



**Research Article**

**REMITTANCE OF CORPORATE SOCIAL RESPONSIBILITY BY BHARAT SANCHAR NIGAM LIMITED (BSNL) IN HIMACHAL PRADESH**

**Tanu Thakur<sup>1\*</sup> and Kulwant Singh Pathania<sup>2</sup>**

<sup>1</sup>Govt. S.S. School., Summerhill, Shimla

<sup>2</sup>Department of Commerce, Himachal Pradesh University, Shimla-5, India

**ARTICLE INFO**

**Article History:**

Received 15<sup>th</sup> March, 2018

Received in revised form 11<sup>th</sup>

April, 2018 Accepted 7<sup>th</sup> May, 2018

Published online 28<sup>th</sup> June, 2018

**ABSTRACT**

Corporate social responsibility (CSR) may be defined as an ethical behaviour of private and public entrepreneurs towards the society. The corporate social responsibility of public sector undertaking, Bharat Sanchar Nigam Limited (BSNL) has been studied for its high relevance, strong impact and significant performance in the telecom sector. The kind and quality of services extended by this sole public sector undertaking has been evaluated on the parameters of societal expectations and customer satisfaction. The study is an attempt to understand the initiatives, progress and status of the CSR in regards to policy framing and implementation of BSNL. The CSR practices of the BSNL and their impact on economy, societal environment, public relationship, investors, employees, customers and other stake holders have been explored, understood and evaluated in the light of public expectations.

*Copyright©2018 Tanu Thakur and Kulwant Singh Pathania. This is an open access article distributed under the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.*

**INTRODUCTION**

Corporate social responsibility (CSR) can be described as a continuous commitment by corporations towards the economic and social development of communities in which they operate (Kousalya et al., 2013). CSR is concerned with treating the stakeholders ethically or in a responsible manner acceptable in civilized societies. The wider aim of social responsibility is to create higher and higher standards of living, while preserving the profitability of the corporation, for people both within and outside the corporation. The problem in assessing levels of corporate social responsibility is objectively determining appropriate criteria and standards of corporate performance, a kind of difficulty confronting in social audits (Kenneth et al., 1985). CSR therefore, means the ethical behaviour of business towards its constituencies or stakeholders. Nevertheless, there are a wide variety of concepts and definitions associated with the term “corporate social responsibility”, but no general agreement of terms.

Bharat Sanchar Nigam Ltd. (BSNL) formed in October, 2000, is Worlds’ 7<sup>th</sup> largest telecommunications company providing comprehensive range of telecom services viz. wire line, CDMA mobile, GSM mobile, internet, broadband, carrier service, MPLS-VPN, VSAT, VoIP, IN services etc. in India. Presently it is one of the largest and leading public sector unit providing mobile services in all telecom circles except Delhi and Mumbai.

Facing stiff competition with private telecom service providers, BSNL has subsequently tried to increase efficiencies and services both in urban and rural areas of the country. BSNL has continued its growth story ever since its formation and has reached a customer base of 94.95 million as on 31<sup>st</sup> October, 2016. While in Himachal Pradesh, BSNL has occupied the second position by achieving 20.42 percent of the market share. It is India’s fourth and in Himachal Pradesh second largest Telecom Company according to TRAI press release Oct. 31, 2016.

The present work is an attempt to unveil the corporate social responsibility of public sector undertaking, BSNL for strong grievance redressal system, timely and good services, economic services and affordable services of the cellular services in the telecom industry.

**BSNL CSR Policy**

BSNL carryout the CSR work in accordance with a written policy namely, ‘BSNL CSR Policy’ as well as ‘Government of India’s Guidelines issued by Department of Public Enterprises. CSR activities in BSNL are guided, controlled and maintained by a Board known as ‘BSNL CSR Board’, at BSNL Circle (State) level. Executive committees are also functioning under the aforesaid Boards, for executing the CSR work at their respective territories.

Ordinarily, BSNL undertakes the CSR activities on the following areas:

1. Natural disasters and calamities.
2. Provision of ambulances.
3. Provision of Broadband connections.

\*Corresponding author: **Tanu Thakur**  
Govt. S.S. School., Summerhill, Shimla

4. Provision of GSM Mobile PCOs.
5. Provision of WLL data connection.

**Employee’s Welfare Activities**

Commitment towards the principles of corporate social responsibilities is inculcated in the corporate philosophy of BSNL. A very wide range of welfare programmes, with a focus on the employees’ welfare is continuously implemented by the Staff Welfare Board (SWB) of the Company.

The study identified the major CSR initiatives taken up by the BSNL in Himachal Pradesh.

**Life Insurance Scheme**

BSNL has launched a Life Insurance scheme worth Rs. 50,000 for Landline, WLL, & GSM Post paid customers in Himachal Pradesh. This facility is also available to PCO holders.

**Quality Service at Affordable Prices**

BSNL is committed to provide quality Telecom Services at affordable price to the citizens of the remotest part of Himachal Pradesh, since it is of utmost importance for achievement of the state’s social and economic goals. BSNL is the only telecommunication service provider offering rural telephony as part of its social responsibility.

**Provide Services in Tribal Area**

BSNL connected Himachal Pradesh’s remote Miyar Valley with the mobile phone network. The mobile services began with the installation of a tower at Tinget village in Lahaul & Spiti district a cold desert of Himachal Pradesh. The mobile phone service would benefit over 1,000 people settled in six villages across the valley.

**Broadband Connections**

BSNL, with support of the government, plans to provide broadband to all gram panchayats, secondary and higher secondary schools and public health care centres. BSNL is offering special tariffs for rural subscribers by providing lower rental and higher free calls as compared to urban area subscribers.

**Mobile Schemes - HP Govt. & Hp Industrial Cug and Student Plan**

The fixed monthly Closed User Group (CUG) is post paid plan. The call charges within the CUG group is "free" and charges outside CUG group are as per respective tariff plan. The CUG number can be from BSNL 2G or 3G mobile numbers and there is no restriction on the mix of plan for formation of CUG group. BSNL has also launched unlimited free call plan at Rs. 175 in Himachal Pradesh. BSNL had also launched student Azadi Plan especially for students but now this plan is discontinued.

**Special Tariff Plans for Paramilitary Forces**

Telecom services provider, BSNL has launched special tariff plans for Paramilitary Forces. With daily free talk time for 20 minutes on any two BSNL numbers, Jawans can talk with their family, anywhere in country under this plan. The facility is also free of cost while on roaming.

**Assistance during Natural Calamities**

BSNL always remains awake of its responsibility as a corporate citizen. When a natural disaster, Tsunami waves

struck the Indian shores, BSNL 14 Company swung into action immediately for providing relief to the affected masses in the coastline areas. Communication networks at the coastal areas of Tamil Nadu, Kerala and the Andaman and Nicobar Islands – worst hit in the Tsunami, were restored within the short period of time. It is also evident that telephone services were restored in record time in flood-hit areas of Gujarat and Maharashtra in the past and BSNL along with its employees contributed an amount of Rs. 2,207 lakhs to the Prime Minister’s Relief Fund (www.bsnl.co.in).

**Data Sources and Methodology**

The study is based on both secondary and primary data. A sample of 700 cellular subscribers has been conveniently selected from six districts of Himachal Pradesh. The data collected through structured questionnaire, in-person interviews and from official website of the company.

**Sample**

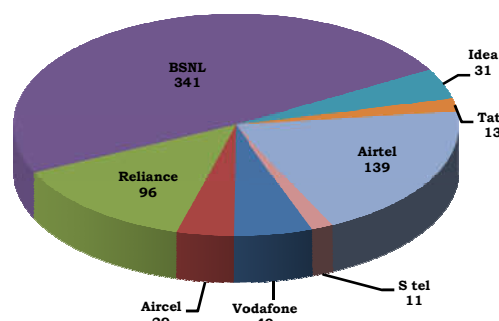
The sample comprised of 40% females and 60% males. Most respondents belonged to the age groups up to 25 and 25- 45 years category (29% and 42%) followed by 45-65 years category (19%) and above 65 years category (9.7%). 10.3% respondents were illiterate, 9% below matriculate, 30% above matriculate and others 50% were graduate and postgraduate. Majority of the respondents using cellular services were Govt. employees and students.

**OBSERVATIONS AND DISCUSSION**

Present results revealed that BSNL has occupied first position with 48.7% of total 700 respondents in studied area (Table 1 & Fig. 1).

**Table 1** Service provider wise number of respondents

Service providers	Number of respondents
Vodafone	40 (5.7)
Aircel	29 (4.1)
Reliance	96 (13.7)
BSNL	341 (48.7)
Idea	31 (4.4)
Tata	13 (1.9)
Airtel	139 (19.9)
S Tel	11 (1.6)
Total	700 (100)



**Fig 1** Market share of service providers

Note: Figures in parenthesis depict percentage

To evaluate the customers awareness of corporate social responsibility in the studied area, different parameters have been taken independently and analysed statistically. It has been

observed from the Table 2 that 92.1 percent respondents have knowledge of CSR.

The mean values of knowledge of CSR was more than the average standard score at three points scale and this showed opinion of respondents more towards higher side of mean standard score. It is further observed that 59.9 percent of the total 700 respondents were satisfied with the transparency of mobile services and mean value of the statement was recorded more than the average standard score. Similarly 68 percent of the total respondents were satisfied with the quality of services but 28.7 percent not satisfied with the roaming facility being provided by their network. It was also noted that majority of respondents were not aware of the privacy laws and regulations of BSNL and mean value of this view was also found higher than the average standard score.

Major focus of the study was to know the quality services and thus some parameters were taken to evaluate the corporate social responsibilities of BSNL (Table 3; Fig 2). In the grievances redressal system, 43% respondents said that they were satisfied with the present system, 12.6% not satisfied and 44.3% have given no opinion. 93.5% admitted that BSNL cellular services are economical and cheaper mode of communication and 88.8% said that cellular services are affordable to common man.

**Table 2** Respondents' awareness on CSR of BSNL

Statements	Yes	No	Can't say	Total	Mean	$\sigma$
Knowledge of CSR of BSNL	645 (92.1)	20 (2.9)	35 (5.0)	700 (100)	2.871	0.460
Satisfied with the transparency in mobile services	419 (59.9)	166 (23.7)	115 (16.4)	700 (100)	2.434	0.758
Satisfied with quality of mobile services	476 (68.0)	141 (20.1)	83 (11.9)	700 (100)	2.561	0.695
Satisfied with roaming facility	339 (48.4)	201 (28.7)	160 (22.9)	700 (100)	2.255	0.805
Awareness of privacy laws and regulations of BSNL	237 (33.9)	389 (55.6)	74 (10.6)	700 (100)	2.232	0.625

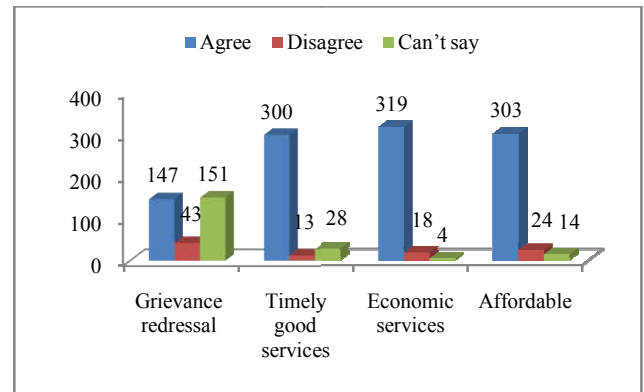
Mallikarjuna and Mohan (2010) revealed that the poor connectivity, low coverage, high call tariffs, high charges, low talk time on recharge coupons and frequent changes in recharge plans were major problems faced by the subscribers. Banumathy and Kalaivani (2006) revealed that 65 respondents had chosen the cell phones for low cost, 86 for more convenience out of the total 300 respondents. While analysing the timely good services being provided by BSNL, it has been observed that majority of respondents, 88% percent of total 341 respondents are satisfied, 3.8% not satisfied and 8.2% has given no opinion (Table 3 & Fig. 2). However, Amulya and Anand (2011) exposed the weakness of BSNL and advocated that delay in decision making, poor marketing and employees unions are major factors responsible for tardy growth of BSNL. Dahari et al. (2011) noticed that customers were very much conscious of brand image, service quality and price of the operators which helped them to choose the services of their taste.

Sinha and Wagh (2008) advocated that an economic service was most influencing factor for mobile subscribers. If call tariffs decline, more usage of cell phone be increased. Dhanda and Goel (2009) also revealed that economical plans turned out to be the most important factor being considered by the users while selecting the service provider. Phau and Teah (2009) noticed that convenience and low costs influenced the

customers to use value added services. But it is important to mention here that majority of the respondents are not aware of the corporate social responsibilities of entrepreneurs.

**Table 3** Respondents' opinion on Corporate Social Responsibility of BSNL

Statements	Agree	Disagree	Can't say	Total
Strong grievance redressal system	147 (43.10)	43 (12.6)	151 (44.3)	341 (100)
Timely good services	300 (88)	13 (3.8)	28 (8.2)	341 (100)
Economic services	319 (93.5)	18 (5.3)	4 (1.2)	341 (100)
Affordable to common man	303 (88.8)	24 (7)	14 (4.1)	341 (100)



**Fig 2** Respondents' opinion on CSR of BSNL

While analysing the honesty in services being provided by BSNL, it has been observed that 1.7 percent of total respondents agreed to great extent, 9.7 percent to moderate and majority of subscribers, 17.6 percent agreed to some extent for honesty of mobile operators (Table 4).

It is apparent from the table 4 that 111 out of total 341 respondents gave no response and 108 respondents agreed to some extent on friendly behaviour of the service provider, but 42 disagreed for friendly behaviour of mobile operators. Majority of the respondents showed full faith and confidence in BSNL service provider while 13.1 percent respondents were neutral but 4.7 percent have no faith in cellular service provider. A moderate size (12.4 %) of the customer not showed interest to evaluate the fairness of the service providers, but 4.0 percent of the total sample size rejected the fair dealing of service providers in the straightway. Liu (2002) carried out the studies to compare the factors affecting the brand decision and observed that majority of customers want all most all possible features in cellular services. Sundarapandian and Manickaval (1997) explored the problems of telecom subscribers and advocated that billing of telephones and faulty calls were very frustrating for telephone subscribers. Essential qualification and trained staff are essential components of any entrepreneurship to redress the customer quarries in the better way. It has been observed that 15 percent customers agreed to moderate, 12.3 to some and only 2.6 percent to greater extent that the service providers were well trained and qualified staff to cater the need of the subscribers. It is inferred from table 3 that 4.9 percent (34) respondents agreed to great extent, 22.7 percent (159) to moderate and 10.4 percent (73) to some extent that favouritism exists among the service providers. Whereas, 8.0 percent (56) respondents were neutral but 2.7 percent (19) respondents strongly denied this practice.

**Table 4** Respondents’ perception on different parameters of corporate social responsibility of BSNL

Statements	Agreed to extent					Total	Mean	σ	SKW	χ <sup>2</sup>	P. Value
	Great	Medium	Some extent	Don't know	Not at all						
Honesty of the service provider	12 (1.7)	68 (9.7)	123 (17.6)	88 (12.6)	50 (7.1)	341 (48.7)	3.281	1.052	-0.005	100.950	<0.05
Friendly behaviour	17 (2.4)	63 (9.0)	108 (15.4)	111 (15.9)	42 (6.0)	341 (48.7)	3.287	1.059	-0.222	98.985	<0.05
Faith and confidence	21 (3.0)	105 (15)	90 (12.9)	92 (13.1)	33 (4.7)	341 (48.7)	3.032	1.101	0.095	85.965	<0.05
Fair dealing	23 (3.3)	106 (15.1)	97 (13.9)	87 (12.4)	28 (4.0)	341 (48.7)	2.973	1.080	0.123	91.947	<0.05
Trained and qualified staff	18 (2.6)	105 (15)	86 (12.3)	97 (13.9)	35 (5.0)	341 (48.7)	3.076	1.100	0.075	89.777	<0.05
Favouritism	34 (4.9)	159 (22.7)	73 (10.4)	56 (8.0)	19 (2.7)	341 (48.7)	2.610	1.050	0.603	176.05	<0.05
Strict supervision	25 (3.6)	144 (20.6)	88 (12.6)	61 (8.7)	23 (3.3)	341 (48.7)	2.744	1.049	0.495	148.07	<0.05

Note: Figures in parenthesis depict percentage

Majority of the respondents revealed that BSNL cellular service entrepreneur has managerial skills and strict supervision on their staff and agreed to different levels of satisfactions of the customers. The mean values were found much higher than the mean standard score at five point scale. Further the positive values of skewness except honesty and friendly behaviour of service provider depicted the distribution of opinion of respondents more towards the lower side of the mean standard score. The application of χ<sup>2</sup> test of goodness of fit reveals that the calculated values were more than the table value at 5 percent level of significance. Hence, the respondents’ perception on different parameters of corporate social responsibility of BSNL was not equally distributed. Riquelme (2001) also bring out the fact that customers were influenced by the mobile features, connection fee, access cost, mobile to mobile call rates and free calls.

**CONCLUSION**

In the age of globalization, the concept of CSR can't be ignored by the corporate firms. By keeping in mind the changing market scenario business firms have to change their work culture as per the market demands. The findings of this study provide insights into an area of growing concern of BSNL towards corporate social responsibilities. This public sector undertaking has been doing great effort for the achievement of business goals by marring the business with social responsibility to elevate the CSR framework for economic, public relation and social environment as per the public expectations.

**References**

1. Amulya, M. and Anand, D. (2011). Market competence of BSNL in the present dynamic telecom world. *Indian Journal of Marketing*, 41(6), 13-21.
2. Banumathy, S. and Kalaivani, S. (2006). Customers’ attitude towards cell phone service in communication system. *Indian Journal of Marketing*, 36 (3), 31-36.
3. Dahari, Z. B., Rahman, M. S. and Azam, S. M. F. (2011). Customer satisfaction with mobile phone operators: An exploratory study in Kuala Lumpur, Malaysia. *Indian Journal of Marketing*, 41(5), 39-47.

4. Dhanda, N. and Goel, P. (2009). Selection and switchover behaviour of mobile phone users: An empirical study. *Global Journal of Business Management*, 3(2), 112-123.
5. Kenneth, E. A., Carroll, B. A. and John, D. H. (1985). An Empirical Examination of the Relationship between Corporate Social Responsibility and Profitability. *The Academy of Management Journal*, 28 (2) 446-463.
6. Kousalya, P.R., Yuvaraj, S. and Mohan,T. (2013). Corporate Social Responsibility in Indian Perspective. *Indian Journal of Applied Research*, 3(3) 247-248.
7. Liu, C. M. (2002). The effects of promotional activities on brand decision in the cellular telephone industry. *Journal of Product & Brand Management*, 11(1), 42-51.
8. Mallikarjuna, V. and Mohan, G. K. (2010). Customer switching behavior-An evaluation of factors affecting mobile users. *Indian Journal of Marketing*, 40 (3), 42-49.
9. Phau, I. and Teah, M. (2009). ‘Young consumers’ motives for using SMS and perceptions towards SMS advertising. *Direct Marketing: An International Journal*, 3(2), 97-108.
10. Riquelme, H. (2001). Do consumers know what they want? *Journal of Consumer Marketing*, 18(5), 437 - 448.
11. Sinha, S.K. and Wagh, A. (2008). Analyzing growth of cellular telecom sector and understanding consumers’ preferences and choices on the use of cell phone. *Indian Journal of Marketing*, 38 (9), 27-35.
12. Sundarapandian, P. and Manickaval, S. (1997). Problems in telecommunication. *Indian Journal of Marketing*, 26(2, 3, 4), 16-23.
13. Telecom Regulatory Authority of India. (Jan 09, 2017). *Press Release*. Retrieved from [http://www.trai.gov.in/sites/default/files/Telecom%20Sub\\_Eng\\_pr.03\\_09-01-2017\\_0.pdf](http://www.trai.gov.in/sites/default/files/Telecom%20Sub_Eng_pr.03_09-01-2017_0.pdf)
14. <http://www.bsnl.co.in/opencms/export/finresult/infomanual.pdf>
15. <http://tender.bsnl.co.in/bsnltenders/pdf/AR%202015-16%20ENGLISH.pdf>
16. [http://www.bsnl.co.in/opencms/bsnl/BSNL/about\\_us/company/about\\_bsnl.html](http://www.bsnl.co.in/opencms/bsnl/BSNL/about_us/company/about_bsnl.html)

\*\*\*\*\*