

Extent of Corporate Triple Bottom Line Reporting In Case of Indian Listed Power Companies

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Abstract: *Corporate social reporting discloses social and environmental information relating to an organisation's interaction with its community, shareholders, physical and social environment to outsiders through corporate annual reports. Triple Bottom Line Reporting (subsequently refer to as TBLR) goes beyond the traditional way of reporting mechanism and encourages businesses to give closer attention to the whole impact of their commercial activities, over and above their financial performance. The Corporate Triple Bottom Line Reporting is based on three pillars - (i) environmental, (ii) social, (iii) economic causes. In this study, Corporate Triple Bottom Line (CTBL) disclosure items are handpicked from the annual reports/corporate social responsibility reports/sustainability reports of the sample units after a thorough examination of the contents of annual reports/corporate social responsibility reports/sustainability reports. The level of Triple Bottom Line reporting in India is in its infancy and still evolving. The three dimensions for TBL Reporting in India are people, planet and profit, which lead to sustainable development. We have considered listed companies of Bombay Stock Exchange (BSE) comprising BSE 500 index as our population. Considering time and resource constraints, it was decided to restrict the survey only power generating companies (15 units) among those 500 units. Accordingly, annual reports/corporate social responsibility reports/sustainability reports for these 15 numbers of listed power companies were planned to be reviewed. For measuring the extent of corporate triple bottom line reporting in annual reports/corporate social responsibility reports/sustainability reports of the companies, we have constructed a weighted disclosure index based on the previous empirical studies. The study evaluated the combined corporate triple bottom line disclosure score value of the sample companies based on performance with respect to 3 primary indicators – environment, social and economic. The maximum score of corporate triple bottom line disclosure is high enough i.e. 77.3% and the minimum score of corporate triple bottom line disclosure is very low i.e. 22.6%.*

Key words: Triple Bottom Line Reporting, Social Accounting, Financial Reporting, Disclosure.

Introduction

Today stakeholders become more and more aware of the ecological and social footprints adopted by multinational companies (MNCs) worldwide. Accountability, transparency and governance issues are considered to be main stream agenda in the corporate boardroom discussion. Corporate social reporting discloses social and environmental information relating to an organisation's interaction with its community, shareholders, physical and social environment to outsiders through corporate annual reports (Chan, 2002, Godfrey *et al.*, 2000 and Gray *et al.*, 1996). Triple Bottom Line Reporting (subsequently refer to as TBLR) goes beyond the traditional way of reporting mechanism and encourages businesses to give closer attention to the whole impact of their commercial activities, over and above their financial performance. The triple bottom line (TBL) is an accounting framework that incorporates three dimensions of performance: social, environmental and financial. This differs from traditional reporting framework, as it includes

ecological (or environmental) and social measures that can be difficult to assign appropriate means of measurement. John Elkington strove to measure sustainability during the mid-1990s by encompassing a new framework to measure performance in corporate America. This accounting framework, called the triple bottom line (TBL), went beyond the traditional measures of profits, return on investment and shareholder value to include environmental and social dimensions. The TBL dimensions are also commonly called the three Ps: people, planet and profits.

The ‘triple bottom line’, expressed with various terminologies, is presented as follows:

- Social, environmental and economic performance;
- Sustainable development, sustainable environment, sustainable communities;
- Impact on society, the environment, and economic sustainability;
- Economic, environmental and social sustainability;
- Economic prosperity, environmental quality, and social justice;
- Economic growth, ecological balance and social progress;
- Economic growth, social progress and environmental health;
- Economy, environment, equity;
- Profit, people, planet (or planet, people, profit).

At its narrowest, the term ‘triple bottom line’ is used as a framework for measuring and reporting corporate performance against economic, social and environmental parameters. At its broadest, the term is used to capture the whole set of values, issues and processes that companies must address in order to minimize any harm resulting from their activities and to create economic, social and environmental value. This involves being clear about the company’s purpose and taking into consideration the needs of all the company’s stakeholders - shareholders, customers, employees, business partners, governments, local communities and the public. Triple Bottom Line (TBL) reporting is a method used in business accounting to further expand stakeholders’ knowledge of the company. It goes beyond the traditional, financial aspects and reveals the company’s impact on the world around it. There are three main focuses of TBL: people, planet, and profit (The Business Council of Australia – Group of 100, 2003). TBL is a “concerted effort to incorporate economic, environmental and social considerations into a company’s evaluation and decision making processes” (Wang and Lin, 2007). This type of reporting establishes principles by which a company should operate to concentrate on the total effect of their actions (both positive and negative.).

Our contribution to the triple bottom line communication literature is two-fold. First, we attempt to review the extent of triple bottom line reporting practice in India by power generating companies and also measure the qualitative characteristics of such reports through developing a scoring system.

The remainder of this paper is organized as follows. Section 2 reviews the literature relevant to this paper. Section 3 presents the history of triple bottom line reporting. Section 4 provides details about data and methodology adopted followed by a discussion of the findings relating to the extent of corporate triple bottom line reporting in section 5. Section 6 sums up and gives concluding remarks.

Literature Review

Mitchell, Curtis and Davidson (2007) concluded in their study that TBL reporting can enable organizations to better manage their response to the sustainability challenges. TBL reporting is approached as iterative learning cycle. Fauzi, Svensson and Rahman (2010) pointed out the contribution of TBL as sustainable corporate performance is that it principally stresses the connection between current business and social orientations and forth-coming planet-orientation, which is a spectrum not previously addressed seriously from a business perspective either in practice or literature, because there has not been any obvious call for it. Slaper and Hall (2011) pointed out that the concept of TBL can be used regionally by communities to encourage economic development growth in a sustainable manner. Jackson, Boswell and Davis (2011) stated that in today's corporate world accountability is a necessity. This requires companies to extend their information beyond financial data. TBL connects the financial reporting with the business's everyday activities in a way that provides a broader awareness of the impact of the business upon society. Dutta (2012) identified it as the critical need based development and a new conceptual basis for generating accounting information in order to support multi-stakeholders interests and relationship and explained the logical development of an integrated sustainability reporting system founded upon the TBL of an organization's economic, environmental and social performance. Ekwueme, Egbunike and Onyali (2013) recommended the adoption of sustainability reports for organizations seeking sustainable corporate performance. The improved transparency and accountability levels of traditional financial reports through inclusion of TBL principles could serve as a Labyrinth Safeguarding Corporations against legal hassle and surmounting stakeholder pressure.

History of Triple Bottom Line Reporting

The 'triple bottom line' (TBL) concept was evolved by Elkington in 1994 to expand the environmentalist agenda of those working towards sustainability so that it more explicitly incorporates a social dimension (Elkington, 2004). He used the phrase as the basis for his book *Cannibals with Forks* (Elkington, 1998), where he explained that TBL refers to the three bottom lines of "economic prosperity, environmental quality, and social justice" (*ibid.* p. ix). For Elkington, it is the "social justice" dimension that completes the triple bottom line, and is the element of sustainability that businesses "preferred to overlook" (*ibid.*, p. 71). Corporate social responsibility started to spread more dramatically towards the end of the 20th century when worries about the environment were beginning to grow (Stanislavská *et al.*, 2010), especially in connection with climatic changes, pollution, habitat loss, overexploitation of species and the spread of invasive species or genes (Gordon and Reddy, 2010), which led to the development of environmental reporting (Stanislavská *et al.*, 2010). To cope up with the globalized challenges, corporate all around the globe wants to consider applying a corporate sustainability plan by addressing their "Triple Bottom Line Reporting" which includes paying close attention to their economic (financial factors), environmental (risk and requirement factors) and social (human factors) issue (Dutta *et al.*, 2011).

The level of sustainability reporting in India is in its infancy and still evolving. The three dimensions for TBL Reporting in India are people, planet and profit, which lead to sustainable development. The "People Bottom line" (human capital) pertains to fair and beneficial business practices toward employees and the community. The "Planet Bottom line" (natural capital) refers

to sustainable environmental practices. Sustainability and global warming are real and critical issues that global businesses must deal with. The “Profit Bottom line” is the ability of an enterprise to create economic surpluses. Without profits, enterprises would be unsustainable.

The People Bottom Line:

The key stakeholders associated with “People” dimension of the triple bottom line include (i) Local communities’ impact, (ii) employees. The key areas include under the people bottom line are as follows:

- Activities are selected in this way so that the benefits reach the smallest unit i.e. village, panchayat, block or district depending on the operations and resource capacity of the firm. Identified CSR activities should generate community goodwill and create social impact and visibility.
- Implementation of community development interventions through specialized agencies, including community based organizations, panchayats, self help groups etc.
- Need to undertake base line surveys prior to initiation of intervention and monitoring of CSR interventions through Social Audit Committee.
- Final evaluation of CSR projects by an independent external agency.
- Each firm should have a separate paragraph or chapter in its annual report on implementation of CSR activities.
- Large Indian firms have embarked on initiatives to position themselves as “model employer” offering opportunities for impactful roles with rich job content, rich perquisites, benefits and social security, hiring and retaining talent.

The Environmental Bottom Line:

The following provisions have been incorporated in CSR Guidelines notified in April 2010.

- Need to develop a CSR action plan outlining key objectives and strategies over the short, medium and long term as against one of project based approach.
- Identified CSR activities may be related to United Nations Global Compact Programme on Environment, with every firm taking the responsibility for restoring or compensating for any ecological damage taking place as a result of its operations.
- Implementation of community development interventions through specialized agencies, including community based organizations, panchayats, self help groups etc.
- Final evaluation of CSR projects by an independent external agency.
- Each firm should have a separate paragraph or chapter in its annual report on implementation of CSR activities including facts related to Physical and Financial progress

The Profit Bottom Line:

The Government took a number of key initiatives towards empowering the Board of Directors of the firm and ensuring greater focus on the performance dimension. Some of the key initiatives are as follows:

- Notification of Corporate Governance Guidelines to be followed by all firms.
- Boards have also been empowered to independently take decisions on the important financial and non-financial business matters.
- All the firms are required to enter in to an agreement with their administrative ministry in the Government before the beginning of the financial year.

Corporate Triple Bottom Line Reporting Practice in India – A Survey

Corporate Triple Bottom Line (CTBL) disclosure items are handpicked from the annual reports/corporate social responsibility reports/sustainability reports of the sample units after a thorough examination of the contents of annual reports/corporate social responsibility reports/sustainability reports. Literature survey was used for the selection of corporate triple bottom line reporting indicators or disclosure items and their major sub-indicators.

Sample Design

Initially, we have considered listed companies of Bombay Stock Exchange (BSE) comprising BSE 500 index as our population. BSE 500 is a broad-based index and represents 94% of market capitalization of all listed companies of BSE¹. Considering time and resource constraints, it was decided to restrict the survey only power generating companies (15 units) among those 500 units. Accordingly, annual reports/corporate social responsibility/ sustainability reports for these 15 numbers of listed power companies were planned to be reviewed. Accordingly, these 15 sample units were target units for further analysis. We have taken 2012-13 financial year (i.e. year ending 31 March 2013) as our study period, being the latest period for which annual reports/corporate social responsibility reports/sustainability reports are available.

Data and Methodology for the Study

Corporate Triple Bottom Line (CTBL) disclosure items are handpicked from the annual reports/corporate social responsibility reports/sustainability reports of the sample units after a thorough examination of the contents of annual reports/corporate social responsibility reports/sustainability reports. Literature survey was used for the selection of corporate triple bottom line reporting indicators or disclosure items and their major sub-indicators. For measuring the extent of corporate triple bottom line reporting in annual reports/corporate social responsibility reports/sustainability reports of the companies, we have constructed a weighted disclosure index based on the previous empirical studies with some modifications. It was decided to attribute some weightage to each of the indicators or disclosure items. Although attributing weightage is fraught with subjectivity to some extent (Das *et al.*, 2008), it was considered unavoidable given the lack of uniformity in triple bottom line related disclosure.

Selection of CTBL Indicators

There being no regulatory requirement (except energy efficiency related disclosure in Director's Report) CTBL disclosures are not structured. To show the trends in corporate triple bottom line disclosures and to analyze the extent and type of disclosure in a systematic manner, selection of some indicators was considered necessary. Based on the study of the Global Reporting

Guidelines (2002), Elkington (2004), Ho and Taylor, 2007; Slaper and Hall, 2011; Suttipun, 2012, the study concentrated on 3 primary indicators and some major sub-indicators. Content analysis was used to place information within following 3 dimensions/indicators:

1. *Environment*: Environmental Indicators cover performance related to inputs (e.g., material, energy, water) and outputs (e.g., emissions, effluents, waste). In addition, they cover performance related to biodiversity and environmental compliance.
2. *Social*: The *social* dimension concerns an organisation's impacts on the social systems within which it operates.
3. *Economic*: The *economic* dimension concerns an organisation's impacts on the economic circumstances of its stakeholders and on economic systems at the local, national and global levels.

Assignment of Score

Considering nature of work, we were required to consider corporate triple bottom line reporting of the sample power units. It was decided to attribute some score/weightage to all three indicators mentioned above considering their perceived importance towards CTBL disclosure activity for any power unit. The breakup of maximum achievable score for each indicator is given below (Table 1).

Table 1: Indicator and Scoring System

Primary Indicator	Score/Importance
Environment	600
Social	300
Economic	100
Total	1000

As each of the above indicators has some sub-indicators, the total score was distributed to each of the sub-indicators under each indicator according to its perceived importance following the Battelle Environmental Evaluation System (BEES)ⁱⁱ. Though it was subjective, but it was considered unavoidable (Wallace *et al.*, 1994). It is pertinent to mention here that after designing the scorecard, some revision was made based on discussion with the academicians, auditors as well as company executives working in the field of finance. The detailed scorecard that showed the CTBL disclosure score value for each of the indicators and sub-indicators is given in Table 2.

Table 2: CTBL Disclosure Scorecard

Sl. No.	Parameter	Score
1	Environment (600)	
1.1	Company's statement of a corporate commitment to environmental protection	70
1.2	Any mention of environmental regulation	28
1.3	Involvement of environmental experts in business operations	55
1.4	Environmental audit	28

1.5	Environmental awards	13
1.6	Incorporation of environmental concerns into business decisions e.g. green purchasing	55
1.7	Identification of a contact person providing information	13
1.8	Energy usage information	28
1.9	Encouragement of renewable energy consumption	28
1.10	Water usage information	28
1.11	Information concerning the materials that are recycled or reused	28
1.12	Any mention of strategy for the use of recycled products	28
1.13	Information about the source, type and remedy procedures of emissions	28
1.14	Pollution impacts of transportation equipment used for logistical purposes	28
1.15	Environmental impacts of principal products and services	28
1.16	Discussion of the amount and type of wastes and mention of waste management	28
1.17	Any mention of environmental accounting policies	28
1.18	Environmental expenditures	28
1.19	Fines, Lawsuits, or non-compliance incidents	15
1.20	Environmental contingent liabilities	15
2	Social (300)	
2.1	Company's statement of a corporate commitment to its shareholders and society	38
2.2	Awards received relevant to social performance	7
2.3	Identification of a contact person for providing additional information	7
2.4	No. of employees and their geographic distribution	7
2.5	Turnover of workforce	27
2.6	Levels of employee education	27
2.7	Employee benefits concerning health care, disability, retirement	14
2.8	Employee job satisfaction	14
2.9	Employee health and safety information e.g. number of lost workdays, accidents, or deaths	27
2.10	Employee training and education	27
2.11	Any mention of policy addressing workplace harassment and discrimination	7
2.12	Number of women & minorities	7
2.13	Policy or procedure dealing with human rights issues	14
2.14	Any mention of policy for preserving customer health and safety	14
2.15	Company's involvement in community philanthropic activity	14
2.16	Policy for prioritizing local employment	14
2.17	Policy for compliance mechanism for bribery and corruption	7
2.18	Policy for preventing anti-competitive behavior	7
2.19	Policy for consumer privacy	7
2.20	Provision of business code	14
3	Economic (100)	
3.1	Information about size and profitability	16
3.2	Identification of a contact person for providing additional information	2

3.3	Products or services breakdown	3
3.4	Market shares by region	10
3.5	Information on backlog orders	4
3.6	Information on major suppliers	5
3.7	Payroll information by countries or regions	2
3.8	Fringe benefits information by countries or regions	2
3.9	Information on major creditors	5
3.10	Discussion of social capital formation e.g. donations	6
3.11	Size and types of major tangible investments	6
3.12	Economic performance of major tangible investments	6
3.13	R&D investments	10
3.14	Investment in information technology	6
3.15	Other intangible investments e.g. brand value, reputation	6
3.16	Earnings or sales forecasts	6
3.17	Any mention of other forward-looking information	5
GRAND TOTAL		600

The study evaluated the combined CTBL disclosure score value of the sample units based on CTBL reporting with respect to the three primary indicators. Our assignment of score is based on attributes like comprehensiveness, clarity, relevance etc. Ultimately, to obtain Corporate Triple Bottom Line Disclosure Score (CTBLDS), following formulae was applied:

$$CTBLDS = \frac{ScoreObtained}{MaximumAchievableScore} \times 100$$

Analysis and Findings

Extent of Triple Bottom Line Reporting

The results of our analysis of the content of annual reports/corporate social responsibility reports/sustainability reports of 15 sample power companies showed that separate triple bottom line report or corporate social report is not common barring a few companies. All of the power companies made some form of triple bottom line related report and only 26.67% (4) power companies have their own stand-alone sustainability report besides their annual reports. Regarding Indian practice of CTBL the survey results show that there is scope of improvement. Organizations are not reporting material matters that reflect the concerns of the stakeholders.

Environmental Dimension of Corporate Triple Bottom Line Report

The results of our analysis of the content of annual reports/corporate social responsibility reports/sustainability reports of 15 sample power companies showed that all of the power companies made some form of corporate environmental disclosure. Of the various possible corporate environmental disclosure themes, it was found that company's statement of a corporate commitment to environmental protection accounted for 14 disclosures; the next highest numbers were environmental regulation (12), source, type and remedy procedures of emissions (11) and

environmental impacts of principal products and services (11). Of lesser importance were incorporation of environmental concerns into business decisions e.g. green purchasing (1) and environmental contingent liabilities (1), though not a single power company discloses information about environmental audit; identification of a contact person providing environmental information; pollution impacts of transportation equipment used for logistical purposes; fines, lawsuits, or non-compliance incidents. These results are reported in Table 3.

Table 3: Types of Corporate Environmental Disclosure

Theme of Environmental Disclosure	Companies Reporting	% of Total
Company's statement of a corporate commitment to environmental protection	14	93.33
Any mention of environmental regulation	12	80.00
Involvement of environmental experts in business operations	9	60.00
Environmental audit	0	0
Environmental awards	7	46.67
Incorporation of environmental concerns into business decisions e.g. green purchasing	1	6.67
Identification of a contact person providing information	0	0
Energy usage information	9	60.00
Encouragement of renewable energy consumption	10	66.67
Water usage information	9	60.00
Information concerning the materials that are recycled or reused	9	60.00
Any mention of strategy for the use of recycled products	6	40.00
Information about the source, type and remedy procedures of emissions	11	73.33
Pollution impacts of transportation equipment used for logistical purposes	0	0
Environmental impacts of principle products and services	11	73.33
Discussion of the amount and type of wastes and mention of waste management	5	33.33
Any mention of environmental accounting policies	5	33.33
Environmental expenditures	10	66.67
Fines, Lawsuits, or non-compliance incidents	0	0
Environmental contingent liabilities	1	6.67

Note: Some companies reported more than one theme and disclosure in Director's Report has not been considered.

Source: Annual Reports/Corporate Social Responsibility Reports/Sustainability Reports (2012-13) of Select Companies. Results computed.

Social Dimension of Corporate Triple Bottom Line Report

Table 4 outlines the results for the degree of corporate social disclosure in the annual reports/corporate social responsibility reports/sustainability reports. All of 15 sample power companies made some form of corporate social disclosure. Of the various possible corporate social disclosure themes, it was found that provision of business code accounted for 15 disclosures, the next highest numbers were company's statement of a corporate commitment to its shareholders and society (14); employee benefits concerning health care, disability, retirement

(14); turnover of workforce (13), company's involvement in community philanthropic activity (13), policy for compliance mechanism for bribery and corruption and community (13). Of lesser importance were identification of a contact person for providing additional social information (1), employee health and safety information e.g. number of lost workdays, accidents, or deaths (1), number of women & minorities (1), policy or procedure dealing with human rights issues (1), policy for prioritizing local employment (1). None of the power companies disclose information about policy for preventing anti-competitive behavior and policy for consumer privacy.

Table 4: Types of Corporate Social Disclosure

Theme of Social Disclosure	Companies Reporting	% of Total
Company's statement of a corporate commitment to its shareholders and society	14	93.33
Awards received relevant to social performance	6	40.00
Identification of a contact person for providing additional information	1	6.67
No. of employees and their geographic distribution	3	20.00
Turnover of workforce	13	86.67
Levels of employee education	5	33.33
Employee benefits concerning health care, disability, retirement	14	93.33
Employee job satisfaction	9	60.00
Employee health and safety information e.g. number of lost workdays, accidents, or deaths	1	6.67
Employee training and education	8	53.33
Any mention of policy addressing workplace harassment and discrimination	2	13.33
Number of women & minorities	1	6.67
Policy or procedure dealing with human rights issues	1	6.67
Any mention of policy for preserving customer health and safety	4	26.67
Company's involvement in community philanthropic activity	13	86.67
Policy for prioritizing local employment	1	6.67
Policy for compliance mechanism for bribery and corruption	13	86.67
Policy for preventing anti-competitive behavior	0	0
Policy for consumer privacy	0	0
Provision of business code	15	100.00

Note: Some companies reported more than one theme and disclosure in Director's Report has not been considered.

Source: Annual Reports/Corporate Social Responsibility Reports/Sustainability Reports (2012-13) of Select Companies. Results computed.

Economic Dimension of Corporate Triple Bottom Line Report

Table 5 reports the results for the degree of corporate economic disclosure in the annual reports/corporate social responsibility reports/sustainability reports in case of 15 sample power companies. Of the various possible corporate economic disclosure themes, it was found that

information about size and profitability; products or services breakdown; size and types of major tangible investments accounted for 15 disclosures each. Of lesser importance were identification of a contact person for providing additional economic information (4), information on major suppliers (4). None of the power companies disclose information about market shares by region, information on backlog orders and payroll information by countries or regions.

Table 5: Types of Corporate Economic Disclosure

Theme of Economic Disclosure	Companies Reporting	% of Total
Information about size and profitability	15	100.00
Identification of a contact person for providing additional information	4	26.67
Products or services breakdown	15	100.00
Market shares by region	0	0
Information on backlog orders	0	0
Information on major suppliers	4	26.67
Payroll information by countries or regions	0	0
Fringe benefits information by countries or regions	6	40.00
Information on major creditors	7	46.67
Discussion of social capital formation e.g. donations	6	40.00
Size and types of major tangible investments	15	100.00
Economic performance of major tangible investments	7	46.67
R&D investments	12	80.00
Investment in information technology	12	80.00
Other intangible investments e.g. brand value, reputation	10	66.67
Earnings or sales forecasts	6	40.00
Any mention of other forward-looking information	13	86.67

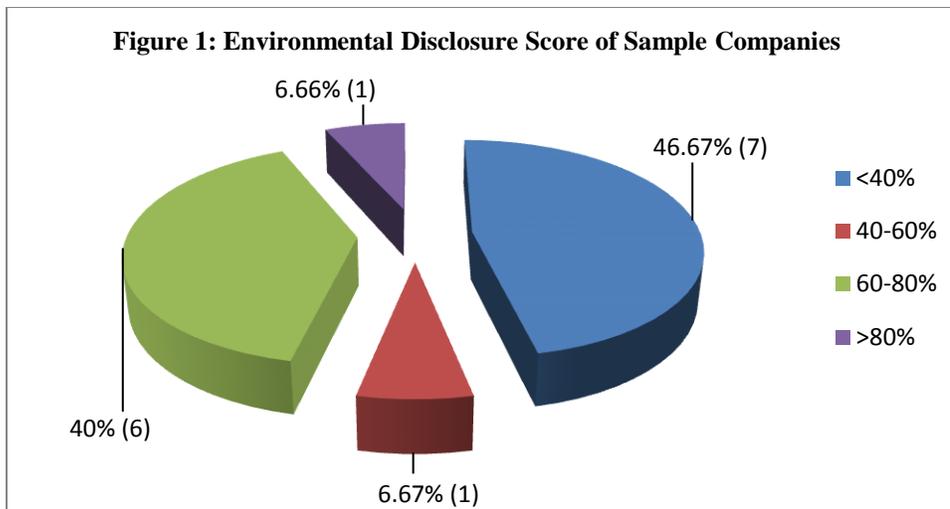
Note: Some companies reported more than one theme and disclosure in Director's Report has not been considered.

Source: Annual Reports/Corporate Social Responsibility Reports/Sustainability Reports (2012-13) of Select Companies. Results computed.

CTBL Disclosure Score of Sample Companies

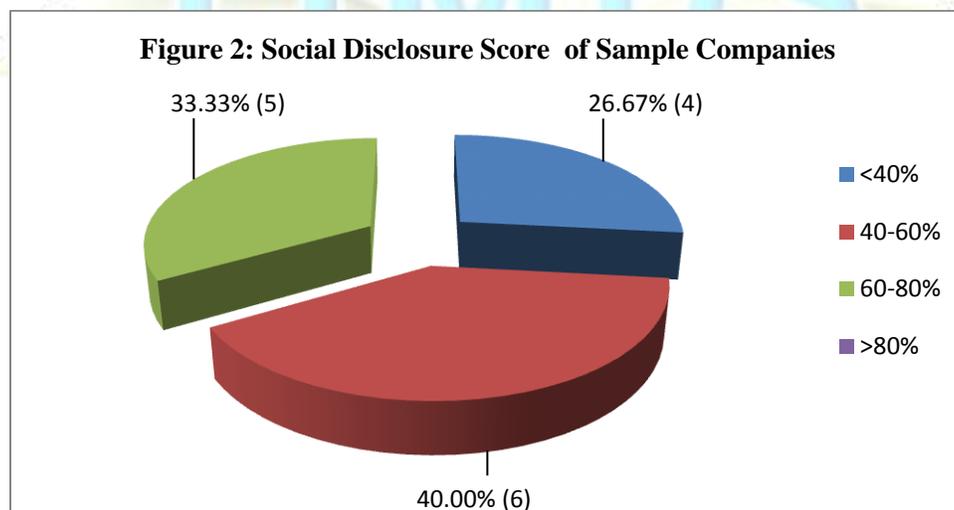
Environmental Disclosure of Sample Companies

The study evaluated the environmental disclosure value of the sample power companies as reported in Figure 1. Analysis of the environmental disclosure value reveals that out of 15 sample power companies, no sample companies has attained 100% score. The maximum score of environmental disclosure is high enough i.e. 83.5% and the minimum score of environmental disclosure is very low i.e. 18.5% with the mean and standard deviation of environmental disclosure being 49.13% and 20.53% respectively. The study also reveals that 6.66% companies (i.e. only one company) has attained more than 80% Environmental Disclosure Score; on the contrary 46.67% companies (i.e. 7 companies) have attained less than 40% Environmental Disclosure Score.



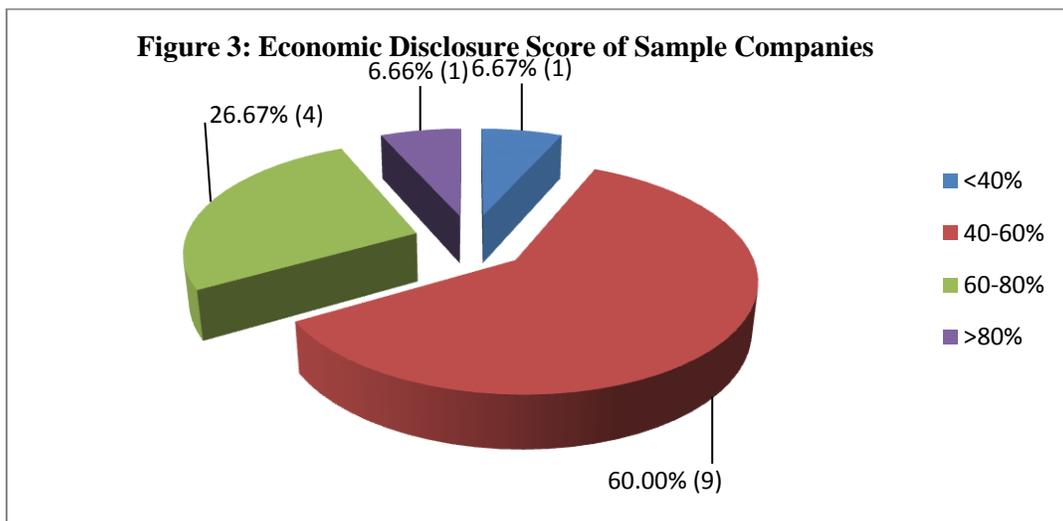
Social Disclosure of Sample Companies

The study evaluated the social disclosure value of the sample power companies as reported in Figure 2. Analysis of the social disclosure value reveals that out of 15 sample power companies, no sample companies has attained 100% score. The maximum score of social disclosure is high enough i.e. 72.33% and the minimum score of social disclosure is very low i.e. 23% with the mean and standard deviation of social disclosure being 49.78% and 15.36% respectively. The study also reveals that none of the power companies has attained more than 80% Social Disclosure Score; on the contrary 40% companies (i.e. 6 companies) have attained 40-60% Social Disclosure Score and 26.67% companies (i.e. 4 companies) have attained less than 40% Social Disclosure Score.



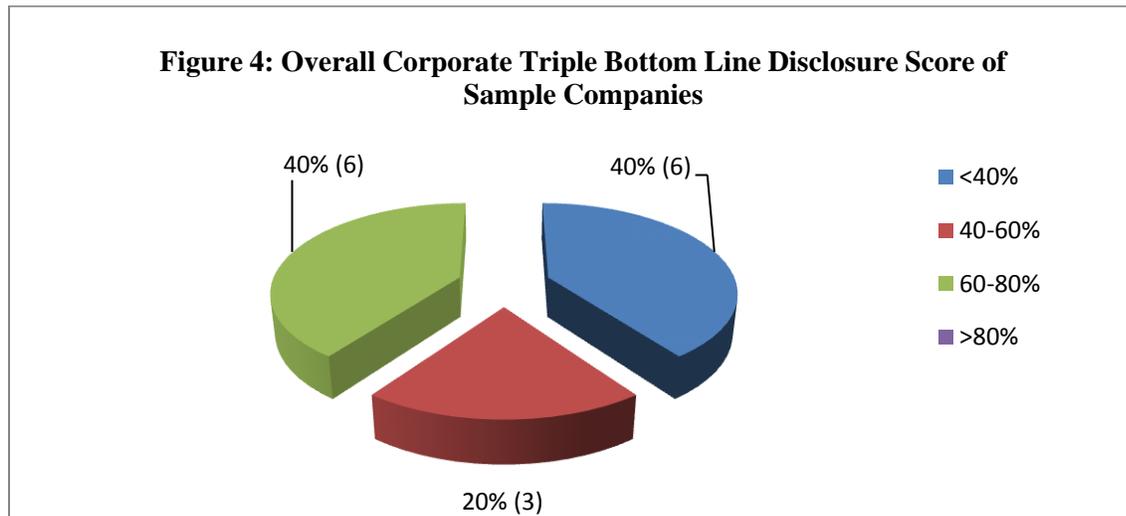
Economic Disclosure of Sample Companies

The study evaluated the economic disclosure value of the sample power companies as reported in Figure 3. Analysis of the economic disclosure value reveals that out of 15 sample power companies, no sample companies has attained 100% score. The maximum score of economic disclosure is high enough i.e. 82% and the minimum score of economic disclosure is very low i.e. 30% with the mean and standard deviation of economic disclosure being 56.73% and 12.00% respectively. The study also reveals that 6.66% companies (i.e. only one company) of the power companies has attained more than 80% economic disclosure score; on the contrary 60% companies (i.e. 9 companies) have attained 40-60% economic disclosure score and 26.67% companies (i.e. 4 companies) have attained 60-80% economic disclosure score.



Overall Corporate Triple Bottom Line Disclosure of Sample Power Companies

The study evaluated the combined CTBLDS value of the sample companies based on performance with respect to 3 primary indicators – environment, social and economic as reported in Figure 4. Analysis of the CTBLDS value reveals that out of 15 sample companies, no sample company has attained 100% score. The maximum score of corporate triple bottom line disclosure is high enough i.e. 77.3% and the minimum score of corporate triple bottom line disclosure is very low i.e. 22.6% with the mean and standard deviation of CTBLDS being 50.09% and 16.98% respectively. None of the 15 sample power companies has attained more than 80% corporate triple bottom line disclosure score; on the contrary 40% companies (6 companies) have attained less than 40% corporate triple bottom line disclosure score. 40% companies (6 companies) have attained 60-80% corporate triple bottom line disclosure score, whereas 20% companies (3 companies) have attained 40-60% corporate triple bottom line disclosure score.



Conclusion

Today, accountability in the corporate world is a necessity. This requires companies to extend their information beyond financial data; TBL connects the financial reporting with the business's everyday activities in a way that provides a broader awareness of the impact of the business upon society. By adopting TBL reporting, businesses understand that they are held to specific principles that are developed by internal and external forces. For this reason, they will need to focus on the impact that their operations have on the community.

On an overall basis, there is scope of improvement in corporate triple bottom reporting practices of Indian companies. Although, a few companies have started to publish separate sustainability or corporate social report, there is lack of objective and informative reporting as demonstrated by this survey.

The significant subjective evidence that exists today, more firms are unlikely to undertake CTBLR in the absence of a simple and credible framework for analyzing the business case, and quantifying the costs and benefits of CTBL. These significant issues require careful consideration by regulators and appropriate policy change may only induce the business organizations to report CTBL performance.

ⁱ As per the website of Bombay Stock Exchange (BSEindia.org), BSE 500 index represents nearly 93% of the total market capitalization of BSE. BSE 500 covers all 20 major industries of the economy, available at <http://www.bseindia.com/about/abindices/bse500.asp> (accessed on 10 February 2013).

ⁱⁱ The Battelle Environmental Evaluation System (BEES) is a methodology for conducting environmental impact analysis developed at Battelle Columbus Laboratories by an interdisciplinary

research team under contract with the U.S. Bureau of Reclamation (Dee *et al.*, 1972; Dee *et al.*, 1973). It is based on a hierarchical assessment of environmental quality indicators.

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