An Analysis of Carroll's CSR Pyramid in Indian Context

Corresponding Author* **An Analysis of Carroll's CSR Pyramid in Indian Context**

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Abstract

Pyramidal model of corporate social responsibility (CSR) was proposed by Archie B. Carroll. This model provides four different components of CSR these components are economic, legal, ethical and philanthropic. He defined all the components very intellectually in the model and discussed every component in terms of business responsibility towards society and community. Most of the studies social responsibility focuses on the social aspect of CSR but no study has been done which relates to economic, legal, ethical & philanthropic perspectives. Some studies have empirically explained the different Carrolls' components of CSR but not in Indian context. It was observed in the exhaustive literature review that many works has been done on Carroll's CSR theory but specific to four industries i.e. leather, chemical, automobile and defense has not been done in a comparative manner. So, this paper tries to critically analyze the CSR pyramid specific to the Indian manufacturing sector companies of Uttar Pradesh (U.P.) region.

Key Words: *Corporate Social Responsibility, CSR, CSR Pyramid, CSR Components, and Philanthropy.*

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1. Introduction –

Corporate social responsibility as a specific theory affirms that corporations are entities with economic, legal, ethical, and philanthropic obligations (Melé, D. 2008). Corporations responsible for a triple bottom line seek sustainability in the economic, social, and environmental realms.

CSR refers to a business's behaviour, that it's economically profitable, complies with the law, is ethical, and is socially supportive (Lamberti, L., et.al. 2009). Profitability and compliance with the law are the most important conditions for corporate social responsibility and when discussing the company's ethics, and the level to which it supports the society it's part of withmoney, time, and talent.

The idea of Corporate Social Responsibility (CSR) has been a topic of discussion since the 1950s. However, it wasn't until much later that people started understanding its meaning, significance and impact (Carroll, A. B. 1999). CSR, in the form that we see today, became popular after it was defined by Archie Carroll's

"Pyramid of Corporate Social Responsibility" in 1991. Its simplicity, yet ability to describe the idea of CSR with four areas, has made the pyramid one of the most accepted corporate theories of CSR since.

The economic responsibility was placed at the pyramid's foundation, since it's a fundamental requirement to survive in business. As with a building's foundation that keeps the entire structure up, durable profitability helps to support the expectations of society, shareholders, and other stakeholders. Carroll's pyramid suggests that corporate has to fulfil responsibility at four levels – Economic, Legal, Ethical and Philanthropic (Baden, D. 2016).

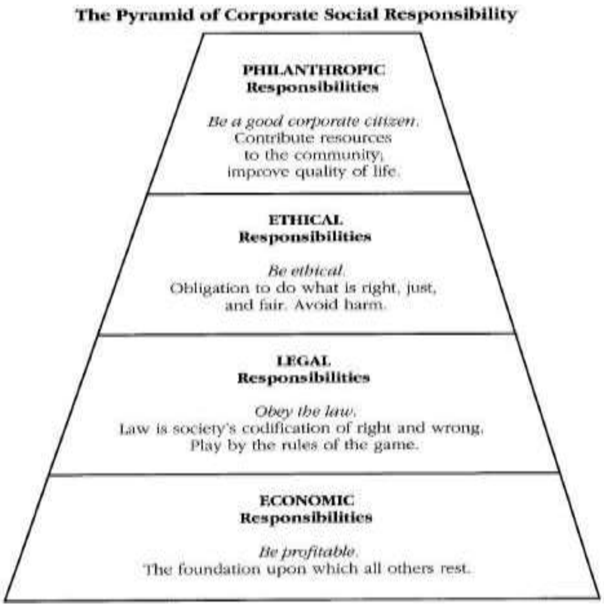

Fig. – 1 Corporate Social Responsibility Pyramid of Carroll

Economic Responsibilities –

The lowest level of the pyramid represents a business's first responsibility, which is to be profitable. Without profit, the company would not be able to pay their workers, employees will lose their jobs even before the company starts CSR activities. Being profitable is the only way for a company to be able to survive long term, and benefit society. Additionally, this also means that it is a company's duty to produce goods and services that are needed by the customers, at a reasonable price.

Hence, companies' economic responsibilities are aimed at methods that enable the business in the long term, while at the same time meeting the standards for ethics, philanthropy, and legal practices. Companies that adapt manufacturing processes to be able to use recycled products and lower material costs are examples of economically responsible companies.

Legal Responsibilities –

The second level of the pyramid is the business's legal obligations to obey the law. This is the most important responsibility out of the four levels as this will show how companies conduct their business in the marketplace. Employment laws, competition with other companies, tax regulations and health and safety of employees are some examples of the legal responsibilities a company should adhere to. Failing to be legally responsible can be very bad for businesses.

Hence, the second layer of Carroll's CSR pyramid is the legal obligation of companies to comply with laws and regulations. That also includes not looking the other way when grey areas of the law are being ignored or circumvented. This endangers the company. Fines can be imposed when these laws aren't being complied with. An example is meeting regulations set by the food standards agency. If someone becomes ill due to an organization's action, this could result in expensive legal proceedings which might even destroy the company. This would then lead to job losses and financial setbacks for suppliers.

Ethical Responsibilities –

The ethical layer of the pyramid is described as doing the right thing, being fair in all situations and also avoiding harm. A company should not only be obeying the law, but it should also do their business ethically. Unlike the first two levels, this is something that a company is not obligated to do. However, it is best for a company to be ethical as this not only shows their stakeholders that they are moral and just, but people will feel more comfortable purchasing products from the company as well. Being environmentally friendly, treating suppliers and employees properly are a few examples of being ethically responsible.

Hence, the organisational focus on ethics is often about offering fair working conditions for employees, both of the business itself as well as its suppliers. Honest business practices include equal pay for equal work and compensation initiatives. An example of ethical business practices is the use of products which have fair-trade certification. The best example is Ben & Jerry's because it only uses fair-trade certified ingredients, such sugar, coffee, bananas, and vanilla.

Philanthropic Responsibilities –

At the top of the pyramid, occupying the smallest space is philanthropy. Businesses have long been criticized for releasing carbon, creating pollution while manufacturing and using natural resources. To counterbalance these negatives, they should "give back" to the community they take from. Even though this is the highest level of CSR, it should not be taken lightly as many people would want to do business with companies that are giving back to society. Philanthropic Responsibilities are more than just doing what is right, but it is something that holds true to the company's values, to give back to society.

According to Carroll's pyramid, responsible business is one which qualifies all the levels of responsibilities before taking up philanthropy. Without fulfilling the other responsibilities, a business cannot sustain. Hence, philanthropic initiatives include donations in the form of time, money, or resources to regional, national, or international charities. The co-founder of Microsoft, Bill Gates, is a good example of that. Together with his wife Melinda Gates, they founded the Bill and Melinda Gates Foundation, to which he has donated billions. The Bill and Melinda Gates Foundation focuses on developing education, eradicating malaria, and agricultural development, among other things. In 2014, Bill Gates was the most generous philanthropist in the world, donating 1.5 billion to the Bill and Melinda Foundation.

Significance of Study:

Though the number of industries are increasing day by day in UP, are creating more job opportunities but still due to high population the contribution from corporate is mandatory so that people especially below poverty line live a respectable life. Also, as it is almost a decade when the CSR Law was introduced, thus the study is significant to know the understanding level of CSR law in the state among the companies Uttar Pradesh.

2. Objectives of the Study:

This study tries to explore the corporate social responsibility (CSR) practices in Indian context by taking Carroll's pyramid into consideration. Pyramidal model is possibly a well-known model of CSR, with its four components indicating the relative importance of economic, legal, ethical and philanthropic responsibilities in a hierarchy. So, For the purpose of descriptive analysis we have taken the pyramid as a framework for our study. Hence the objectives of present study is to –

- To analyze the general level of understanding of CSR in manufacturing companies of Uttar Pradesh.
- To analyze the level of understanding of different pyramidal components of CSR in manufacturing companies of Uttar Pradesh.

Hypothesis –

- H01: There is no significant level of general understanding of CSR in manufacturing companies of Uttar Pradesh.
- HA1: There exists a significant level of general understanding of CSR in manufacturing companies of Uttar Pradesh.
- H02: There is no significant level of understanding of pyramidal components of CSR in manufacturing companies of Uttar Pradesh.
- HA2: There exists a significant level of understanding of pyramidal components of CSR in manufacturing companies of Uttar Pradesh.

3. Research Methodology:

This study has been utilized the exploratory research while research design used is descriptive based on quantitative information extracted from primary data. Secondary data has also been taken into consideration from available literature. Primary data was collected through personal survey by utilizing the responses at top level, middle level and work level managers of the selected companies (of leather, chemical, automobile and defense sector) with the help of structured questionnaire. All data has been analyzed with the help of IBM SPSS package.

Sampling Area –

Study has been done in the manufacturing companies from leather, chemical, automobile and defense sector located in Uttar Pradesh region because Uttar Pradesh is the largest and most populous state of India. Area wise it ranks 3rd and population wise first. The availability of good natural resources and abundant manpower motivated the growth of the industry in U.P. which is amongst the top five manufacturing states of India. Hence, conducting this study in U.P. was quite relevant. Companies (manufacturing units) have been selected as per the 10% principle of research.

Sl. No.	MANUFACTURING SECTOR	NAME OF COMPANY
1.	Chemical Manufacturing Sector	India Pesticides Ltd. Dewa Road Lucknow U.P.
2.	Chemical Manufacturing Sector	Continental Carbon India Ltd U.P.
3.	Chemical Manufacturing Sector	Jubilant Life Science Gajraulla U.P
4.	Chemical Manufacturing Sector	Swati Menthol Ltd. Rampur Road Bareilly U.P.
5.	Leather Manufacturing Sector	Everest Tannery Kanpur U.P.
6.	Leather Manufacturing Sector	MirjaTannery Kanpur U.P.
7.	Leather Manufacturing Sector	Rehman Shoes Kanpur U.P.
8.	Leather Manufacturing Sector	Super House Ltd. Agra U.P.
9.	Leather Manufacturing Sector	Amar Shoes Ltd. Agra U.P.
10.	Leather Manufacturing Sector	Hindustan Aeronautics Ltd. Lko.
11.	Leather Manufacturing Sector	Bharat Electronics Ltd. Ghaziabad U.P.
12.	Automobile Manufacturing Sector	TATA Motors Faizabad Road Lucknow U.P.
13.	Automobile Manufacturing Sector	India Yamaha Motors Surajpur U.P.

Table 1: Details of Manufacturing Units Selected

(Source: Author)

Sample Selection –

A sample of 102 top levels, middle level and work level managers have been taken from the selected manufacturing companies of Uttar Pradesh. All 102 respondents answered for every statement they were provided in the instrument.

1. Literature Review:

1.1 CSR and manufacturing sector –

Manufacturing firms are striving to improve their sustainable performance in order to satisfy multiple stakeholders. Eco-innovation is a promising approach that decreases environmental impact and helps firms to increase their business value. There are several antecedents which help the firms to innovate and improve their triple bottom line performance. Among the antecedents, management and innovative practices are directly related to eco-innovation. It is not well known what practices and innovations help the firms to eco-innovate as well as to improve sustainable performance (Ganapathy, S. P. et al. 2014). This study suggests that the role of management practice is more significant towards eco-innovation than innovative practices. The results reflect practitioners' view on how to increase innovation rate and to focus more on social aspects. The finding suggests that training on environmental related practices could tackle innovation and social aspects in the Indian manufacturing sector context. A study on legal economic and business insights of corporate social responsibility (Padhiyar, and Bhathawala, 2018), has examined the question like: "Do the companies take CSR initiative for sustainability "? By qualitative analysis study concluded CSR is important for the business and every business has to consider it as an investment which will provide benefit in the future. Corporate social responsibility (CSR) include the activities of firms that are not only considered for economic profit but also include the social welfare returns. To find the key drivers that affect the relationship between corporate social responsibility (CSR) and firm performance, study has investigated the moderating effects of CEO power and ownership structure. Under this study total eight firms from manufacturing sectors of the Pakistani economy were selected for the analysis. Impact of CSR on financial performance of selected manufacturing and service sector companies in India have been examined in a study which revealed the relationship between CSR score with ROE, ROA, and ROCE. The study considered financial data of the Indian manufacturing and service industry for the year 2008 to 2017 (Sharma, R. B. et al.). Correlation was used to examine the relationship of CSR score and the financial parameters. The result the result shows that ROE, ROA, and ROCE have a negative correlation with CSR Score of Manufacturing Sector Companies. Whereas, ROE has positive correlation with CSR Score of Service Sector Companies together with ROA and ROCE have a strong a positive correlation with CSR Score of Service Sector Companies. Manufacturing companies located anywhere in the world has supposed to do the CSR without seeing the faces of any other sector of that economy because these are the manufacturing units which runs heavy machineries for gaining the profit. The profit they gain by running heavy machineries is adversely affects the people and planet in many ways and sometime creates disastrous situations like Bhopal gas tragedy in Union Carbide India Limited (UCIL).

4.2 Different perspectives of csr pyramid–

The relevance of Carroll's CSR pyramid in the African context has been discussed in the sub-Saharan Africa region (Ehie, I. C. 2016). The findings of this study empirically validate Visser's (2006) proposition that the philanthropic component weighs heavier than both the legal and ethical components of the CSR pyramid. The results provide a basis for the reliance on corporate philanthropy and guide CSR managers in sub-Saharan Africa in understanding the orientation that would lead to a more effective CSR implementation. Organizational innovation as a mediator and corporate image as a moderator were incorporated in the modified conceptual model of Carroll's pyramid (Lu, J. et al. 2020). On the basis of total 888 valid responses from Small medium enterprises (SMEs) professionals in Pakistan manufacturing sector this study has demonstrated that the dimensions of modified Carroll's pyramid of CSR have an affirmative and positive impact on the organizational performance of industrial SMEs if they were properly addressed in their innovation strategies. Under this study structural equation modeling (SEM) based multivariate and conditional process modeling approaches were employed to conduct the investigation. A study has been observed to redraw two core corporate social responsibility (CSR) theories (stakeholder theory and Carroll's CSR pyramid), enhancing their relevance for small business (Spence, L. J. 2016). This redrawing has been done by the application of the ethic of care, informed by the value of feminist perspectives and the extant empirical research on small business social responsibility. A study has been conducted to explore the present scenario of implementing corporate social responsibility in garment industry of Bangladesh by using Carroll's pyramid (Zabin, I. 2013). Garments sector is one of the most important industrial sectors in Bangladesh. This study has investigated the level up to which garment industry is practicing CSR. This has study also identified the extent Carroll's pyramid is understood by the corporate body of garment industry at Bangladesh.

1.3 Indian companies' csr –

Different aspects, features and the effect of CSR on the Indian corporate sector like TATA, Coca Cola India and BHEL etc.(Rajani Bhalla, 2013) has analyzed the practices followed by selected companies for attaining sustainability was studied from 2009-2012. The outcome of research tells that the selected organizations are following the CSR practices in different areas like Education, Community development, Environmental Protection, Energy Conservation, Waste Material Management, Health Management, Waste Management and it was also observed that regularly they are trying to encourage CSR awareness among different parts of the society. A close look into CSR in India (Egharevba, and Iruonagbe, 2015) has critically examined the social responsibility and explained it was arises few years back from simple philanthropy to which integrates the interest of business for communities where it operates. This study has highlighted the evaluation of social responsibility and related business practices being adopted by large corporate houses in India. A study examined the social disclosure practices of 22 manufacturing units of Indian origin belonging to four different industries viz. consumer goods, pharmaceuticals, industrial manufacturing and energy was selected from CNX 100 index of NSE (Sawant, P.D. 2017). This research has taken 18 voluntary items of corporate social disclosure index (CSDI) and social disclosure practices was examined in the study corresponding to years 2008-09 and 2013-14 which represent negative and positive sentiments of market respectively. It has been empirically tested that there is significant difference in social disclosure scores of companies in regard to market sentiments. Corporate social performance (CSP) with respect to sustainability reporting guidelines given by global reporting initiatives (GRI), (Kundu, 2015) has tried to explore the CSP practices of companies. Data of three financial years i.e. from 2010-2013 reports of selected companies like Coal India, Steel Authority of India, Tata Steel Ltd., Hindalco Industries was taken in the study. Comparative analysis of selected companies was completed on the basis of their social performance disclosure and performance indicators given by sustainability reporting of GRI and the amount of investment in corporate social responsibility. Statistical tools like Percentage, Mean, Anova and Rank have been used and ranked all the firms on the basis of CSP activities and CSR expenditure. This study refused existence of any correlation between the profitability and the performance of social responsibility and found the highest profit making company is not the most responsible company in terms of social performance and sustainability reporting. Further the study has concluded that for becoming a more responsible company, the company's size and its earning do not matters a lot. The only thing that matters is the company's intention for doing something for the upliftment of the society. Corporate social disclosure of companies of public sector in India (Kansal, Joshi, Babu, and Sharma, 2018) has found disparity in social practices of companies. It was also revealed the time of operation of a company does not have any impact on disclosure items like net sales while its size in terms of total assets, have a positive impact on social disclosure. Social responsibility practices of Indian Navratna central public sector enterprises (NRCPSEs) (Charumathi, Padmaja Gaddam, 2015), was completed by developing an original CSR disclosure index (CSRDI) by measuring the level of its CSR disclosure for companies. 16 Navratna Central Public Sector Enterprises (NRCPSEs) was taken as sample. For this purpose annual reports of companies from 2010-2015 was utilized by using content analysis. Significant year wise, company-wise and indices-wise variations in the CSR disclosures of Navratna companies was observed by using ANOVA. Year wise difference in the areas of health, environment & sustainability development was found. This shows that these companies are improving day by day on all areas of CSR activities. There is a significant sub-indices difference in CSR initiatives and disclosure of Indian Maharatna companies. This shows that the Navratna companies are concentrating on different areas for CSR activities. There is a significant company-wise difference in CSR initiatives and disclosure in health care and education. This shows that the Navratna are focusing on the similar activities and they can concentrate more on other areas of CSR and disclose similarly as they are subject to Department of Public Enterprises Guidelines. CSR initiative of companies in India (Sharma, & Kundu, 2014) was explored, by the sample of 20 companies in the same proportion i.e. 10 public sector and same from other sector like Oil and Gas, Power and Electricity, Chemicals and Fertilizers, Heavy Electrical and Engineering, Metal and Mining was taken. All the data has taken from official websites, annual reports, sustainability reports and business responsibility reports of companies. Statistical tools like mean, standard deviation, rank, and t-test were used for analysis of data. The finding of the study provide an insight about the CSR practices and utilization of fund by selected companies as per the direction of Ministry of Corporate Affairs, India. It was also seen that many companies were focusing on initiatives but few companies were spending as per norms. Satyanarayana, P. in 2013, has researched the CSR in different companies. This research has evaluated the models of CSR and analyzed the perceptions of employees and beneficiaries on CSR. To complete the study, four companies were selected viz. Visakhapatnam Steel Plant, Hindustan Petroleum Company Limited, NTPC Limited and Steel Authority of India Limited. Total 40 employees and beneficiaries were selected from each organization and with the method of least square the best company was found. CSR spending of the Indian companies (Wankhade, V. 2014) has done the comparative analysis of social investment as a percentage of profit after tax (PAT) and transparency score of the Public & Private Sector Companies. All the analysis was done by comparing the CSR spending as a percentage of PAT on the sample of 16 Public Sector and 20 Private Sector. To compare the transparency score total 32 Public Sector and 48 Private Sector Companies were chosen. For the purpose of data analysis z –Test on social investment of Indian companies and T-Test on both sector companies, z-Test on CSR Transparency Score of both sector companies was applied. Research tells that CSR spending of the Indian companies is not equal to the two percent of the PAT in the financial year. No gap was found in CSR spending as a percentage of PAT and transparency score of both sector companies. Krishnan, N. 2012, has main objective was to evaluate financial performance with effect of CSR implementation. 500 top companies listed in the BSE of the Indian economy have been taken for the study. Since banking and finance companies were not included in the study. The complete study was based on the application of frequencies and percentile, Pearson coefficient correlation, one sample t-test, Cronbach's Alpha. This study revealed the chemistry between CSR activities and the firms' performance, except in case of Environmental CSR. The companies as a unit of the economy has become inclusive by adopting affirmative actions like helping disabled, encouraging primary education and health care etc. A negative correlation between the structure of firm &its extent of determining CSR was found. In fact, smaller firms were very focused on their CSR objectives and larger companies especially government owned companies scored high on employee level CSR. This research has explored CSR has a positive influence on the performance of selected companies in terms of financial and non-financial terms. CSR expenditure before the law in ten largest and most powerful companies of India (Global, F. I. 2020) was computed with the help of 2013 Forbes Global 2000 list. In this study CSR expenditure of companies was compared with new law to assess whether they are fulfilling the prescribed spending norms or they have to improve their CSR programs significantly to meet the requirements of the mandate of new Act. The whole study has tried to compare CSR rankings and Forbes ranking of top ten companies of India and studied their role in terms of expenditure and found Tata Motors CSR expenditure is equal to the total expenditure of all other nine companies. The study has suggested large companies are predecessor to CSR commitments and mandatory CSR spending in large companies is likely to influence the CSR in smaller companies positively.

4.4 CSR in foreign companies –

Investigation of CSR and segment reporting relationship (Çiftçioğlu and Nergis, 2010) has given the conclusion on the basis of three months extensive research on companies which were got position under 100 in Integrated Synthesis Environment (ISE) and its corporate governance index for investigating the objectives of research. After completion of study research found that only two organizations have not prepared the segment reporting in Turkey. Study on poverty alleviation in Niger Delta, Nigeria (Amadi, and Abdullah, 2012) has examined the Shell petro chemical's efforts for sinking the poverty. After analysis research has concluded Shell has given significant efforts in nearby areas of its operation and in the economic growth of Nigeria. Four case studies on effects of companies conflicts on CSR policy (Torres, Garcia-French, Hordijk, and Nguyen, 2012) has analysed the conflict situations relating to the social practices of four MNCs like Apple, Canon, Coca-cola and Walmart. This study has discussed the different problems related to social responsibility arises in the companies. It also makes a comparative analysis of CSR reporting of companies by explaining the both situations of problems like before and after its occurrence. A study, does CSR matter (Wickramasinghe, A. 2012) explains the significance of social responsibility relationship on the success of the companies. Relationship between the six critical factors of CSR in the selected manufacturing companies of Sri Lanka was analyzed in the research. For mapping the success rate of selected company Return on investment (ROI) was measured and taken as a tool. For Measuring the chemistry of all six factors and success rate of companies, ROI and CSR has been analysed through different statistical tools. Literature review regarding CSR (Wright, K. 2010), has provided an overview of some related terms like corporate philanthropy, environmental responsibility, diversity management, sustainability and has analysed that CSR is a complex area with an interdisciplinary focus. It has concluded that CSR is demanding the corporations to come voluntarily to support the social, economic and environmental issues which will provide significant positive impacts to their operations as well. In a study pattern of corporate social disclosure was investigated (Murthy, V. 2008) a number of 50 companies from the seven Asian countries like Indonesia, Malaysia, India, Philippines, South Korea, Singapore and Thailand through analysis of website reporting and a difference in their corporate social disclosure was found. It was that corporate social disclosure of MNC's was higher than the companies of their home countries. This variation has occurred due to the management of MNC's believed that honest CSR and reporting provides them green signal to operate. A study of small and medium-sized companies of the Czech Republic (Czechia), (Polášek, D. 2010) has found CSR in 190 small and medium-sized (SME) companies was carried out during the April 29, 2008 to August10, 2008. This research study explores specifics of internal and external dimensions of CSR in SMEs of the Czech Republic and analyzes social responsibility is well rooted here it lacks in strategic dimension. This study tells the degree to which Czech small and medium-sized enterprises involved in CSR and the main reasons, these companies are motivated to be engaged. This study further explains the benefits received by Czech small and medium-sized enterprises due to their involvement in the CSR practices.

Data Analysis and Interpretation:

Analysis of csr pyramid –

For the purpose of analyzing the Carroll's pyramid in Indian context a self developed questionnaire has been used and with the help of t – test this study has analyzed the CSR pyramid by observing the mean value of different CSR components discussed in the pyramid like economic, legal, ethical and philanthropic along with its' general understanding in selected manufacturing sector of Uttar Pradesh region of India.

Analysis of Objectives –

- To analyze the general level of understanding of CSR in manufacturing companies of Uttar Pradesh.

Hypothesis –

- H01: There is no significant level of general understanding of CSR in manufacturing companies of Uttar Pradesh.
- HA1: There exists a significant level of general understanding of CSR in manufacturing companies of Uttar Pradesh.

One-Sample Statistics				
	N	**Mean**	**Std. Deviation**	**Std. Error Mean**
Total General Understanding of CSR	102	3.7781	.62530	.06191
Total understanding of Economic Component of CSR	102	3.7266993	.62582074	.06196549
Total understanding of Legal Component of CSR	102	3.8030	.61670	.06106
Total understanding of Ethical Component of CSR	102	3.7070	.64390	.06376
Total understanding of Philanthropic Component of CSR	102	3.7614	.65732	.06508

Table –1 One Sample Statistics (Source: Author)

One-Sample Test						
	Test Value = 3					
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Total-General understanding of CSR	12.568	101	.000	.77810	.6553	.9009
Total understanding of Economic Component of CSR	11.727	101	.000	.72669935	.6037765	.8496222
Total understanding of Legal Component of CSR	13.150	101	.000	.80301	.6819	.9241
Total understanding of Economic Component of CSR	11.089	101	.000	.70699	.5805	.8335
Total understanding of Philanthropic Component of CSR	11.699	101	.000	.76144	.6323	.8905

Table – 2 One Sample Test

(Source: Author)

Interpretation –

1) As discussed above for the purpose of data analysis one sample t - test has been applied here by taking the standard value of 3. Two sections (boxes) appear in the output: in Table – 1 and Table – 2, i.e. One – Sample Statistics and One – Sample Test respectively. First section, One-Sample Statistics, provides basic information about the selected variable i.e. CSR components viz: economic, legal, ethical and philanthropic with general understanding, including the valid (nonmissing) sample size (n), mean, standard deviation, and standard error. Above table of analysis represents the mean value regarding general level of CSR understanding is greater than 3 which shows that there exists a significant level of general understanding of CSR in manufacturing companies of Uttar Pradesh and hence null hypothesis is not to be accepted.

2) In the above table of analysis mean value of the sample is approximately 3 for all CSR components, which is based on 102 nonmissing responses. Second section, one sample test, displays the results most relevant to the one sample t test. Hence, the t value in the table of analysis is more than 3 for all the components of CSR which creates an interpretation that there exists a significant level of understanding regarding pyramidal components of CSR among all sample firms. Hence, null hypothesis is not to be accepted.

Conclusion –

Carroll's pyramid of corporate social responsibility has been found well established model of CSR but in very few study it has attracted the researchers for the purpose of analysis yet it has been placed in the literature review for providing the foundation to the study. With this observation under this study we have tried to map the understanding level of manufacturing companies running in the Uttar Pradesh region of India specific to all CSR components of pyramid i.e. economic, legal, ethical and philanthropic along with their general understanding. For the purpose of same this study has utilized the t – test, and concludes that all selected companies from different manufacturing sectors like leather, chemical, automobile and defense are well versed with the understanding of corporate social responsibility and they have proper and significant implementation of CSR at their places.

The crux of the whole analysis is that Indian companies are contributing towards CSR. However, it is seen in the data analysis that the understanding of CSR concept by companies regarding all components like economic, legal, ethical and philanthropic is upto to significant level. As it is not even a decade since the CSR law was enforced it is a positive sign that most of the organizations have CSR protocol in place and are trying to follow the government norms. May be the pace is slow but gradually the companies are making understanding regarding importance of CSR for inclusive growth of the economy. They have understood that the inclusive development is the only way to sustainability.

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