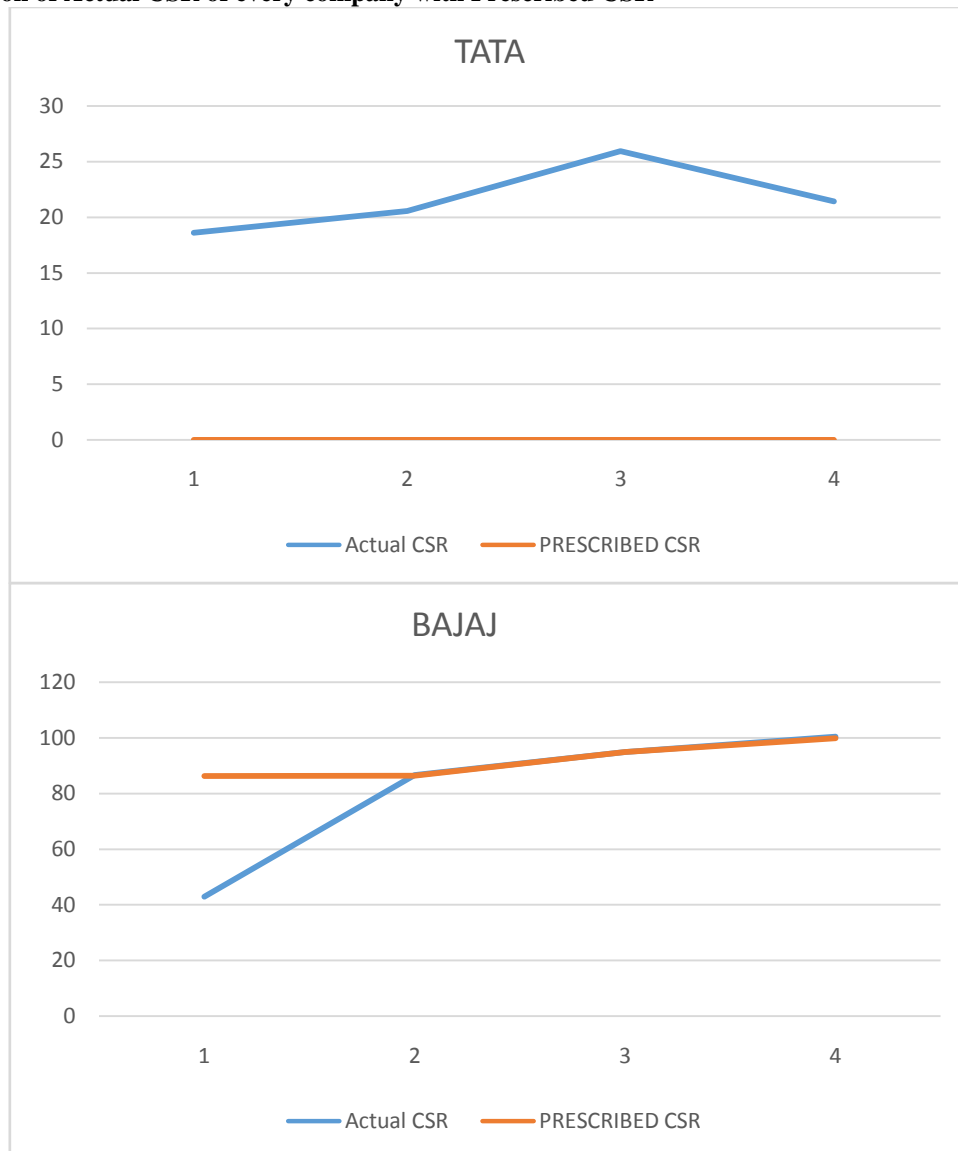
Company Name: MothersonSumi Systems Limited

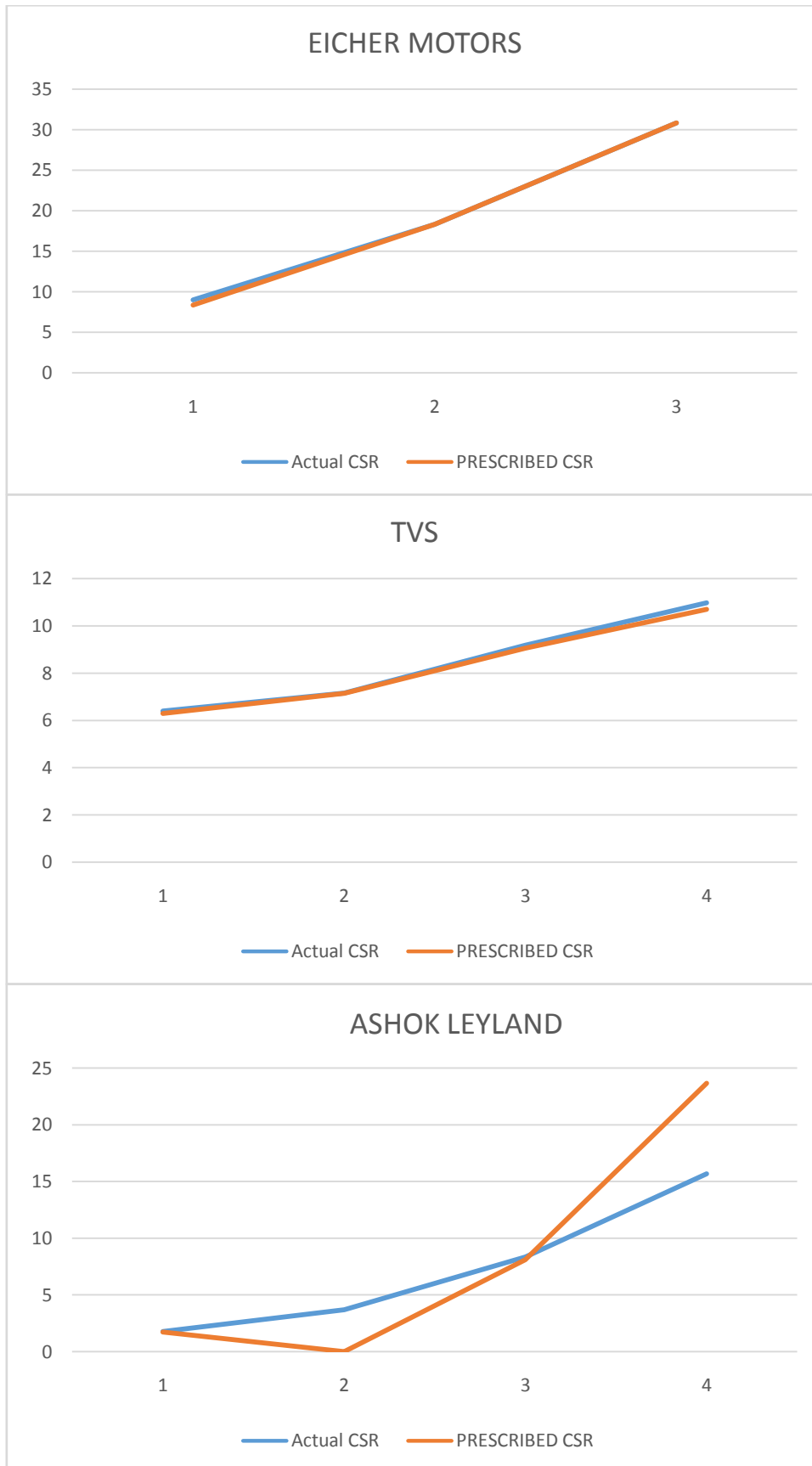
The area targeted for CSR are mainly the places where the registered office of the company and plants are situated and in Delhi they invested in a number of CSR activities.

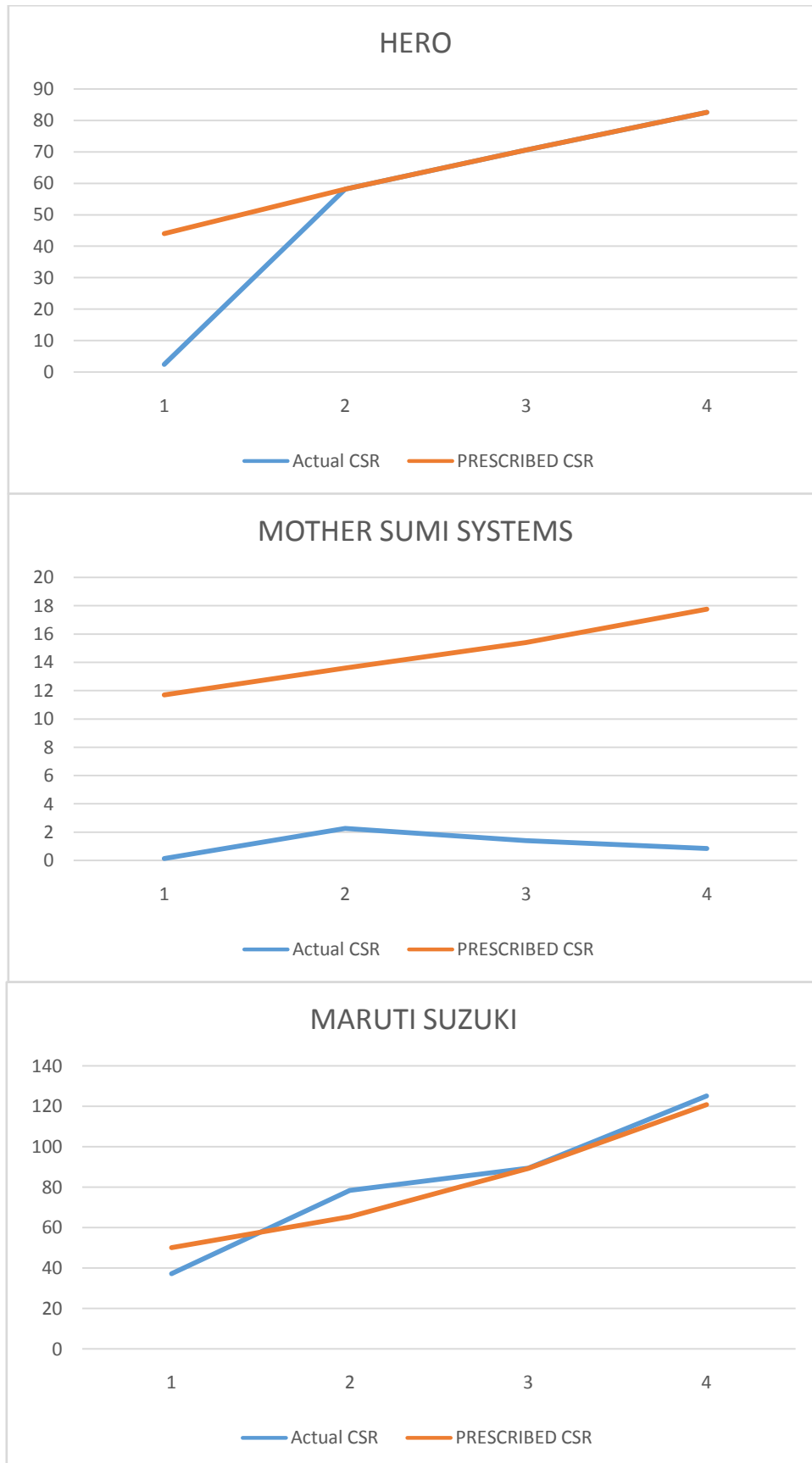
To sum up it is observed that all the companies invest mainly in areas where they have either their registered office or they have plants. The investment seems as the company invests just to build its image for increase sales or pool in large amount of employees for recruitment. If this was not so then they would also love to have invested in states which requires financial as well as social support.

ANALYSIS 3

Comparison of Actual CSR of every company with Prescribed CSR







It is generally observed that the companies generally have the tendency to invest near about to the prescribed limit of CSR however TATA shows the way ahead of how a company should invest in CSR as

it invests a lot in CSR even though it is not required to as per Sec 135 of Companies Act 2013, however, Mother Sumi Systems were the ones who invested less than the prescribed amount every year.

ANALYSIS 4

		MPS	CSR_EXP
MPS	Pearson Correlation	1	.117
	Sig. (2-tailed)		.532
	N	31	31
CSR_EXP	Pearson Correlation	.117	1
	Sig. (2-tailed)	.532	
	N	31	31

H0: MPS does not depend on CSR Expenditure of automobile companies.

H1: MPS depends on CSR Expenditure of automobile companies.

The Pearson Correlation co-efficient is statistically insignificant at 5% level hence they are not related.

For automobile companies the CSR expenditure alone does not influence the MPS.

VII. Conclusion

The research focuses on the automobile companies listed in the NSE 100. Analysis 1 against Objective 1 is shown with a tabular representation, where the table shows that almost every company under study perform necessary CSR expenses under the heads Environment, Education and Community Development. However, Infrastructure and Sports are the areas neglected or receiving very less of CSR expenses or attention of the automobile companies (under study). A key observation is to be noted through analysis 2, that is the automobile companies (under study) are generally performing the CSR activities in the surrounding areas where they have their plants (manufacturing units) and head offices. Analysis 3 represents that the automobile companies (under study) are generally spending more than the prescribed CSR expenses, however there are exceptions in some years where the companies do not meet the prescribed expenditure and spend lower than the prescribed expenditure for CSR activities, though this is not the case for Tata Motors, for this particular company there is no prescribed CSR expenditure as the company faces loss over the period of study (2014-15 to 2017-18). MotherSumi Systems Ltd is also a unique case as the company always spends less than the prescribed CSR expenditure. Analysis 4 suggests that the Pearson Correlation co-efficient is statistically insignificant at 5% level hence MPS and CSR expenditure of automobile companies are not related.

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