

## **A STUDY OF COMPLIANCE OF CORPORATE SOCIAL RESPONSIBILITY IMPLEMENTATION PRACTICES WITH RESPECT TO CSR PROVISIONS AS STATED IN THE COMPANIES ACT 2013 WITH SPECIAL REFERENCE TO LARGE-SCALE ORGANIZATIONS IN PUNE**

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### **ABSTRACT**

The Companies Act 2013, Sec.135 came into force on the first of April 2014, which brought major changes in the way CSR practices are implemented by organizations in India. The most important changes are the allocation of 2 % CSR funds, the compulsion to spend it through a CSR committee in accordance with Sec.135 of the Companies Act, the formation of CSR policy and compulsory CSR disclosures, etc.

This study aims to determine how large-scale organizations in Pune have implemented CSR in the post-CSR mandate period.(2017-18,18-19,19-20 & 20-21).Large-scale organizations in Pune are surveyed using a structured questionnaire.In addition to examining whether large-scale organizations' CSR policies comply with the Companies Act 2013, the survey assesses whether different aspects of an organization's CSR practices are relevant to its CSR policy, as stated in the law. This includes the content of CSR policy, composition of the CSR committee, creation of the CSR fund, implementation modalities, implementing partners, monitoring and performance assessment methods, roles and responsibilities of the Board of Directors and the CSR committee members, as well as the disclosure practices regarding CSR.The collected data is analyzed using SPSS software and MS-excel. Hypotheses testing is done using Pearson's Correlation Coefficient, Linear Modelling, MANOVA(Multivariate analysis of variance), and Paired Sample T-test.

According to key findings, most large-scale organizations in Pune are implementing CSR practices in accordance with Sec.135 of the Companies Act 2013. There is a high degree of compliance with Sec.135 of the Companies Act 2013 related to different CSR provisions in different organizations.

**Keywords:**CSR, Companies Act 2013, CSR implementation, CSR Committee

### **INTRODUCTION**

#### **A Conceptual Background**

The business dictionary defines CSR as “An organization's commitment to the environment (both ecological and social) where it operates”. “Failure of society makes it impossible for businesses to succeed” highlights the significance of Corporate Social Responsibility.

Abhijit Naskar (2020) stated that social progress begins with adopting a neighborhood, making its problems your own, and finding ways to solve them, also taking care of your neighborhood as if it was your own family will eventually lead the world to have enough individuals to handle all the problems of all the neighborhoods worldwide.

According to Campbell (2006)“An organization's CSR policy sets a minimum behavioral standard that aims to prevent harm to stakeholders and rectifies it as soon as it is identified”.

India has a rich history of CSR ranging from charity and corporate philanthropy to present-daystrategic CSR.In terms of nominal GDP, India is the fifth-largest economy worldwide, and in terms of purchasing power parity, it is the third-largest.Being the second-largest populated country with a total population crossing the line of 1.4 billion, India is facing many socio-economic challenges. There is approximately one-third of Indians are illiterate, two-thirds are unable to access adequate sanitation, resulting in income and regional disparities to reduce which only government initiatives are inadequate.The Companies Act 2013, therefore, should be credited for being an important step in obtaining funding from the business sector to complement the government's social development goals programs, ensuring that the company contributes to the country's economic development in a fair and sustainable way.

### **REVIEW OF LITERATURE**

The concept of CSR is deeply rooted in the global business agenda, but many barriers are required to be overcome for its effective implementation which involves informing stakeholders about CSR

by effectively referring to the mission, vision, and goals of the company and applying CSR at all stages of the company's operation, as stated by the author while evaluating the problems and difficulties experienced by Indian organizations while implementing CSR, Vandna Abuja (2013).

CSR is most effective when it is clearly defined and aligned with the existing policy framework and the vision and mission of an organization. The possibility for the Government of India to employ CSR strategically in the Indian context can be done by providing a favorable policy environment as stated in the concluding remarks. An Agenda for Sustainable Inclusive Growth by PHD Chamber of Commerce, New Delhi (2013).

While studying strategic corporate social responsibility at the Hindustan construction company, discovered that the CSR practices helped the business make more earnings, decrease accidents and reinforce relations with local communities, Mark Lee Hunter & Luk N. Van Wassenhove (2014).

Industries in India are undergoing changes, new customer value chains are evolving, and new models of collaborations are becoming popular. Organizations need to clearly define the purpose and the outcomes they want to achieve in post CSR mandate era. They also stated that different organizations view CSR differently and organizations have three broad choices namely complier only, social license/equity builder & nation builders in CSR implementation, Boston Consultancy Group & NASSCOM Foundation (2015).

As stated in the CRISIL CSR yearbook, Indian companies are responding well to CSR mandates and private companies are spending more than public companies, while smaller companies are spending more than large ones. Education, health care, rural development, and environmental protection account for the majority of CSR expenditures. Compliance disparities were negligible across regions, Ramraj Pai, Nitesh Jain & Prabhash Choudhary (2015).

CSR was done in an unsystematic and partial way by most of the organizations selected for research. Most private companies preferred to spend CSR resources in fields such as education and community development. Government mandates and stakeholder expectations were the primary motivation behind doing CSR, Ramendra Singh, Madhupa Bakshi & Prashant Mishra (2015).

Government should formulate suitable policies to implement CSR projects and suitable incentives should be paid to companies carrying CSR operations. The connection between macroeconomic policy and micro-level modifications should be identified by the corporate sector in order to initiate suitable CSR measures. CSR has been perceived positively by the Indian corporate sector, and their involvement in CSR initiatives has increased significantly, Barnabas & Vikram Philip (2016).

Poor enforcement of laws is destroying many countries' well-established legal systems, and one of the biggest examples of this is India, Tyagi (2021).

**Research Gap:** The CSR practices adopted by the Large scale organizations post-CSR mandate were studied by many researchers, but the compliance of Corporate Social Responsibility implementation practices with sec.135 of the Companies Act 2013 related to different aspects of CSR is not studied yet.

## OBJECTIVES OF THE STUDY

1. To study the CSR Practices adopted by Large scale organizations post-CSR mandate.
2. To study the compliance of Corporate Social Responsibility implementation practices with sec.135 of the Companies Act 2013.

## RESEARCH HYPOTHESES

The following hypotheses are formulated for the study:

**H1:** CSR policy of the organization is in line with the Sec.135 of the Companies Act 2013

**H2:** Implementation of CSR practices is as per the CSR policy of the Organization

## RESEARCH METHODOLOGY

**Nature of Research:** Quantitative Research. Because of the nature of the study, the current study embraced the Descriptive research design. This study is an effort to describe the CSR practices adopted by Large scale organizations in the post-mandate period.

**Population for the Study:** The Large-scale organizations in Pune from which the sample is to be selected are technically called Universe or Population. The population for this research is 147 Large Scale organizations in Pune.

**Definition of the Population:** All Large-scale Companies falling in Pune the region – including the Maharashtra Industrial Development Corporation (MIDC) areas in and around the geographical boundaries of Pune are considered as the population for the study.

Pune region consists of Pune City, Pimpri-Chinchwad, Hinjewadi, Talawade, Pirangut, Chakan, Rajagurunagar, Sanaswadi, Ranjangaon, Dehuroad, Talegoan, and Khed- Shivapur. All the Large-scale companies located in these places and are members of MCCIA, CII, and CSRBOX are considered as the population for the study.

Only one response has been obtained from one organization.

**Characteristic of the Sample:** Large-scale organizations in the Pune region, which falls under the purview of CSR mandate as per Sec.135 of the Companies Act 2013.

**Sample Frame:**It is a list of all those within a population who can be sampled. The number of Large scale organizations doing CSR keeps changing every year. The total figure is dynamic. Hence, the sample size has been determined based on an informed guesstimate of a number of companies, which has been obtained from MCCIA, CII, and CSRBOX. The sample frame includes the lists received from MCCIA, CII, and CSRBOX.

**Sample Size:** Sample size is determined using Krejcie and Morgan Table, with a 95 % confidence level and 5.04 % Margin of Error. A final sample of 106 companies is obtained. The sample was selected using the Convenience sampling method. The companies selected for the study are both listed and unlisted companies and represent diversified sectors such as engineering, Automobile, Banking, Finance, Consumer Durables, IT (Computer Software), and Oil & Gas.

**Sampling Unit:** CSR heads, CSR Committee members/Managers, Senior HR managers, AGM/Directors working as CSR heads/CSR Committee members.

**Period of the Study:** the study period includes CSR practices adopted by Large Scale organizations in Pune infour financial years, namely F.Y.2017-18, F.Y.2018-19, F.Y.2019-20 and F.Y. 2020-21 (Each financial year includes the period from 1<sup>st</sup> April to 31<sup>st</sup> March).

**Collection of Data:** For collecting primary dataon corporate social responsibility, a survey was conducted using a structured questionnaire and a few face-to-face discussions were held. The secondary data was collected from reliable secondary sources such as Annual Company reports, CSR reports published oncompany websites, the National CSR portal, CSR, data from the industry by associations such as MCCIA, and CII, Reports of various Concerned Associations on CSR such as NAVAM and MCCIA, the CRISIL CSR yearbook,HandbookS on Corporate Social Responsibility from CII &PWC, Government websites and various newspaper articles.

Methods of Data Analysis and Statistical ToolsarePearson's Correlation Coefficientand Linear Modelling. MANOVA (Multivariate analysis of variance) and Paired Sample T-test.

**Significance of the Study:** This study helps to analyze and understand the level of compliance shown by Large scale organizations in Pune towards different CSR provisions as stated in Sec.135 of the Companies Act 2013.

## DATA ANALYSIS AND INTERPRETATION

**Reliability Test:** The reliability data as indicated below shows the internal consistency of the questionnaire.

**Table 1. Reliability Statistics**

Cronbach's Alpha	N of Items
.954	96

As the value is .954 which is greater than .5, it shows that questionnaire is reliable and may be used for the collection of data.

## Respondents Information –

### 1. Type of Organization

It is about the type of organization represented by the respondents.

**Table No.2:** Type of Organization

Type of Organization	No. of Respondents	% of Respondents
Engineering	19	18
Banking	9	8
Manufacturing	16	15
Automobile	22	21
IT	14	13
Chemical	5	5
Food	4	4
Other	17	16

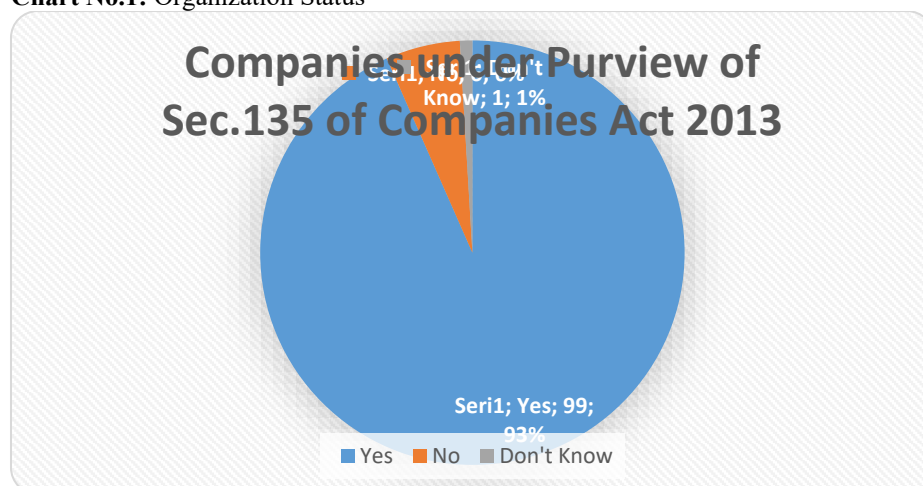
### 2. Organization Status

It is about whether an organization is under the falls under CSR mandate as per the act.

**Table No.3:** Organization Status

No. of Years	No. of Respondents	% of Respondents
Yes	99	93
No	6	6
Don't Know	1	1

**Chart No.1:** Organization Status



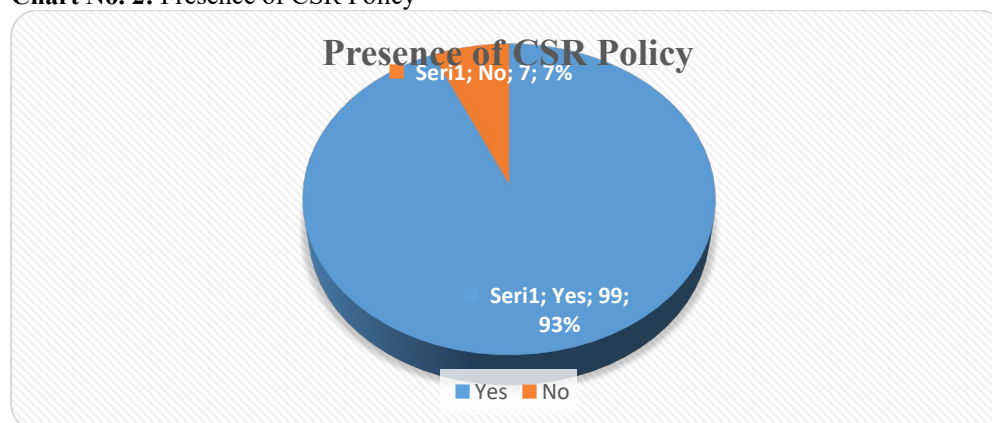
**Interpretation:** Based on the available responses, it can be stated that 93% of the organizations covered during the study fall under purview of Sec.135 of Companies Act 2013 while 6% of organizations do not and only one respondent is not aware about the CSR status of the organization.

### 3. Presence of CSR Policy

**Table No. 4.:** Presence of CSR Policy

Responses	No. of Respondents	% of Respondents
Yes	99	93
No	7	7

**Chart No. 2:** Presence of CSR Policy



**Interpretation:** From the above graph, it can be stated that, as per respondents, 93% of the Large-scale organizations having a CSR policy in place while 7% not having a CSR policy.

### Hypotheses Testing

**Hypothesis 1:** *CSR policy of the organization is in line with the Sec.135 of the Companies Act 2013*

#### Description of Variables

The variable which are identified are described in the table presented below.

**Table No. 5:** Description of Variables – Hypothesis 1

Sr. No.	Description of Variable	Variable Name
<b>CSR Policy</b>		
1	Presence of CSR Policy	CSR1
2	Presence of CSR Committee	CSR2
	Sum of Average of values of variables related to CSR Policy	CSRAVG
<b>Organization and CSR Practices</b>		
3	Socially responsible firm	CSRP1
4	The integration of CSR into an organization's business philosophy and strategic planning	CSRP2
5	Formulation of CSR policy as per provisions in New companies act 2013	CSRP3
6	Constitution of CSR Committee as per Sec.135 of Companies Act 2013	CSRP4
	Sum of Average of values of variables related to Organization and CSR Practices	CSRPAVG
<b>Functions of CSR Committee</b>		
7	Inclusion of three or more directors and one independent director	CSRC1
8	Formation and recommendation of CSR policy to the Board	CSRC2
9	Recommendation of activities and the amount of expenditure to be incurred	CSRC3
10	Time to Time Monitoring of the CSR Policy of the company	CSRC4

	Sum of Average of values of variables related to Functions of CSR Committee	CSRC AVG
<b>Responsibilities of Board of Directors</b>		
11	Formation a CSR committee	CSRB1
12	Approval for the CSR Policy	CSRB2
13	Ensuring implementation of the activities under CSR	CSRB3
14	Disclosure of the composition of the CSR Committee	CSRB4
15	Ensuring 2 % spend	CSRB5
16	Disclosing reasons for not spending the amount (if applicable)	CSRB6
	Sum of Average of values of variables related to Responsibilities of Board of Directors	CSRB AVG
<b>Extent of Relevance of Content of CSR policy as per New companies act 2013</b>		
17	An organization's plans for CSR projects or programs	CSRPO1
18	Execution methods of such projects or programs	CSRPO2
19	Schedules for implementation	CSRPO3
20	A clause specifying that the CSR surplus shall not form part of the business profit of the company	CSRPO4
21	Preference to local areas	CSRPO5
22	Monitoring process	CSRPO6
	Sum of Average of values of variables related to Extent of Relevance of Content of CSR policy as per New companies act 2013	CSRPO AVG
<b>Reasons for Doing CSR</b>		
23	Regulatory Obligation (In compliance with Sec.135 of Companies Act 2013)	CSRR1
24	Business responsibility towards society	CSRR2
25	As a part of Corporate Policy	CSRR3
26	Replenish what has been taken from society for business	CSRR4
27	Making use of vital social sector contributions to leverage industrial profits	CSRR5
28	Indirect benefit to company (e g tax saving, publicity)	CSRR6
29	Bringing corporate goals into alignment with societal goals	CSRR7
30	Improving the profile and image of the company	CSRR8
	Sum of Average of values of variables related to Reasons for Doing CSR	CSRR AVG
<b>The extent of CSR disclosure practices as per the New Companies Act 2013</b>		
31	CSR Policy disclosure on the company's website and in the report	CSR D1
32	Disclosure of Prescribed CSR budget	CSR D2
33	Disclosure of details of utilization of CSR funds	CSR D3
34	Disclosure of reasons for not spending the amount (if applicable)	CSR D4
35	Disclosure of reasons for not spending the amount (if applicable)	CSR D5
	Sum of Average of values of variables related to Extent of CSR disclosure practices as per New Companies Act 2013	CSR D AVG
<b>Focus areas of CSR as per Schedule VII of Companies</b>		
36	Preventive health care, eradicating hunger, poverty, and malnutrition	CSRACT1
37	Promoting education, and vocational skills	CSRACT2
38	Promoting gender equality, empowering women, and reducing inequalities	CSRACT3
39	Ensuring environmental sustainability	CSRACT4
40	Protection of national heritage, art, and culture	CSRACT5
41	Measures for the benefit of armed forces veterans, war widows and their dependents	CSRACT6



42	Training to promote sports	CSRACT7
43	Contribution to the Prime Minister's national relief fund	CSRACT8
44	Contributions the central government fund	CSRACT9
45	Rural development projects	CSRACT10
46	Slum area development	CSRACT11
	Sum of Average of values of variables related to Focus areas of CSR	CSRACTAVG

### Hypothesis Testing

A correlation between the identified variables was found for the first hypothesis in order to test its significance. In order to do so, the average value of each parameter considered for hypothesis 1 is separately calculated, and then correlation testing was done for this variable.

**Table No. 6:** Correlation Table – Hypothesis 1

		Correlations							
		CSRAVG	CSRPAVG	CSRC AVG	CSRBAVG	CSRPOAVG	CSRRAVG	CSRDAVG	CSRACTAVG
CSRAVG	Pearson Correlation	1	.777**	.801**	.811**	.628**	.450**	.739**	.361**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000
	N	106	106	106	106	106	106	106	106
CSRPAVG	Pearson Correlation	.777**	1	.883**	.859**	.743**	.408**	.705**	.371**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000	.000
	N	106	106	106	106	106	106	106	106
CSRC AVG	Pearson Correlation	.801**	.883**	1	.956**	.673**	.380**	.795**	.335**
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000	.000
	N	106	106	106	106	106	106	106	106
CSRBAVG	Pearson Correlation	.811**	.859**	.956**	1	.669**	.370**	.738**	.310**
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000	.001
	N	106	106	106	106	106	106	106	106
CSRPOAVG	Pearson Correlation	.628**	.743**	.673**	.669**	1	.408**	.530**	.391**
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000	.000
	N	106	106	106	106	106	106	106	106
CSRRAVG	Pearson Correlation	.450**	.408**	.380**	.370**	.408**	1	.364**	.410**
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000	.000
	N	106	106	106	106	106	106	106	106
CSRDAVG	Pearson Correlation	.739**	.705**	.795**	.738**	.530**	.364**	1	.272**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000		.005
	N	106	106	106	106	106	106	106	106
CSRACTAVG	Pearson Correlation	.361**	.371**	.335**	.310**	.391**	.410**	.272**	1
	Sig. (2-tailed)	.000	.000	.000	.001	.000	.000	.005	
	N	106	106	106	106	106	106	106	106

\*\* . Correlation is significant at the 0.01 level (2-tailed).

As observed in the above table value of Pearson Correlation is positive and found to be significant at 0.01 level as the p-value for the 2-tailed test in every case is less than 0.05. It indicates that all the variables are significantly correlated with each other. It may be stated that CSRAVG is - Sum of the Average of values of variables related to CSR Policy, CSRPAVG is - Sum of the Average of values of variables related to Organization and CSR Practices, CSRC AVG is - Sum of the Average of values of variables related to Functions of CSR Committee, CSRBAVG - Sum of Average of values of variables related to Responsibilities of Board of Directors, CSRPOAVG - Sum of Average of values of variables related to Extent of Relevance of Content of CSR policy as per New companies act 2013, CSRRAVG - Sum of Average of values of variables related to Reasons for Doing CSR, CSRDAVG - Sum of Average of values of variables related to Extent of CSR disclosure practices as per New Companies act 2013 and

CSRACTAVG - Sum of Average of values of variables related to Focus areas of CSR as per Schedule VII of Companies are strongly correlated with each other.

In order to test linearity i.e. CSR policy in line with Companies Act 2013, linear modeling is carried out, the output is presented below. Here variables related to the existence of CSR policy and variables related to CSR practices are considered fixed variables and covariable.

The SPSS output was as follows –

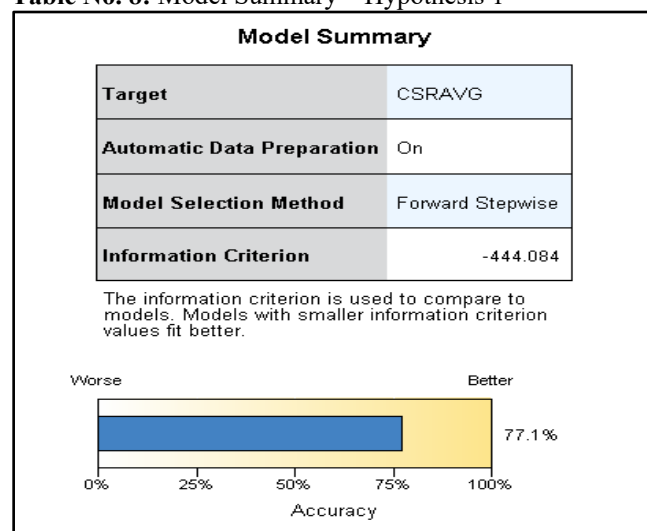
**Table No. 7: Multivariate Tests – Hypothesis 1**

Multivariate Tests <sup>a</sup>						
Effect		Value	F	Hypothesis df	Error df	Sig.
Intercept	Pillai's Trace	.405	11.103 <sup>b</sup>	6.000	98.000	.000
	Wilks' Lambda	.595	11.103 <sup>b</sup>	6.000	98.000	.000
	Hotelling's Trace	.680	11.103 <sup>b</sup>	6.000	98.000	.000
	Roy's Largest Root	.680	11.103 <sup>b</sup>	6.000	98.000	.000
CSRPAVG	Pillai's Trace	.565	21.244 <sup>b</sup>	6.000	98.000	.000
	Wilks' Lambda	.435	21.244 <sup>b</sup>	6.000	98.000	.000
	Hotelling's Trace	1.301	21.244 <sup>b</sup>	6.000	98.000	.000
	Roy's Largest Root	1.301	21.244 <sup>b</sup>	6.000	98.000	.000
CSRAVG	Pillai's Trace	.330	8.033 <sup>b</sup>	6.000	98.000	.000
	Wilks' Lambda	.670	8.033 <sup>b</sup>	6.000	98.000	.000
	Hotelling's Trace	.492	8.033 <sup>b</sup>	6.000	98.000	.000
	Roy's Largest Root	.492	8.033 <sup>b</sup>	6.000	98.000	.000
a. Design: Intercept + CSRPAVG + CSRAVG						
b. Exact statistic						

The above table shows significance related to Pillai's Trace, Wilks Lamda, Hotelling's Trace, and Roy's Largest Root as the p-value (significant value) is less than 0.05.

Further, the output of automatic linear modelingshows agreement with the linear model.

**Table No. 8: Model Summary – Hypothesis 1**





The abovetable clearly indicates that the model is a better fit as the value is 77.1%. It is an indication of acceptance of the first hypothesis, it can be stated that in the case of Large-Scale organizations the CSR policy is in line with the Sec.135 of the Companies Act 2013.

**Hypothesis 2: Implementation of CSR practices is as per the CSR policy of the Organization.**

Statistically, Hypothesis 2 can be stated as follows:

**H<sub>0</sub>:** Implementation of CSR practices is not as per the CSR policy of the Organization.

**H<sub>1</sub>:** Implementation of CSR practices is as per the CSR policy of the Organization.

**Description of Variables**

The variable description related to second hypothesis is as follows –

**Table No. 9:** Description of Variable – Hypothesis 2

Sr. No.	Description of Variable	Variable Name
<b>Organization and CSR Practices</b>		
1	Presence of CSR Policy	CSR1
<b>CSR Implementation and Organization</b>		
2	CSR as a part of Business Strategy	CSRIMP1
3	Selection of CSR activities are in accordance with Schedule VII of Companies Act 2013	CSRIMP2
4	Identification of Community needs through proper mechanisms before CSR implementation	CSRIMP3
5	Implementation and monitoring of CSR is in compliance with CSR policy	CSRIMP4
6	Precautions by the management about availability of CSR Funds	CSRIMP5
7	Transparency about utilization of CSR Fund.	CSRIMP6
8	Encouragement and providing enough support for implementation of CSR activities	CSRIMP7
9	Benefit of CSR to organization and community.	CSRIMP8
<b>Involvement of Stakeholders and CSR Implementation</b>		
10	Board (Top Management) ensure that the CSR activities are conducted as per CSR policy of the company	CSRIMP9
11	The employees of the organization engaged/ involved in the implementation of CSR activities	CSRIMP10
12	Community members are actively involved in CSR activities carried out by Organization	CSRIMP11
14	CSR activities are implemented through Registered Trusts or society	CSRIMP12
15	CSR activities are implemented through NGO	CSRIMP13
16	The CSR activities are carried out in a collaboration with other companies	CSRIMP14
17	There is a collaboration of Government PPP (Public Private Partnership) for the execution of CSR activities	CSRIMP15
18	The CSR department directly carries out CSR activities	CSRIMP16
19	There is a CSR foundation for the implementation of CSR	CSRIMP17
	Sum of Average of values of variables related to CSR Implementation	CSRIMPAVG

In the case of the second hypothesis again the sum of the average value of variables related to the implementation of CSR (the variable description given previously) was found and then correlation followed by paired sample testing was done to test the hypothesis. The result of the analysis is given below.

**Table No. 10:** Correlation Table – Hypothesis 2

Correlations			
		CSR1	CSRIMPAVG
CSR1	Pearson Correlation	1	.530**
	Sig. (2-tailed)		.000
	N	106	106
CSRIMPAVG	Pearson Correlation	.530**	1
	Sig. (2-tailed)	.000	
	N	106	106

\*\* . Correlation is significant at the 0.01 level (2-tailed).

It can be stated that the variable CSR1 i.e. the Presence of CSR Policy is positively and significantly correlated with CSRIMPAVG i.e. Sum of the Average of values of variables related to CSR Implementation. Then Paired Sample Test is carried out to test the hypothesis. The outcome is presented below.

**Table No. 11:** Paired Samples Test – Hypothesis 2

Paired Samples Test									
		Paired Differences					t	df	Sig. (2-tailed)
					95% Confidence Interval of the Difference				
					Mean	Std. Deviation			
Pair 1	CSR1 -CSRIMPAVG	-1.99168	.47619	.04625	-2.08338	-1.89997	-43.062	105	.000

As the p-value < 0.05, it can be stated that the implementation of CSR is happening as per the CSR policy framed by the Large-Scale organization which is in accordance with Company Act 2013. It is an indication of acceptance of the second hypothesis.

## FINDINGS

The testing of the first hypothesis confirmed that the CSR policies of large-scale organizations are in accordance with the Companies Act 2013. The second hypothesis acceptance affirmed the first hypothesis, stating that CSR is implemented according to the CSR policy formulated by each Large-Scale organization, in accordance with the Companies Act 2013.

## CONTRIBUTION TO THE RESEARCH AREA

The researcher studied the extent of compliance of CSR practices with Sec.135 of the Companies Act 2013 based on multiple parameters such as calculation of CSR budget, formation of CSR policy and Committee, CSR implementation procedure, and modalities used for CSR execution.

## SCOPE FOR FURTHER RESEARCH

- The comparative study of different CSR implementing modalities used for CSR execution will help the companies to select the most appropriate implementing partner for CSR execution as per the need and suitability.
- Research on the evaluation of the impact of CSR on different stakeholders will further enhance the CSR performance of the company.
- The effects of implementing CSR practices in compliance with CSR policy formed on organizational performance can be studied using qualitative research.

## CONCLUSION

Most Organisations have formed CSR committees to form and implement CSR policies. The Board of Directors and CSR committee members are found performing their responsibilities to a great extent as specified in Sec. 135 of the Companies Act. 2013. In concluding remark, it can be stated that most of the large-scale organizations in

Pune that fall under the purview of CSR have conducted CSR as per provisions in Section 135 of the Companies Act 2013.

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