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## SOCIAL ACCOUNTING PRACTICES IN RELIANCE INDUSTRIES LTD

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**Abstract:** Social Accounting is a process that enables organizations to measure their social and environmental performances against their aims and objectives, assessing the true impact of their activities on stakeholders and the public. It goes by various names such as social accounting and auditing, social accountability, social and environmental accounting, corporate social reporting, corporate social responsibility reporting, non-financial reporting, and accounting. This approach provides tools and guidelines for collecting, analysing, and monitoring financial, social, and environmental data. The concept of 'social accounting' relates to how an organization interacts with its social surroundings. Today, most organizations provide information on their social performance to demonstrate to shareholders and the public that they are ethical and moral. An example is Reliance Industries Ltd, India's most valued company, which allocates substantial funds to CSR activities. The main aim of this study is to discuss the use of social accounting, involving the analysis of social accounting practices in Reliance Industries Ltd over a six-year period.

**Key words:** social accounting, stakeholder, CSR, Reliance Industries Ltd

### 1. INTRODUCTION

In globalized era social accounting is useful for every organisations and entities including NGOs, charities and government agencies. Social accounting is concerned with the development of measurements system to monitor social and environmental performance. It is the process of communicating the social and environmental impacts of organisations and entities' economic actions to particular interest groups within society and to society at large. Social accounting is a method of studying the structure of the body economic. Social accounting is completely different from public interest accounting and critical accounting. Social accounting measures the social and environmental impact of an organization or an entity. And it is an expression of a company's social responsibilities. If 'Social Accounting' is to move ahead both within the social economy and become a force for change in others sectors, several things need to happen: The evolution of models of good practice so that the credibility and lawfulness of the social audit is strengthened. Social Accounting and Audit requirements to be strengthened and extended within the social economy. 'Social Audit

and Accounting' needs to be made more visible as an creative practice originating from within the social economy, but with raising relevance to other sectors (public and private/commercial). Social accounting and audit should be an empowering process, not a means of control. The organisation defines its own objectives and values and determines along with its stakeholder's the indicators to be used to measure performance. The Main objectives of social accounting are to help society by providing various facilities by enterprise or an organization and to record them. Outstanding CSR gives a company or entity a chance to showcase consistency and win loyalty, which finally converts into customer retention and enlarge sales. (Ezekiel S Asemah, Ruth A Okpanachi, Leo ON Edegoh 2013) Corporate social responsibility is the managerial responsibility to take actions that save and improve both the welfare of society as a whole and the interests of the company. Thus, the study is an examination of the business merits of corporate social responsibility practice. The study is anchored on two theories; stakeholder's theory, which states that companies have constituent groups that need to be taken care of and the iron law of corporate social responsibility, which states that companies that fail to use their power responsibly will lose it in the long run. Previous studies were reviewed and it was discovered that several benefits abound to companies that practise corporate social responsibility; several advantages were identified; these among others include: enhanced brand and reputation, decrease in operation costs, attracting new customers, balances power with responsibility, discourages government regulation, improves a company's public image, promotes long run profit, improved relations with the investment community and excellent access to capital, increased employee relations, productivity and creation and progressing relations within communities through stakeholder engagement. The study therefore concludes that companies that carry out corporate social responsibility activities have a lot to benefit. Thus, it recommends that companies should endeavour to pay due attention to corporate social responsibility and this practice should be a continuous one. (Paulina Ksiazak 2016) Corporate social responsibility provides multiple benefits for the companies or firms. The social and environmental actions that businesses engage in are bound to bring benefits also to society. Nevertheless, the concepts have also some limitations. Engaging in social responsibility issues should be a deliberate decision and firms should consider its pros and cons. The main objective of this paper is to discuss the merits of CSR, but also to point out a few limitations of the concept. The narrative review of literature is applied in order to accomplish the aforementioned aim. (Anna Wildowicz-Giegiel 2014) social accounting is required currently from entrepreneurs to run their business according to the principles and policies of sustainable development. As a result the rapid development for corporate social responsibility among business owners is commonly observed. They started observing that being socially responsible can help improve better financial results and competitiveness. In order to accomplish these goals firms involving in corporate social responsibility should disclose accurately, transparently and credibly information on the social and environmental effects to both external and internal stakeholders. The main purpose of this research was aimed at indicating the limitations of traditional accounting and the advantages of integrated reporting.

## 2. REVIEW OF LITERATURE

In order to determine the aim of this study and gather the necessary background information to create research objectives, this section will analyse latest literature and present an outline of theoretical work.

(Ken T Trotman, Graham W Bradley 1981) this study has shown a trend of increased corporate disclosure of social responsibility information. This research paper suggests some reasons why companies or entities provide social responsibility information and examines the effects of four variables (size, systematic risk, social constraints and management decision horizon) on the social responsibility disclosure practices of Australian companies or organizations. (Mohamed Zairi, John Peters 2002) This study presents social responsibility of business firms or organisations not as a "nice to do" gesture but rather as a critical driver of corporate performance. The paper proposes a context on how social responsibility is currently realized by the global business community, how it is

defined and calculated.(Dr. Masooma zaidi 2012) Social accounting is a technique by which a firm or entity seeks to place a value on the impact on society or environment of its operations. This paper looks at what social accounting is where it comes from and its current level of development and it also intention to bring out some important social accounting practices followed in Indian organizations.(Ruta Sneidere 2013) social accounting provides the information to all stakeholders, including the general public. Social accounting includes all type of accounts that go beyond the economic and for all the different labels under which it appears. This study deals with the main issues and tools of corporate social responsibility, which is a very important prerequisite for organisations or entities in order to introduce the principles of social accounting.( Vytautas Juščius, Agnė Šneiderienė, Julija Griauslytė 2013) This study is to examines what benefits business can accomplish by implementing corporate social responsibility reports in its activities. There are also analyzed the development of CSR reporting, systemized theoretical aspects of CSR reporting in marketing field. The article emphasized that then satisfying stakeholder' expectations, needs, and informing them of the action taken to meet these expectations, the company have greater success of the business, ie stability and profitability. Literary analysis showed that CSR reporting is becoming the main important tool of linking different holistic marketing programs. (Rob Gray, Andrew Brennan, and Jeff Malpas 2014) this research paper is a hypothetical and exploratory essay on the emerging field of social accounting. The paper reconsiders the potential of the social accounting projects and argues for the importance of accounts as a means of interstitial transformation as a complement to the traditional privileging of accounts directed towards symbiotic transformations. (Lukas Vartiak 2016) firms are facing increased demands for information about their Corporate social responsibility performance. Therefore, CSR reporting is becoming most an important CSR activity. The main basic purpose of this paper is the recognition of appropriate content of CSR report following the analysis and subsequent comparison of available CSR reports. The main finding is that in Americas, Europe and Asia Pacific, the percentage of firms with CSR reports is almost equal. Also, there is no unified template for CSR reports.(Sarah Alhouti, Giles D'Souza 2018) The main objective of this study is to determine how consumers benefit from corporate social responsibility (CSR) and whether spiritual benefits are a stronger outcome of CSR.( NH Tien, DB Hung Anh 2018) This paper offers two interrelated strategies to be used facing corporate social responsibility challenges. As integrated plannings, they both allow non-market and social forces while trading with traditional business issues and taking into account the actuality of the market. Avant-garde advocating for progressive social responsibility policy enables companies, the game-changers to actively or even proactively shape their own strategy by raising barriers to competitors striving to develop identity status. Systematically conforming to current and changing standards of social responsibility set forth by policymakers and supported by policy activists allows companies, the game-followers to adapt to the situation at their own pace. This study presents four case studies in the FMCG companies in Vietnam that highlight how some companies have successfully implemented these strategies while others have not. (Hasrita Lubis 2019) This research paper reviews the Corporate Social Responsibility disclosure and determining factors of CSR disclosure in prior studies. This study present uses systematic review and content analysis to achieve the objectives of this study. This study describe that the practice of CSR disclosure quality is more good than CSR disclosure quantity in most of the studies that have been done. Further, this study also found that companies natures , such as company age, company size, shareholder's power, investors, and board of directors influenced the extent of CSR disclosure.(Dr. Pradeep Kumar Das 2020) corporate social responsibility accounting is consider as extensive strategy integrated into business operation. This study basically concentrates on how the activities of Infosys tech ltd, the selected company endorse its responsibility towards society truthfully and how it precipitates its sustainable headway. This study is descriptive in nature and mainly this study is involes the secondary data.( Muzammal Khan, Abeer Hassan, Christian Harrison, Heather Tarbert 2020) The main objective of this study is to provide a systematic review of the published literature on corporate social responsibility reporting (CSRR). Furthermore, it find out the main limitations reported in previous CSRR studies and offers suggestions for best practice and future research.(José Luis Retolaza 2021)The main objective of this study is to discuss the use of social accounting. This study describes

a framework that might guide the social value and nonfinancial information of organizations or companies. Social accounting is observed as an accounting system based on accepted accounting principles, seeking to indicate the notion of corporate accountability.

### 3. OBJECTIVES OF THE STUDY

- To analyse the theoretical framework of social accounting.
- To examine the present situation of social accounting in India.
- To analyse the social accounting practices in Reliance Industries Ltd over a period of six years.
- To examine the perception and awareness of chartered accountants and auditors regarding social accounting.

### 4. HYPOTHESIS OF THE STUDY

Hypothesis for fourth objective

- **H0:** There is no significant difference in the level of perception of social accounting information among the chartered accountants/ auditors.
- **H1:** There exists a significant difference in the level of perception of social accounting practices information among the chartered accountants/ auditors.

### 5. RESEARCH METHODOLOGY

This chapter presents the research methodology framework supporting the investigations conducted in the study. Two methods of data collection were adopted to fulfil the study's objectives: primary data collection and secondary data collection. Secondary data were gathered to examine the current state of social accounting in India and analyse social accounting practices in Reliance Industries Ltd over a six-year period. Primary data were collected to assess the perception and awareness of social accounting among chartered accountants and auditors.

**5.1 Scope of the study:** The present study has focused on only one company that is Reliance Industries Ltd. And the study concentrated only to examine the present situation of social accounting in India and to analyse the social accounting practices of Reliance Industries Ltd.

**5.2 Population and sample:** In the following section, a detailed discussion is provided on the description of the population and sample encompassed in the study for both primary and secondary data.

**5.3 Population of Respondents:** The population for the collection of primary data consists of users of social accounting information in the annual reports of the sample company. The population for the study includes Reliance Industries Ltd.

**5.4 Sample of company:** Reliance Industries Ltd is considered as the sample for the study. The sample was selected using the convenience sampling method.

**5.5 Sample of respondents:** The study has chosen chartered accountants and auditors as respondents to examine their perception of social accounting practices in Reliance Industries Ltd. The sample size for this study is restricted to 25 chartered accountants/auditors.

**5.6 Research instruments:** the research instruments will collect the qualitative data from user of social accounting information through a questioner. The questionnaires consist dichotomous questions.



### 5.7 Source of Data:

Primary Data: Primary data for the study is collected from chartered accountants/auditors.

Secondary Data: The present study mainly relies depends on secondary data. For this study secondary data was collected from annual reports of Reliance Industries Ltd.

**5.8 Period of the study:** The data consist of Reliance Industries Ltd six consecutive years 2017 and 2022 annual financial Statements.

**5.9 Tools used for analysis:** the study used the various charts, tables, graphs for data analysing.

## 6. THEORYTICAL FRAMEWORK OF SOCIAL ACCOUNTING

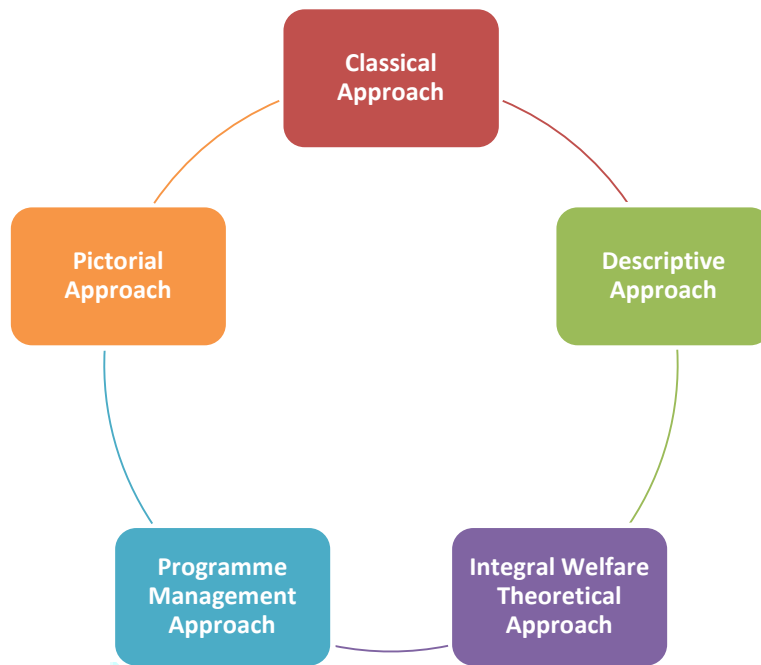
6.1 Objectives of social accounting: The main objectives of social accounting include aiding society by documenting the various facilities provided by enterprises, ensuring the effective and optimal use of natural resources. Social accounting assesses whether companies utilize their resources efficiently. Organizations can support employees by offering education for their children, providing free transport, and enhancing working conditions. Addressing environmental concerns, enterprises can contribute to society by planting trees, creating parks near factories, and establishing hospitals.

Part of profits allocated by companies to society in social accounting includes providing goods at reduced rates with high quality. Firms also contribute to investors by offering transparent and useful accounting information. Given the focus on safeguarding natural resources, social accounting is also known as Social and Environmental Accounting, Corporate Social Reporting, Corporate Social Responsibility Reporting, Non-Financial Reporting, and Sustainability Accounting.

6.2 Need of Social Accounting: For 'Social Accounting' to progress within the social economy and exert influence across sectors, several steps are essential. The development of models for best practices is crucial to enhance the credibility and legality of social audits. Strengthening and expanding Social Accounting and Audit requirements within the social economy is necessary. It is essential to elevate the visibility of 'Social Audit and Accounting' as a creative practice originating from the social economy but gaining increasing relevance in other sectors, both public and private/commercial.

Emphasizing empowerment rather than control, Social accounting and audit should be a collaborative process where organizations define their own objectives and values. Alongside stakeholders, they determine the indicators used to measure performance.

6.3 Approaches in social accounting:



6.3.1 Classical Approach: This is the approach of accounting in which businesses show how they have increased their profits within the constraints of legal and ethical framework, acting in the best interest of society at large.

6.3.2 Descriptive Approach: This is the traditional method of reporting social information. In this social activities and environmental activities are disclosed in narrative form along with financial statements.

6.3.3 Integral Welfare Theoretical Approach: This is also one type of social accounting approach. This accounts for both social advantages and social costs in the financial statements themselves. This is a type of accounting format that emphasizes the creation of social reports that involves the social benefits and social costs.

6.3.4 Programme Management Approach: In this approach the organization has to disclose its Social Objectives, how it is going to achieve them and how the feedback and control have been exercised.

6.3.5 Pictorial Approach: In this approach photographs of various welfare activities conducted by the organization or an entity are presented in annual financial reports.

6.3.6 The present situation of social accounting in India:

The awareness of social prudence is no less important in India, whose economy is based on fundamental principles of democracy and socialism. In 1988, section 227(4A) of the Companies Act 1956 was amended, and the Companies (Auditor's Report) Order, popularly known as the "Order for Social Audit," was introduced. This order applies to manufacturing services, trading, and investment companies but does not fully fulfill the requirements of social accounting despite being issued in line with the recommendations of the Sachar Committee. Furthermore, sections 209(d) and 233-B of the Companies Act (1956) provide for cost audits in certain specified industries under its statute. Audits carried out by the Comptroller and Auditor General includes outgoing information in their directors' reports.

Corporate social reporting is not a common practice in India. The Indian Companies Act (1956) requires auditors to make a report under section 227 to members and express an opinion on whether the company's

balance sheet and profit and loss accounts exhibit a “true and fair view” of the company's state of affairs. To curb and deal with corporate abuses and malpractices, the government has made efforts to amend the Act over time. The central government also issued the Manufacturing and Other Companies (Auditor’s Report) Order (1975). The Institute of Chartered Accountants of India (ICAI) considers the order a reporting requirement.

In August 2013, the parliament made CSR mandatory. The announcement advocates that companies with total assets above Rs. 500 crore or a yearly annual turnover of over Rs. 1,000 crore should reserve 2% of the normal net benefits of the three years towards CSR. In the draft Companies Bill, 2009, the CSR provision was intentional; however, it was mandatory for organizations or entities to disclose their CSR spending to investors. There is growing acknowledgment among associations that it isn't just sufficient to give resources to support causes initiated by non-profits, and when employees volunteer for a cause, it's a win-win situation for both the organization and the delegates as it helps improve administrative aptitude and remediate benefit.

## 7. DATA ANALYSIS AND INTERPETATION

This chapter describes the status of social accounting practices and CSR results in India over a period of six years. And expressed the CSR results of Reliance Industries Ltd over a period of six years.

An investigation of top 10 companies with actual CSR amount spent in over a period of six years.

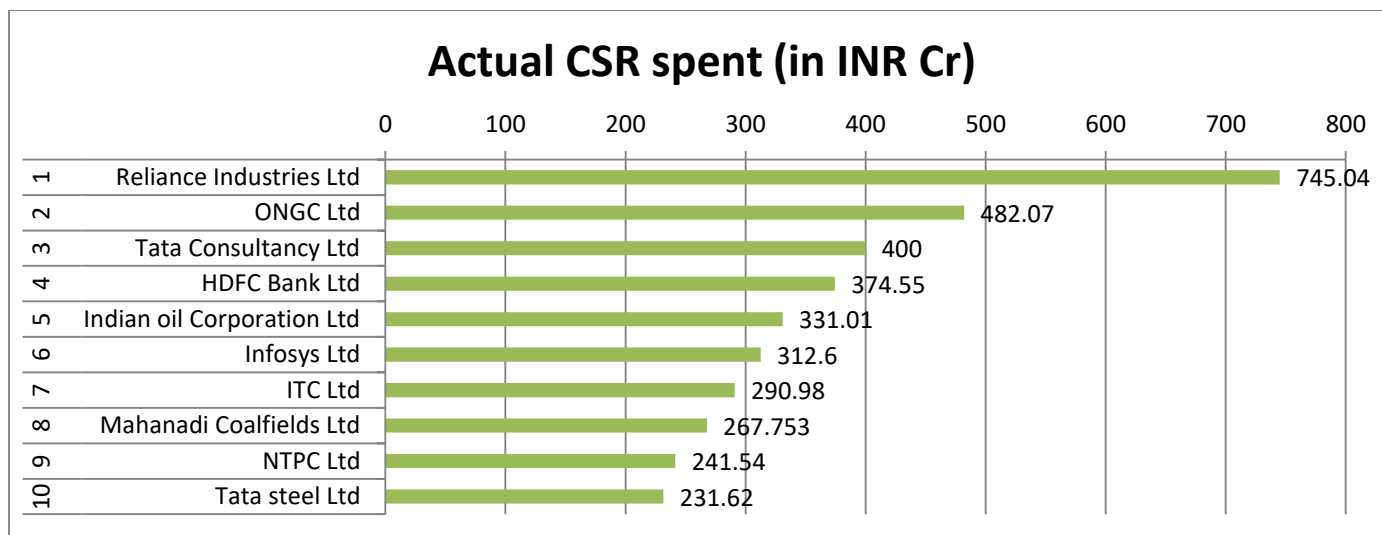
**Table No 1: Top 10 Companies with actual CSR amount spent in FY 2017- 2018**

SL NO	Name of Company	Actual CSR spent (in INR Cr)
1	Reliance Industries Ltd	745.04
2	ONGC Ltd	482.07
3	Tata Consultancy Ltd	400
4	HDFC Bank Ltd	374.55
5	Indian oil Corporation Ltd	331.01
6	Infosys Ltd	312.6
7	ITC Ltd	290.98
8	Mahanadi Coalfields Ltd	267.753
9	NTPC Ltd	241.54
10	Tata steel Ltd	231.62

Source: Computed From National CSR portal.

The above table depict that Top 10 Companies with actual CSR amount spent in FY 2017- 2018. Out of the top 10 companies in the year 2017 the Reliance industries Ltd has highest CSR in India.

**Figure No 1: Top 10 Companies with actual CSR amount spent in FY 2017- 2018**



The above table depict that Top 10 Companies with actual CSR amount spent in FY 2017- 2018. Out of the top 10 companies in the year 2017 the Reliance industries Ltd has highest CSR in India.

**Table No 2: Top 10 Companies with actual CSR amount spent in FY 2018- 2019**

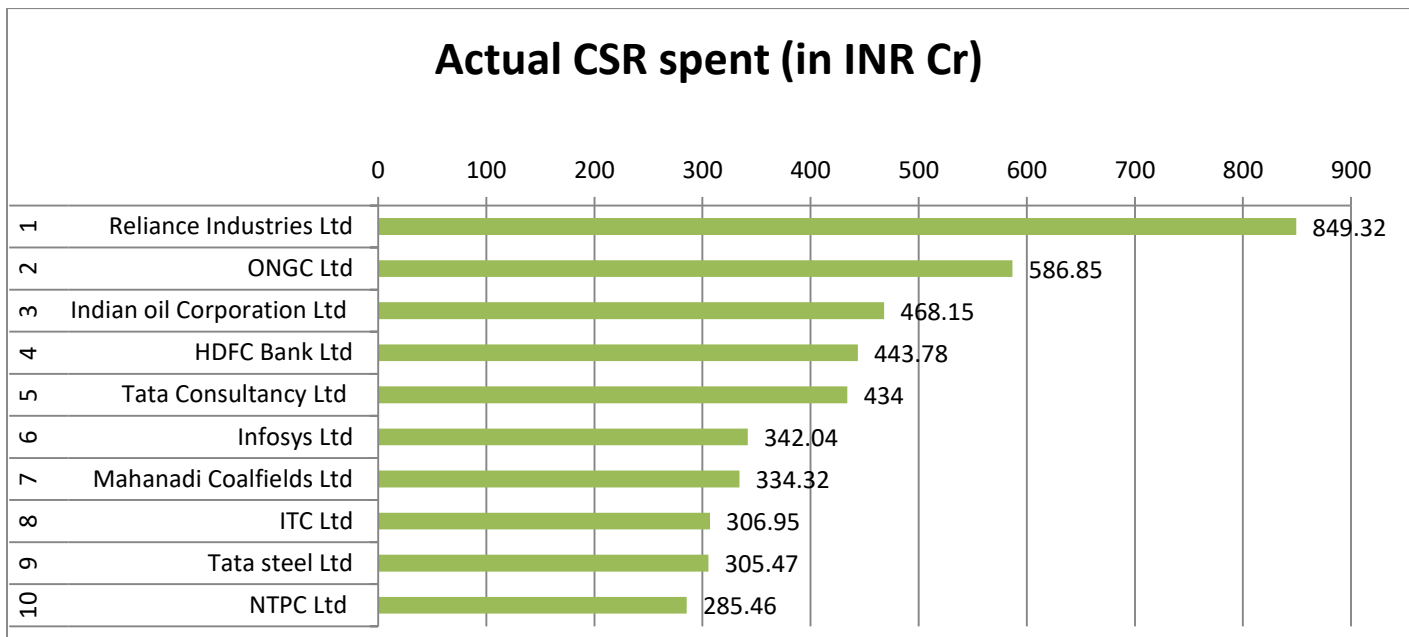
SL NO	Name of Company	Actual CSR spent (in INR Cr)
1	Reliance Industries Ltd	849.32
2	ONGC Ltd	586.85
3	Indian oil Corporation Ltd	468.15
4	HDFC Bank Ltd	443.78
5	Tata Consultancy Ltd	434
6	Infosys Ltd	342.04
7	Mahanadi Coalfields Ltd	334.32
8	ITC Ltd	306.95
9	Tata steel Ltd	305.47
10	NTPC Ltd	285.46

Source: Computed From National CSR portal.

The above table depict that Top 10 Companies with actual CSR amount spent in FY 2018- 2019. Out of the top 10 companies in the year 2018 the Reliance industries Ltd has highest CSR in India.

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The above table depict that Top 10 Companies with actual CSR amount spent in FY 2018- 2019. Out of the top 10 companies in the year 2018 the Reliance industries Ltd has highest CSR in India.

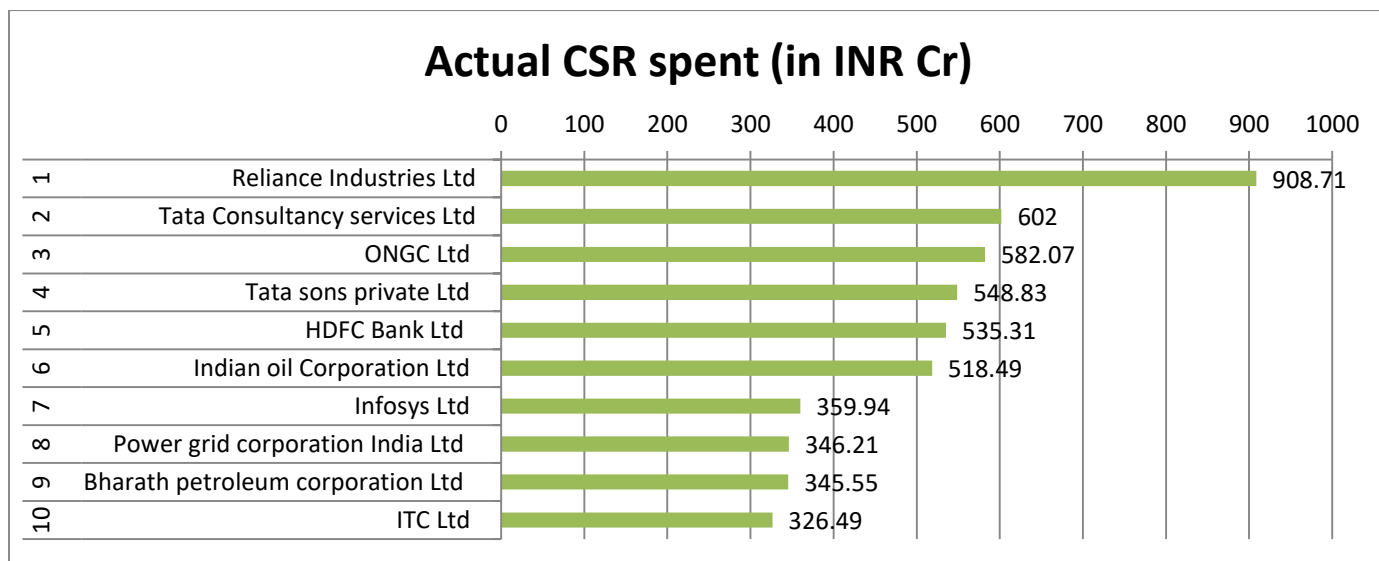
**Table No 3: Top 10 Companies with actual CSR amount spent in FY 2019- 2020**

SL NO	Name of Company	Actual CSR spent (in INR Cr)
1	Reliance Industries Ltd	908.71
2	Tata Consultancy services Ltd	602
3	ONGC Ltd	582.07
4	Tata sons private Ltd	548.83
5	HDFC Bank Ltd	535.31
6	Indian oil Corporation Ltd	518.49
7	Infosys Ltd	359.94
8	Power grid corporation India Ltd	346.21
9	Bharath petroleum corporation Ltd	345.55
10	ITC Ltd	326.49

Source: Computed From National CSR portal.

The above table depict that Top 10 Companies with actual CSR amount spent in FY 2019- 2020. Out of the top 10 companies in the year 2019 the Reliance industries Ltd has highest CSR in India.

**Figure No 3: Top 10 Companies with actual CSR amount spent in FY 2019- 2020**



The above table depict that Top 10 Companies with actual CSR amount spent in FY 2019- 2020. Out of the top 10 companies in the year 2019 the Reliance industries Ltd has highest CSR in India.

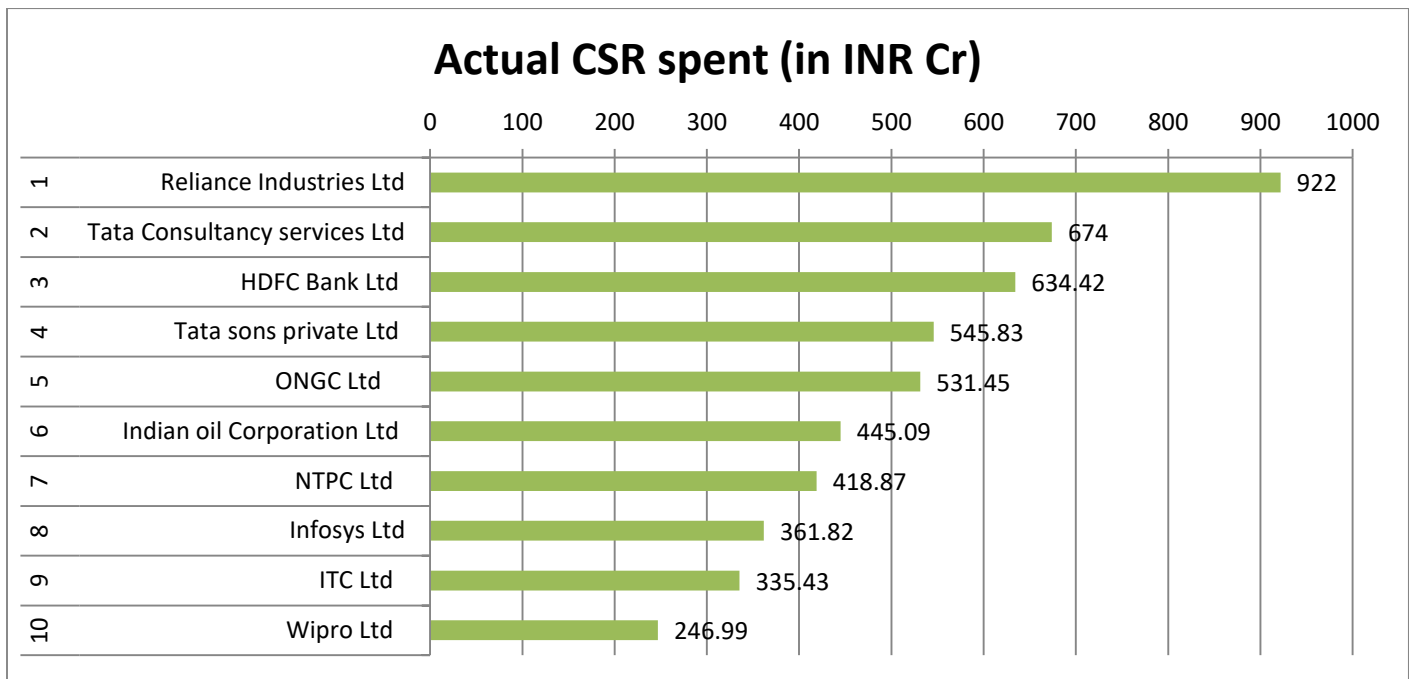
**Table No 4: Top 10 Companies with actual CSR amount spent in FY 2020- 2021**

SL NO	Name of Company	Actual CSR spent (in INR Cr)
1	Reliance Industries Ltd	922
2	Tata Consultancy services Ltd	674
3	HDFC Bank Ltd	634.42
4	Tata sons private Ltd	545.83
5	ONGC Ltd	531.45
6	Indian oil Corporation Ltd	445.09
7	NTPC Ltd	418.87
8	Infosys Ltd	361.82
9	ITC Ltd	335.43
10	Wipro Ltd	246.99

Source: Computed From National CSR portal.

The above table depict that Top 10 Companies with actual CSR amount spent in FY 2020- 2021. Out of the top 10 companies in the year 2020 the Reliance industries Ltd has highest CSR in India.

**Figure No 4: Top 10 Companies with actual CSR amount spent in FY 2020- 2021**



The above table depict that Top 10 Companies with actual CSR amount spent in FY 2020- 2021. Out of the top 10 companies in the year 2020 the Reliance industries Ltd has highest CSR in India.

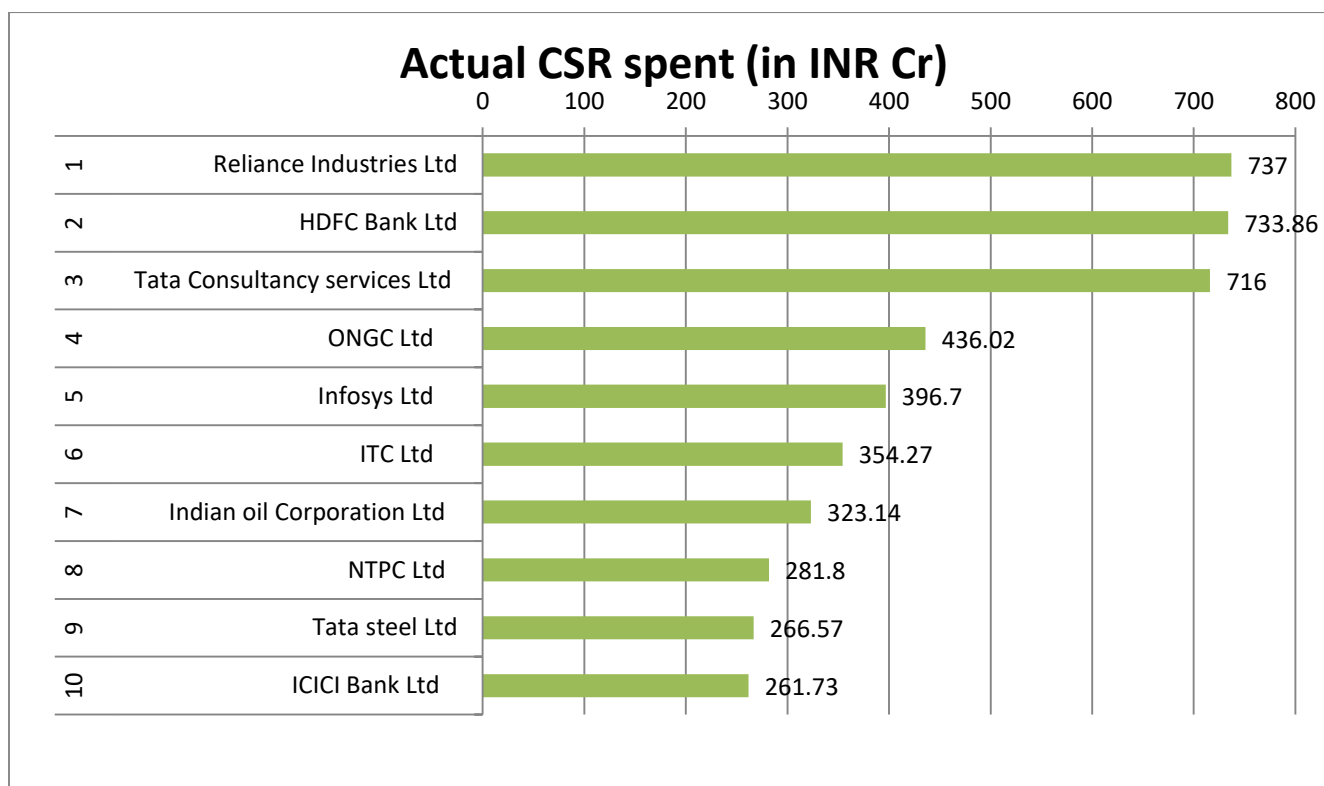
**Table No 5: Top 10 Companies with actual CSR amount spent in FY 2021- 2022**

SL NO	Name of Company	Actual CSR spent (in INR Cr)
1	Reliance Industries Ltd	737
2	HDFC Bank Ltd	733.86
3	Tata Consultancy services Ltd	716
4	ONGC Ltd	436.02
5	Infosys Ltd	396.7
6	ITC Ltd	354.27
7	Indian oil Corporation Ltd	323.14
8	NTPC Ltd	281.8
9	Tata steel Ltd	266.57
10	ICICI Bank Ltd	261.73

Source: Computed From National CSR portal.

The above table depict that Top 10 Companies with actual CSR amount spent in FY 2021- 2022. Out of the top 10 companies in the year 2021 the Reliance industries Ltd has highest CSR in India.

**Figure No 5: Top 10 Companies with actual CSR amount spent in FY 2021- 2022**



The above table depict that Top 10 Companies with actual CSR amount spent in FY 2021- 2022. Out of the top 10 companies in the year 2021 the Reliance industries Ltd has highest CSR in India.

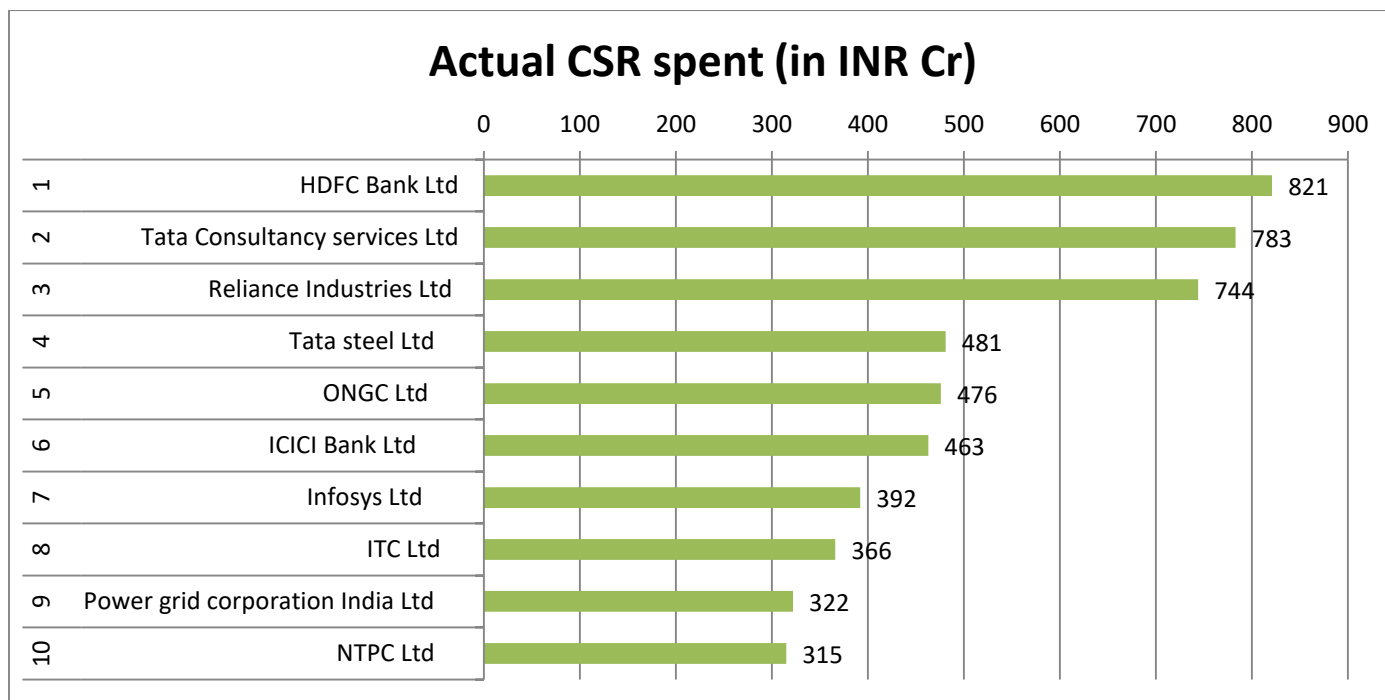
**Table No 6: Top 10 Companies with actual CSR amount spent in FY 2022- 2023**

SL NO	Name of Company	Actual CSR spent (in INR Cr)
1	HDFC Bank Ltd	821
2	Tata Consultancy services Ltd	783
3	Reliance Industries Ltd	744
4	Tata steel Ltd	481
5	ONGC Ltd	476
6	ICICI Bank Ltd	463
7	Infosys Ltd	392
8	ITC Ltd	366
9	Power grid corporation India Ltd	322
10	NTPC Ltd	315

Source: Computed From National CSR portal.

The above table depict that Top 10 Companies with actual CSR amount spent in FY 2022- 2023. Out of the top 10 companies in the year 2022 the HDFC Bank has highest CSR in India.

**Figure No 6: Top 10 Companies with actual CSR amount spent in FY 2022-2023**



The above table depicts that Top 10 Companies with actual CSR amount spent in FY 2022- 2023. Out of the top 10 companies in the year 2022 the HDFC Bank has highest CSR in India.

**Table No 7: CSR amount spent of Reliance Industries Ltd over a period of six years.**

**Rs in crores**

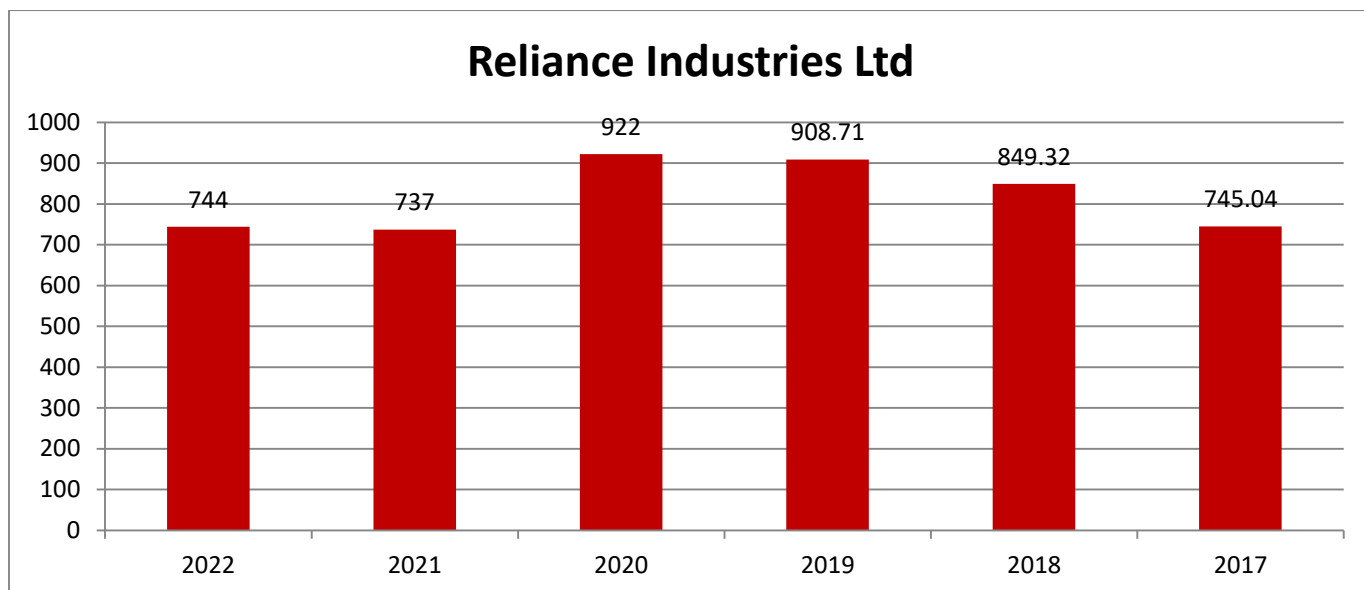
Particulars	2022	2021	2020	2019	2018	2017
Reliance Industries Ltd	744	737	922	908.71	849.32	745.04

Source: Computed From annual reports.

The above table depicts the CSR amounts spent by Reliance Industries Ltd over a six-year period. In 2017, the company spent 745.04 crore on CSR, followed by 849.32 crore in 2018, 908.71 crore in 2019, and 922 crore in 2020. There was a decrease in CSR spending in 2021, with an amount of 737 crore, compared to the previous years. However, in 2022, the CSR spending increased again to 744 crore.

**Figure No 7: CSR amount spent of Reliance Industries Ltd over a period of six years.**





The above table depicts the CSR amounts spent by Reliance Industries Ltd over a six-year period. In 2017, the company spent 745.04 crore on CSR, followed by 849.32 crore in 2018, 908.71 crore in 2019, and 922 crore in 2020. There was a decrease in CSR spending in 2021, with an amount of 737 crore, compared to the previous years. However, in 2022, the CSR spending increased again to 744 crore.

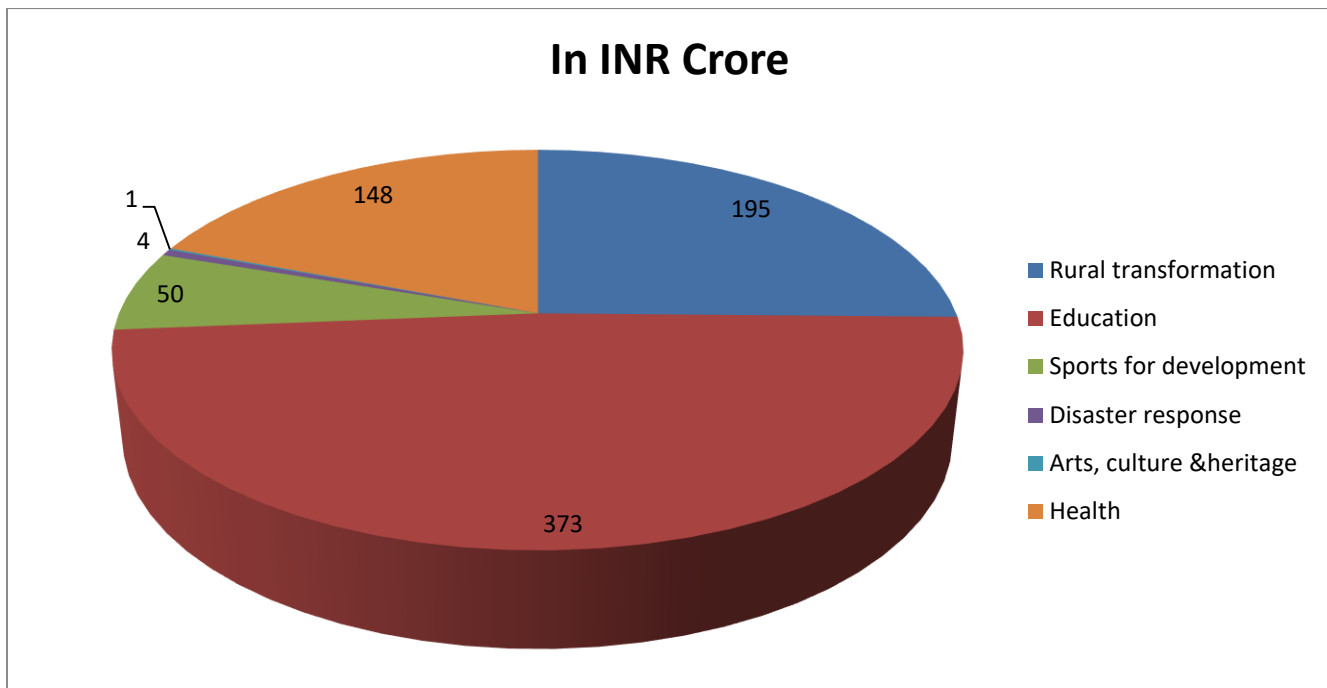
**Table No 8: Theme wise CSR expenditure of Reliance industries ltd for the 2017 -18**

Particulars	In INR Crore
Rural transformation	195
Education	373
Sports for development	50
Disaster response	4
Arts, culture & heritage	1
Health	148
Total	771

Source: computed from annual reports

The above table presents theme-wise CSR expenditure of Reliance industries ltd for the year 2017-2018. Out of the Rs 771 crore the Reliance industries ltd spent Rs 195 crore for rural transformation, Rs 373 crore for education, Rs 50 crore for sports and development, Rs 1 crore for arts culture & heritage, Rs 4 crore for disaster response and remaining Rs 148 crore spent for health.

**Figure No 8: Theme wise CSR expenditure of Reliance industries ltd for the 2017 -18**



The above table presents theme-wise CSR expenditure of Reliance industries Ltd for the year 2017-2018. Out of the Rs 771 crore the Reliance industries Ltd spent Rs 195 crore for rural transformation, Rs 373 crore for education, Rs 50 crore for sports and development, Rs 1 crore for arts culture & heritage, Rs 4 crore for disaster response and remaining Rs 148 crore spent for health.

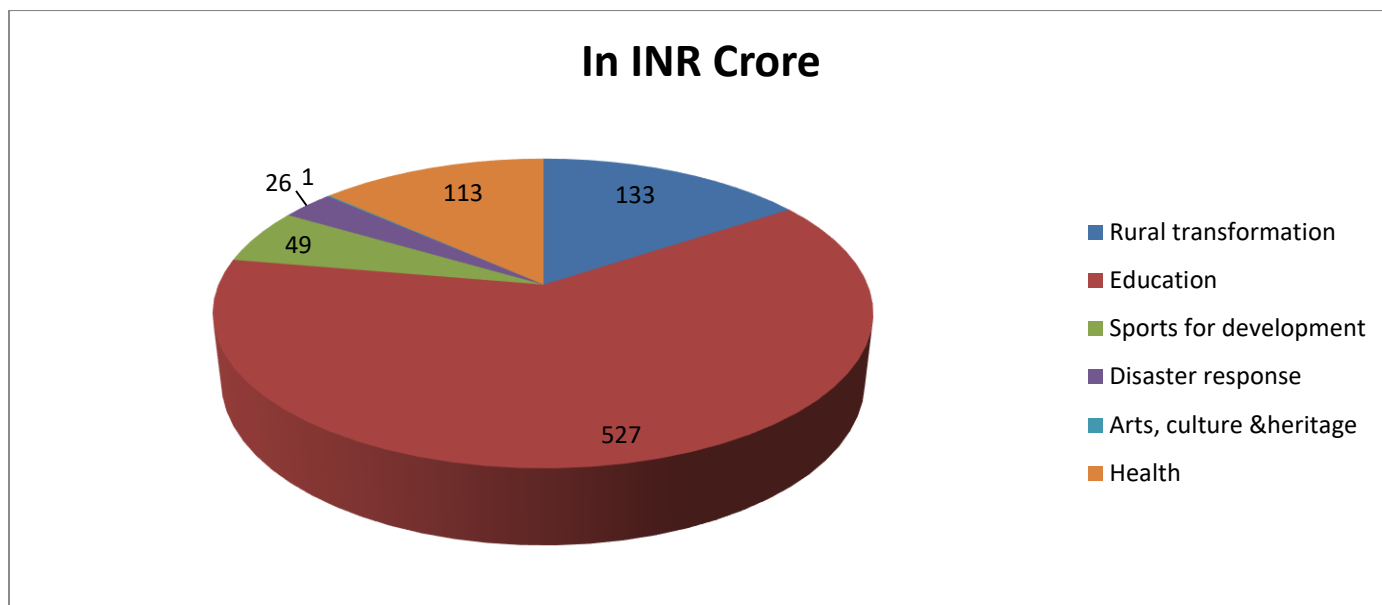
**Table No 9: Theme wise CSR expenditure of Reliance industries Ltd for the 2018 -19**

Particulars	In INR Crore
Rural transformation	133
Education	527
Sports for development	49
Disaster response	26
Arts, culture & heritage	1
Health	113
Total	849

Source: computed from annual reports

The above table presents theme-wise CSR expenditure of Reliance industries Ltd for the year 2018-2019. Out of the Rs 849 crore the Reliance industries Ltd spent Rs 133 crore for rural transformation, Rs 527 crore for education, Rs 49 crore for sports and development, Rs 1 crore for arts culture & heritage, Rs 26 crore for disaster response and remaining Rs 113 crore spent for health.

**Figure No 9: Theme wise CSR expenditure of Reliance industries Ltd for the 2018 -19**



The above table presents theme-wise CSR expenditure of Reliance industries Ltd for the year 2018-2019. Out of the Rs 849 crore the Reliance industries Ltd spent Rs 133 crore for rural transformation, Rs 527 crore for education, Rs 49 crore for sports and development, Rs 1 crore for arts culture & heritage, Rs 26 crore for disaster response and remaining Rs 113 crore spent for health.

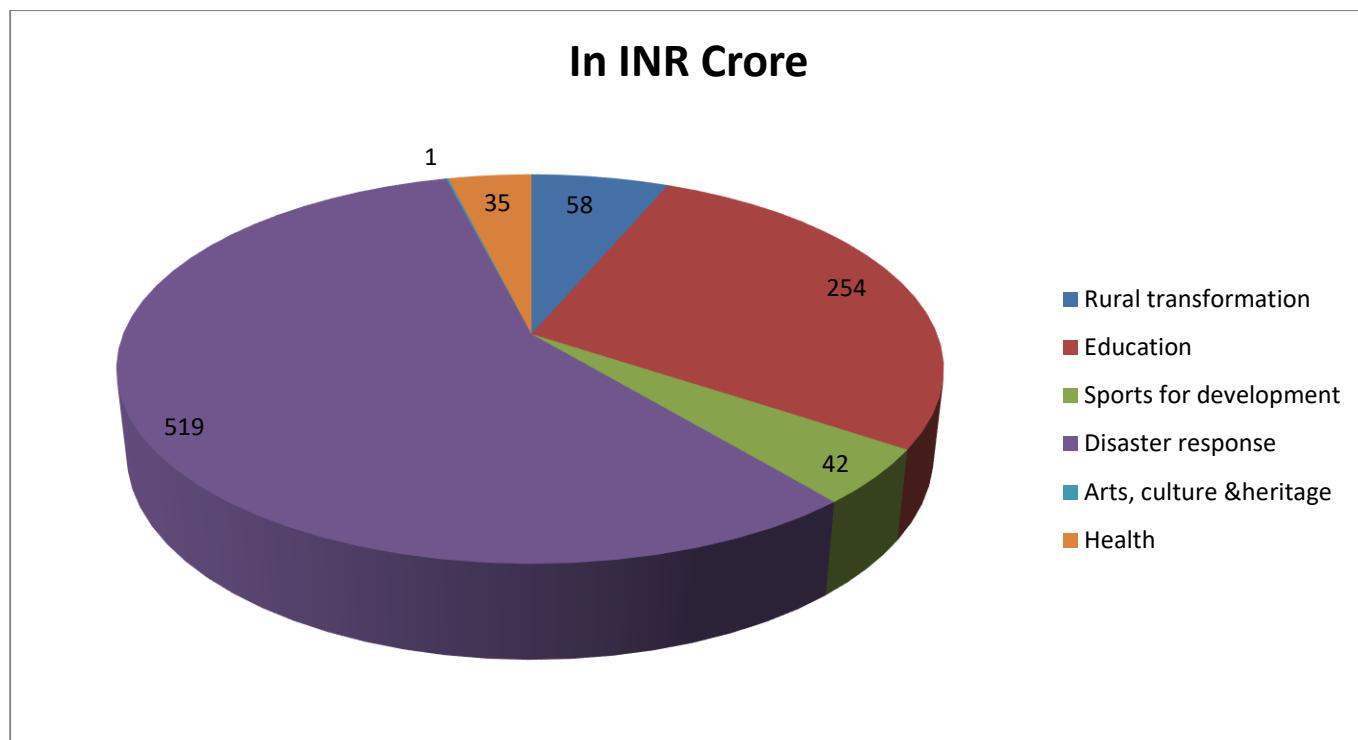
**Table No 10: Theme wise CSR expenditure of Reliance industries Ltd for the 2019 -2020**

Particulars	In INR Crore
Rural transformation	58
Education	254
Sports for development	42
Disaster response	519
Arts, culture & heritage	1
Health	35
Total	909

Source: computed from annual reports

The above table presents theme-wise CSR expenditure of Reliance industries Ltd for the year 2019-2020. Out of the Rs 909 crore the Reliance industries Ltd spent Rs 58 crore for rural transformation, Rs 254 crore for education, Rs 42 crore for sports and development, Rs 1 crore for arts culture & heritage, Rs 519 crore for disaster response and remaining Rs 35 crore spent for health.

**Figure No 10: Theme wise CSR expenditure of Reliance industries Ltd for the 2019 -2020**



The above table presents theme-wise CSR expenditure of Reliance industries ltd for the year 2019-2020. Out of the Rs 909 crore the Reliance industries ltd spent Rs 58 crore for rural transformation, Rs 254 crore for education, Rs 42 crore for sports and development, Rs 1 crore for arts culture & heritage, Rs 519 crore for disaster response and remaining Rs 35 crore spent for health.

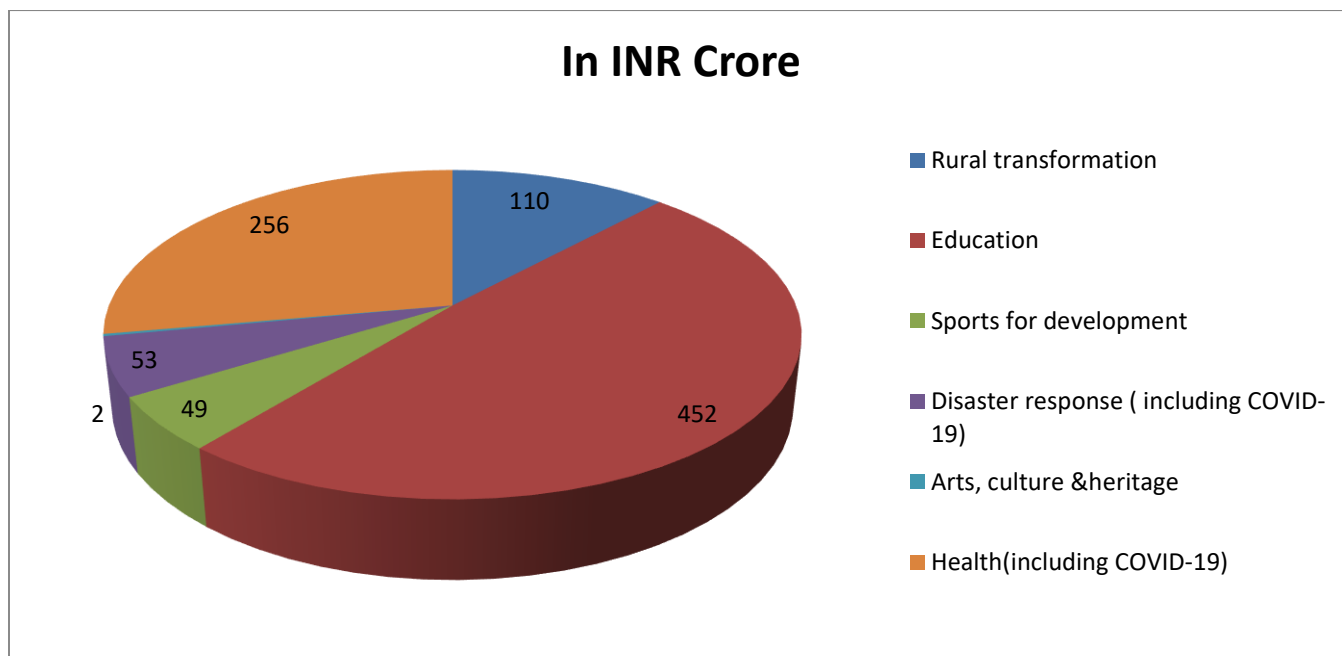
**Table No 11: Theme wise CSR expenditure of Reliance industries ltd for the 2020 -2021**

Particulars	In INR Crore
Rural transformation	110
Education	452
Sports for development	49
Disaster response ( including COVID-19)	53
Arts, culture & heritage	2
Health(including COVID-19)	256
Total	922

Source: computed from annual reports

The above table presents theme-wise CSR expenditure of Reliance industries ltd for the year 2020-2021. Out of the Rs 922 crore the Reliance industries ltd spent Rs 110 crore for rural transformation, Rs 452 crore for education, Rs 49 crore for sports and development, Rs 2 crore for arts culture & heritage, Rs 53 crore for disaster response (including COVID-19) and remaining Rs 256 crore spent for health (including COVID-19).

**Figure No 11: Theme wise CSR expenditure of Reliance industries ltd for the 2020 -2021**



The above table presents theme-wise CSR expenditure of Reliance industries Ltd for the year 2020-2021. Out of the Rs 922 crore the Reliance industries Ltd spent Rs 110 crore for rural transformation, Rs 452 crore for education, Rs 49 crore for sports and development, Rs 2 crore for arts culture & heritage, Rs 53 crore for disaster response (including COVID-19) and remaining Rs 256 crore spent for health (including COVID-19).

**Table No 12: Theme wise CSR expenditure of Reliance industries Ltd for the 2021 -2022**

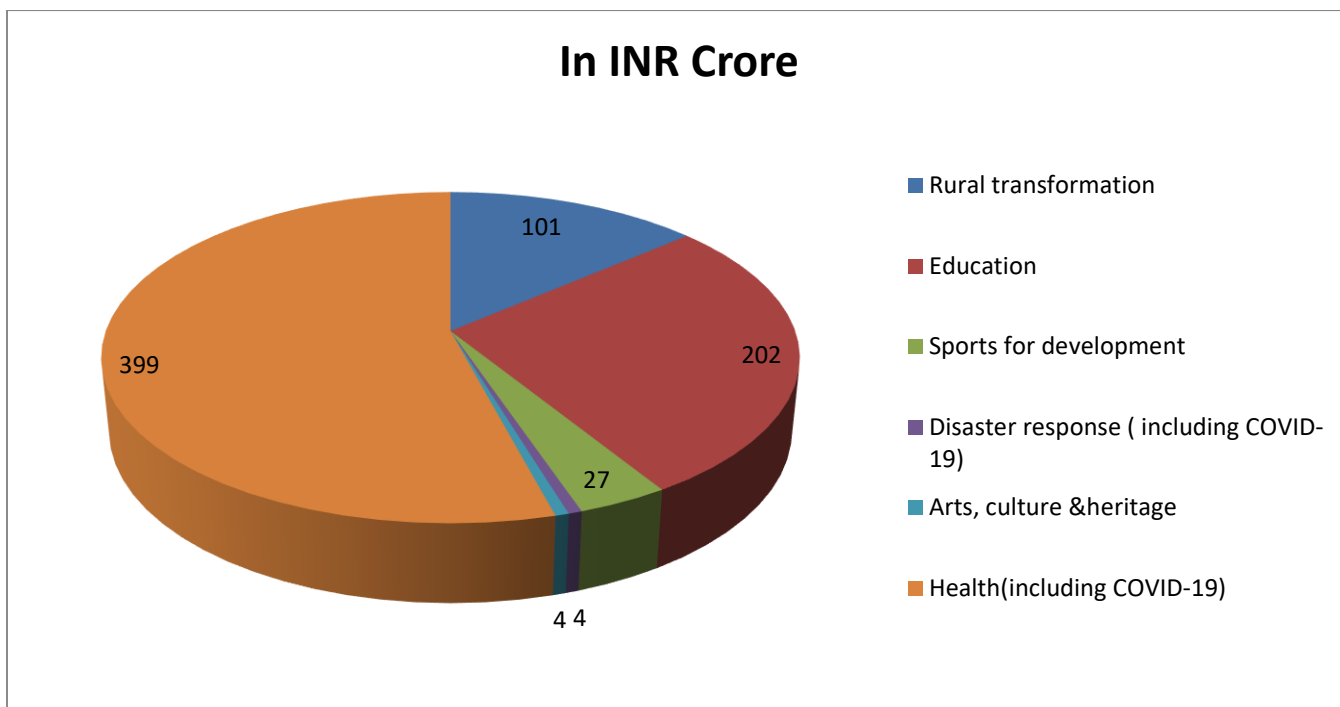
Particulars	In INR Crore
Rural transformation	101
Education	202
Sports for development	27
Disaster response (including COVID-19)	4
Arts, culture & heritage	4
Health (including COVID-19)	399
Total	737

Source: computed from annual reports

The above table presents theme-wise CSR expenditure of Reliance industries Ltd for the year 2021-2022. Out of the Rs 737 crore the Reliance industries Ltd spent Rs 101 crore for rural transformation, Rs 202 crore for education, Rs 27 crore for sports and development, Rs 4 crore for arts culture & heritage, Rs 4 crore for disaster response (including COVID-19) and remaining Rs 399 crore spent for health (including COVID-19).

**Figure No 12: Theme wise CSR expenditure of Reliance industries Ltd for the 2021 -2022**





The above table presents theme-wise CSR expenditure of Reliance industries Ltd for the year 2021-2022. Out of the Rs 737 crore the Reliance industries Ltd spent Rs 101 crore for rural transformation, Rs 202 crore for education, Rs 27 crore for sports and development, Rs 4 crore for arts culture & heritage, Rs 4 crore for disaster response (including COVID-19) and remaining Rs 399 crore spent for health (including COVID-19).

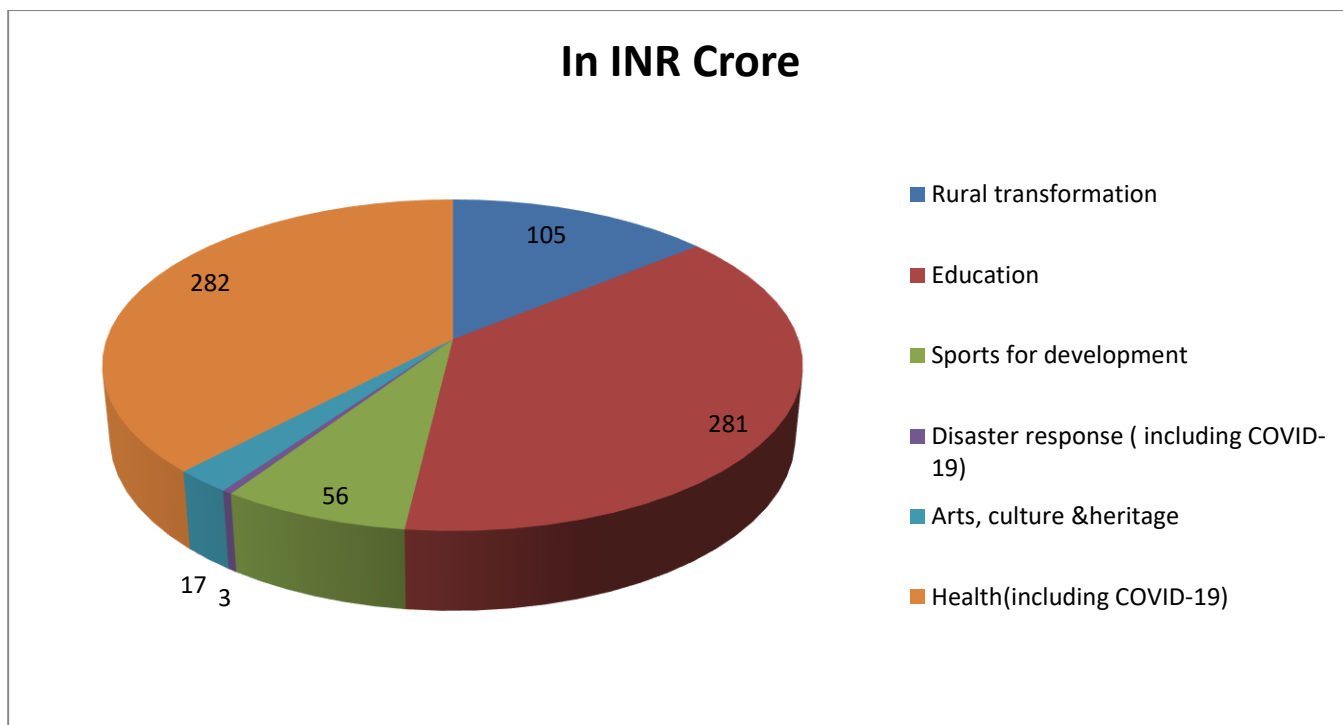
**Table No 13: Theme wise CSR expenditure of Reliance industries Ltd for the 2022 -2023**

Particulars	In INR Crore
Rural transformation	105
Education	281
Sports for development	56
Disaster response (including COVID-19)	3
Arts, culture & heritage	17
Health (including COVID-19)	282
Total	744

Source: computed from annual reports

The above table presents theme-wise CSR expenditure of Reliance industries Ltd for the year 2022-2023. Out of the Rs 744 crore the Reliance industries Ltd spent Rs 105 crore for rural transformation, Rs 281 crore for education, Rs 56 crore for sports and development, Rs 17 crore for arts culture & heritage, Rs 3 crore for disaster response (including COVID-19) and remaining Rs 282 crore spent for health (including COVID-19).

**Figure No 13: Theme wise CSR expenditure of Reliance industries Ltd for the 2022 -2023**



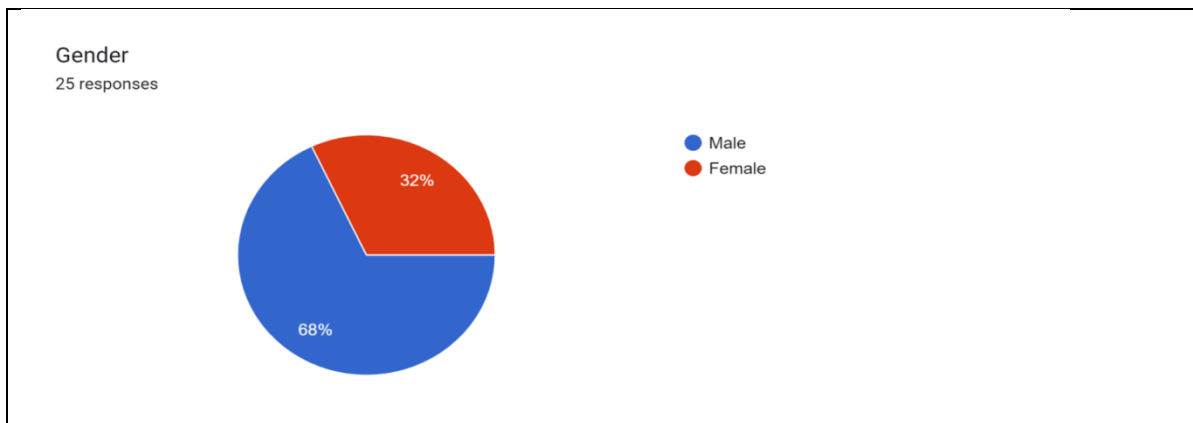
The above table presents theme-wise CSR expenditure of Reliance industries ltd for the year 2022-2023. Out of the Rs 744crore the Reliance industries ltd spent Rs 105 crore for rural transformation, Rs 281 crore for education, Rs 56 crore for sports and development, Rs 17 crore for arts culture & heritage, Rs 3 crore for disaster response (including COVID-19) and remaining Rs 282 crore spent for health (including COVID-19).

### **ANALYSIS AND INTERPRETATION OF CHARTERED ACCOUNTANTS AND AUDITORS PERCEPTION ABOUT SOCIAL ACCOTING PRACTICES**

Table No 14: GENDER WISE CLASSIFICATION OF RESPONDENTS

Particulars	No of respondents	percentage
Male	34	68
Female	16	32
Total	50	100

Figure No14: Gender wise classification of respondents.

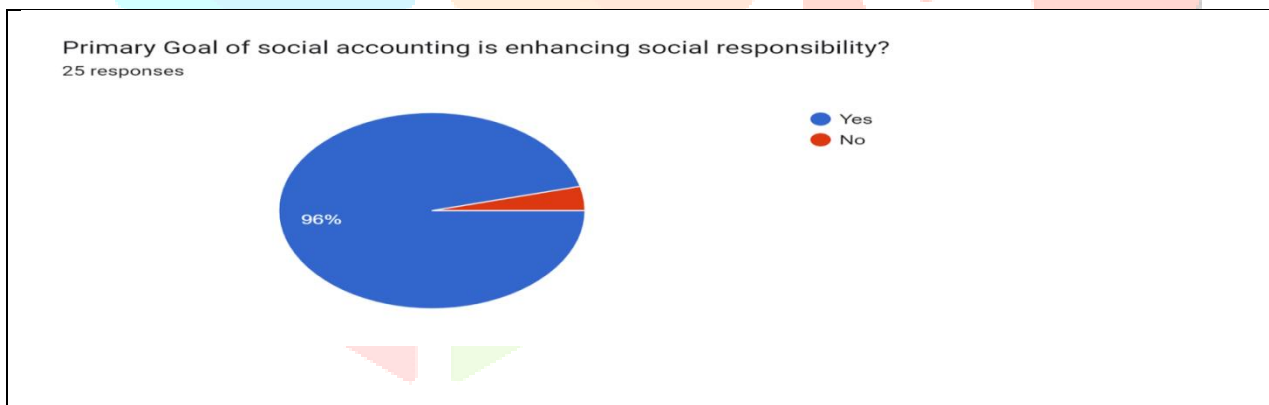


The above figure shows that out of 25 respondents, 17 (68%) are male and the remaining 8 (32%) are female.

Table No 15: Primary Goal of social accounting is enhancing social responsibility?

Particulars	No of respondents	percentage
Yes	24	96
No	1	4
Total	25	100

Figure No15: Primary Goal of social accounting is enhancing social responsibility?

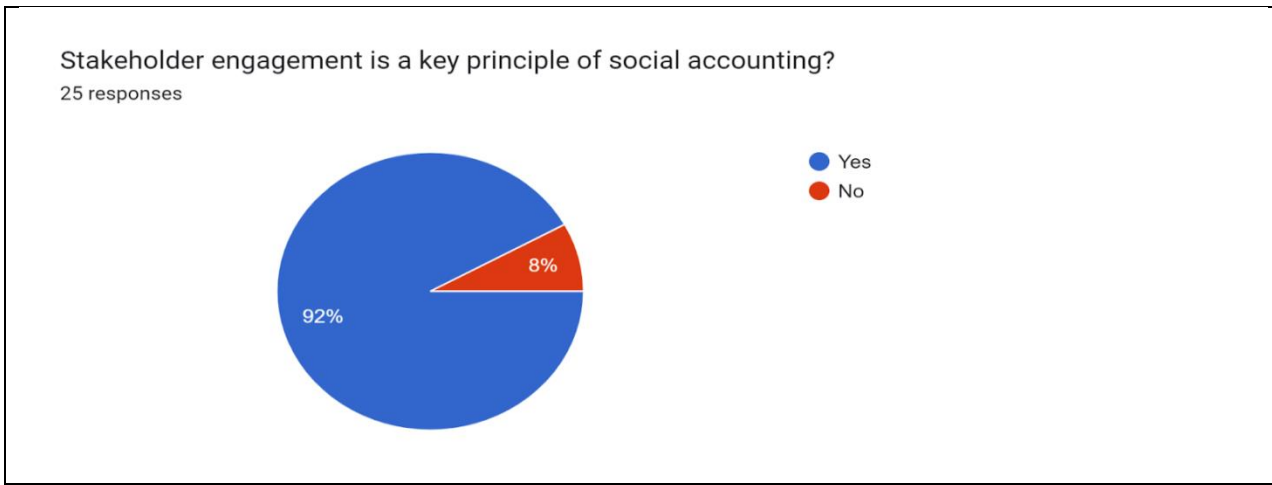


The above figure shows that, among 25 respondents, 24 (96%) respondents have said that the primary goal of social accounting is enhancing social responsibility. The remaining 1 (4%) respondents said 'No', which means the primary goal of social accounting is not enhancing social responsibility.

Table No 16: Stakeholder engagement is a key principle of social accounting?

Particulars	No of respondents	percentage
Yes	23	92
No	2	8
Total	25	100

Figure No16: Stakeholder engagement is a key principle of social accounting?

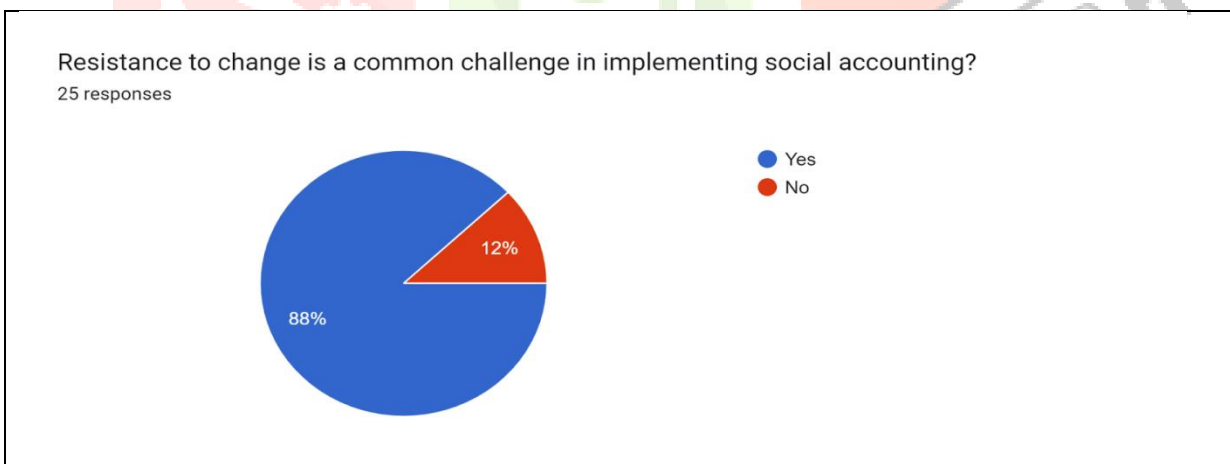


The above figure shows that, among 25 respondents, 23(92%) respondents have said that stakeholder engagement is a key principle of social accounting. The remaining 2 (8%) respondents said 'No', which means that stakeholder engagement is not a key principle of social accounting.

Table No 17: Resistance to change is a common challenge in implementing social accounting?

Particulars	No of respondents	percentage
Yes	22	88
No	3	12
Total	25	100

Figure No17: Resistance to change is a common challenge in implementing social accounting?

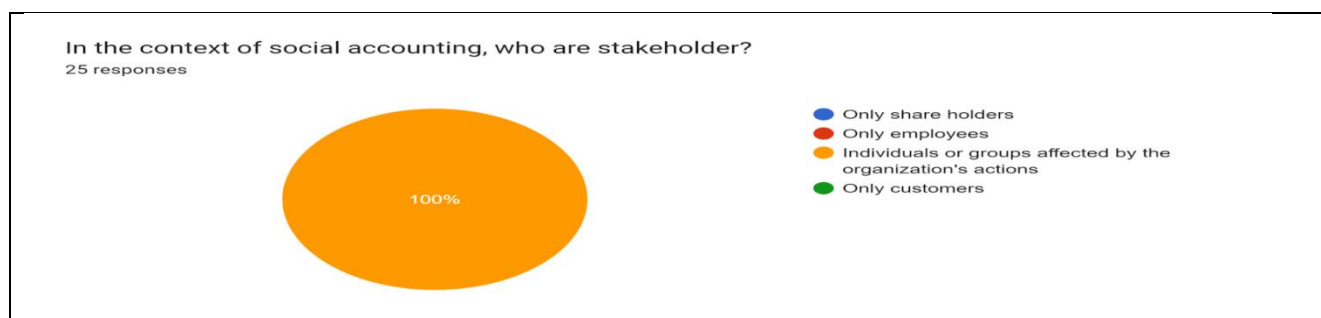


The above figure shows that, among 25 respondents, 22(88%) respondents have said that resistance to change is a common challenge in implementing social accounting. The remaining 3(12%) respondents said 'No', which means that resistance to change is not a common challenge in implementing social accounting.

Table No 18: In the context of social accounting, who are stakeholder?

Particulars	No of respondents	Percentage (%)
Only share holders	00	00
Only employees	00	00
Employees Individuals or groups affected by the organization's actions	25	100
Only customers	00	00
Total	25	100

Figure No18: In the context of social accounting, who are stakeholders?

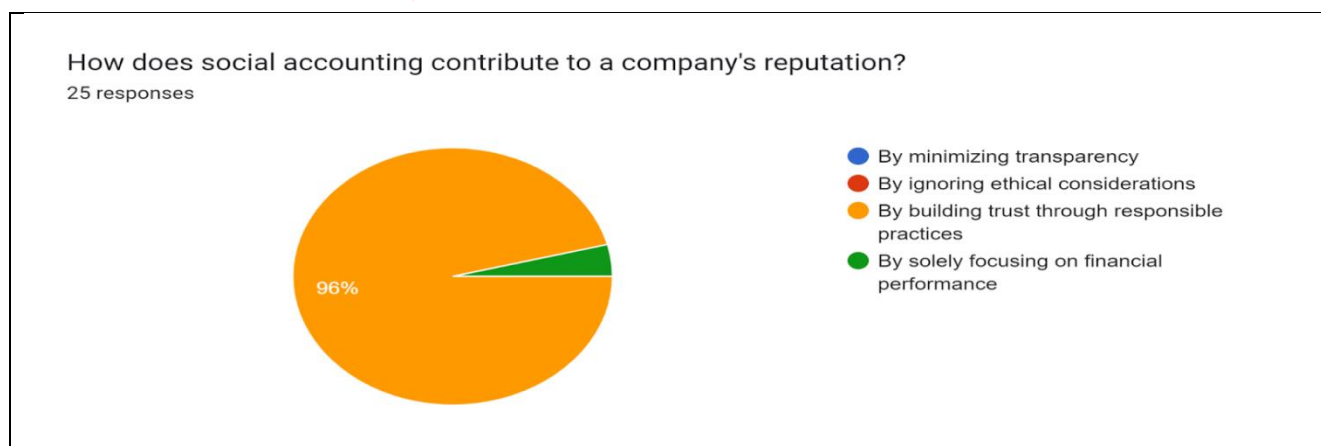


The above figure shows that, among 25 respondents, all 25(100%) respondents have stated that individuals or groups affected by the organization's actions are stakeholders in the context of social accounting.

Table No 19: How does social accounting contribute to a company's reputation?

Particulars	No of respondents	Percentage (%)
By minimizing transparency	00	00
By ignoring ethical considerations	00	00
By building trust through responsible practices	24	96
By solely focusing on financial performance	01	04
Total	25	100

Figure No 19: How does social accounting contribute to a company's reputation?



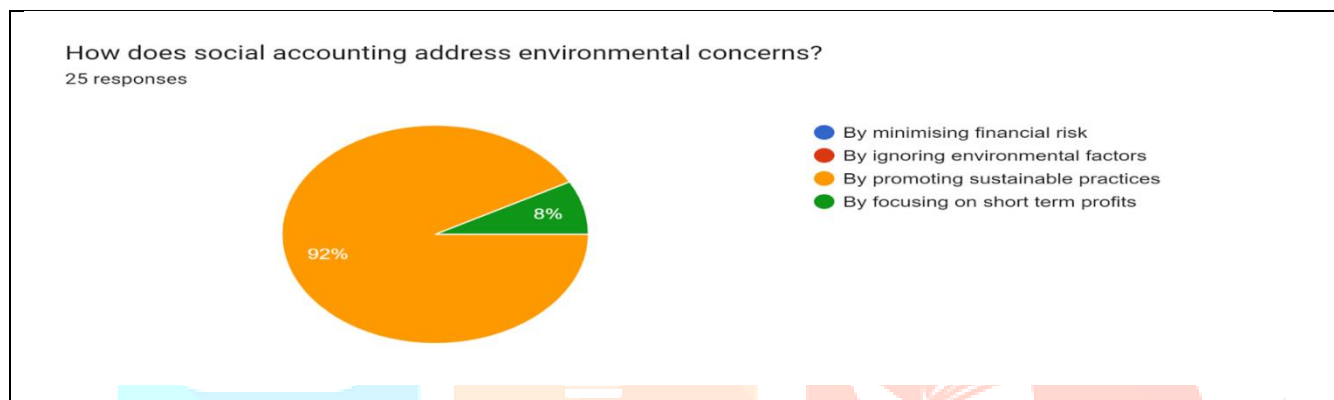
The above figure indicates that among 25 respondents, 24 (96%) stated that building trust through responsible practices is essential. The remaining 1 (4%) respondents expressed a preference for solely focusing on financial performance. No respondents chose other options.



Table No 20: How does social accounting address environmental concerns?

Particulars	No of respondents	Percentage (%)
By minimizing financial risk	00	00
By ignoring environmental factors	00	00
By promoting sustainable practices	23	92
By focusing on short term profits	02	08
Total	25	100

Figure No 20: How does social accounting address environmental concerns?

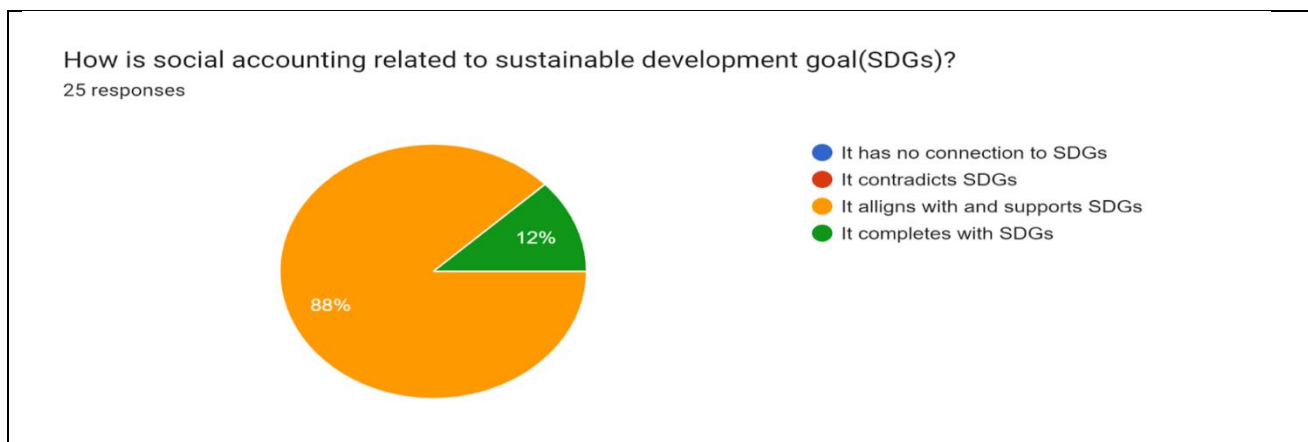


The above figure indicates that among 25 respondents, 23(92%) stated a preference for promoting sustainable practices. The remaining 2 (8%) respondents expressed a preference for focusing on short-term profits. No respondents chose other options.

Table No 21: How is social accounting related to sustainable development goal (SDGs)?

Particulars	No of respondents	Percentage (%)
It has no connection to SDGs	00	00
It contradicts SDGs	00	00
It aligns with and supports SDGs	22	88
It completes with SDGs	03	12
Total	25	100

Figure No 21: How is social accounting related to sustainable development goal (SDGs)?

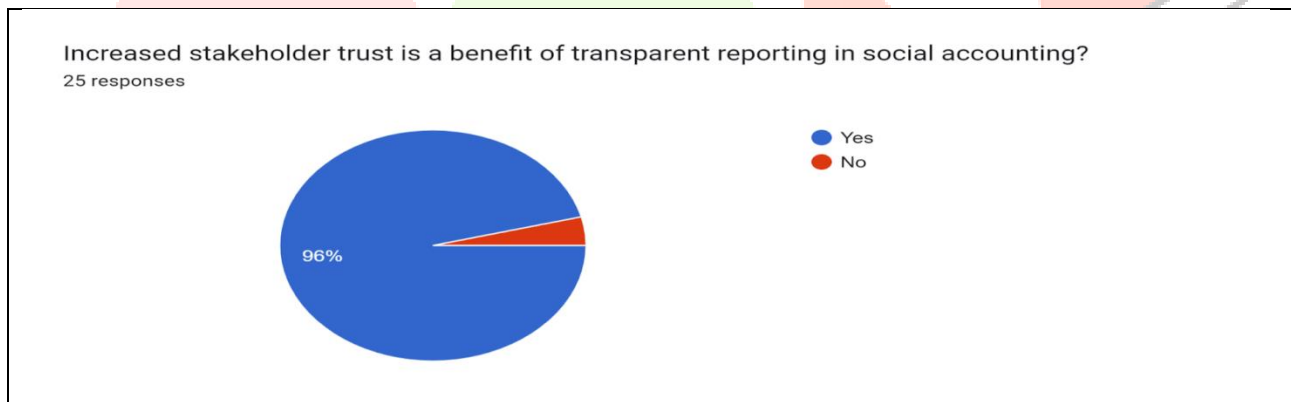


The above figure indicates that among 25 respondents, 22(88%) have stated that social accounting related to sustainable development goals aligns with and supports SDGs. The remaining 3(12%) respondents have expressed that social accounting related to sustainable development goals competes with SDGs. No respondents chose another option.

Table No 22: Increased stakeholder trust is a benefit of transparent reporting in social accounting?

Particulars	No of respondents	percentage
Yes	24	96
No	1	04
Total	25	100

Figure No 22: Increased stakeholder trust is a benefit of transparent reporting in social accounting?



The above figure shows that, among 25 respondents, 24 (96%) respondents have stated that increased stakeholder trust is a benefit of transparent reporting in social accounting. The remaining 1 (4%) respondents said 'No,' indicating that increased stakeholder trust is not a benefit of transparent reporting in social accounting.

Table No 23: computation of majority perception from the respondent’s average percentage

Questions	Majority perception of the respondents (%)
Primary Goal of social accounting is enhancing social responsibility?	96
Stakeholder engagement is a key principle of social accounting?	92
Resistance to change is a common challenge in implementing social accounting?	88
In the context of social accounting, who are stakeholders?	100
How does social accounting contribute to a company's reputation?	96
How does social accounting address environmental concerns?	92
How is social accounting related to sustainable development goal (SDGs)?	88
Increased stakeholder trust is a benefit of transparent reporting in social accounting?	96
Total	748
Average percentage	93.5

## 8. FINDINGS

In 2017, Reliance Industries Ltd allocated 745.04 crore for CSR, with subsequent increases in 2018 (849.32 crore), 2019 (908.71 crore), and 2020 (922 crore). However, CSR spending decreased in 2021 (737 crore) but rebounded in 2022 (744 crore). And In 2017-2018, Out of the Rs 771 crore the Reliance industries ltd spent Rs 195 crore for rural transformation, Rs 373 crore for education, Rs 50 crore for sports and development, Rs 1 crore for arts culture & heritage, Rs 4 crore for disaster response and remaining Rs 148 crore spent for health. And In the year 2018-2019, Out of the Rs 849 crore the Reliance industries ltd spent Rs 133 crore for rural transformation, Rs 527 crore for education, Rs 49 crore for sports and development, Rs 1 crore for arts culture & heritage, Rs 26 crore for disaster response and remaining Rs 113 crore spent for health.

In the year 2019-2020, Out of the Rs 909 crore the Reliance industries ltd spent Rs 58 crore for rural transformation, Rs 254 crore for education, Rs 42 crore for sports and development, Rs 1 crore for arts culture & heritage, Rs 519 crore for disaster response and remaining Rs 35 crore spent for health. In the year 2020-2021, Out of the Rs 922 crore the Reliance industries ltd spent Rs 110 crore for rural transformation, Rs 452 crore for education, Rs 49 crore for sports and development, Rs 2 crore for arts culture & heritage, Rs 53 crore for disaster response (including COVID-19) and remaining Rs 256 crore spent for health (including COVID-19). And In 2021-2022, Out of the Rs 737 crore the Reliance industries ltd spent Rs 101 crore for rural transformation, Rs 202 crore for education, Rs 27 crore for sports and development, Rs 4 crore for arts culture & heritage, Rs 4 crore for disaster response (including COVID-19) and remaining Rs 399 crore spent for health (including COVID-19). In the year 2022-2023, Out of the Rs 744 crore the Reliance industries ltd spent Rs 105 crore for rural transformation, Rs 281 crore for education, Rs 56 crore for sports and development, Rs 17 crore for arts culture & heritage, Rs 3 crore for disaster response (including COVID-19) and remaining Rs 282 crore spent for health (including COVID-19).

Among the 25 respondents, 93.5% have provided correct answers on average for the given question. This suggests that the majority of respondents possess knowledge about social accounting.

## 9. SUGGESTIONS

Corporate social responsibility (CSR) can generate social, environmental, economic, and brand value for companies, fostering profitability, environmental preservation, and contributions to sustainable development. By embracing socially responsible practices, companies enhance their reputation, fame, and brand value. It is crucial for companies to demonstrate a commitment to environmental protection, developing policies that facilitate fulfilling this commitment. Organizations should strategize and plan before allocating CSR funds, adhering to CSR principles. Transparently reporting CSR expenditures in annual reports is essential for companies to showcase their commitment to social responsibility.

## 10. CONCLUSION

Social accounting is a process that showcases an organization's adherence to its social and environmental ethical goals. It doesn't prescribe specific performance levels but emphasizes the organization's willingness to improve. Social accounting offers a comprehensive framework for proper accounting, auditing, and reporting on an organization's social objectives. The concept encourages a serious approach to impact assessment, fostering on-going monitoring and learning through program activities.

The integration of social goals into strategic planning is promoted by social accounting, and regular reporting, especially on an annual basis, focuses on the level of impact assessment carried out. However, practicing social accounting alone isn't sufficient for effective impact assessment of a company's activities.

Reliance Industries Ltd, as the most valuable company in India, has consistently invested significantly in CSR over the last decades. A robust CSR program allows a company to demonstrate consistency, build loyalty, and ultimately enhance customer retention and sales.

## 11. CONFLICT OF INTEREST

The author define there is no conflict of interest in this study.

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