Introduction:

The concept of "Social Accounting" is attracting the attention of many industrialists today as a result of industrial growth and economic prosperity of nations and growing awareness among the governments and people about the obligations of business as a corporate citizen. If an organisation has to function effectively and survive, it has to be accountable to the public at large.

J. R. Hicks first introduced the term ‘social accounting’ into economics, in 1942. In corporate world, the concept of Social Accounting emerged in the 1960’s when social values and expectations gave rise to a debate about the role of business in society. This debate focused on the nature of corporate social responsibility and gave rise to the possibility that this responsibility could be discharged through a method of social responsibility accounting. A number of authors and institutions have attempted to define the concept of social responsibility accounting and its implication for the society at large in response to concern expressed by Joan Robinson about the social costs of an industrial organisation.

Social Responsibility Accounting, also known as Social and Environmental Accounting, Corporate Social Reporting, Corporate Social Responsibility Reporting, Non-financial Reporting or Sustainability Accounting, is the process of communicating the social and environmental effects of organisations’ economic actions to particular interest groups within society and to the society at large. Social responsibility accounting is concerned with the development of measurement systems to monitor social performances. It is a rational assessment of and reporting on some meaningful domain of business organisations’ activities that have social impact. (Gary R.H. et.al., 1987)

Gray (2000) defined social accounting as “preparation and publication of an account about an organisation’s social, environmental, employee community, customer and other stakeholder interactions and activities, and, where, possible the consequences of those interactions and activities”. (Gary R.H. et.al., 2000)

D. Crowther defines social accounting in this sense as "an approach to reporting a firm’s activities which stresses the need for the identification of socially relevant behaviour, the determination of those to whom the company is accountable for its social performance and the development of appropriate measures and reporting techniques." (Crowther D., 2000)
Social accounting is commonly used in the context of business, or corporate social responsibilities (CSR), although any organisation, including NGOs, charities and government agencies may engage in social accounting. Social accounting emphasises the notion of corporate accountability.

**Objectives of Social Responsibility Accounting:**

Main objectives of social accounting are to help society by providing different facilities by enterprise and to record them. Some of the objectives of Social Responsibility Accounting are:

1. **Effective Utilisation of Resources:** One of the objectives of social responsibility accounting is to ensure proper utilisation of resources at the disposal of the company and minimise their wastage.

2. **Obligations towards Employees:** Human resource is an important resource for any organization. Social responsibility accounting highlights the company’s contribution towards welfare of its employees.

3. **Obligations towards Consumers:** Social accounting also highlights the contribution made by an organization towards the welfare of its consumers in terms of provision of better quality goods and services at competitive price.

4. **Obligations towards Investors:** Investors are the owners of the company. Social responsibility accounting also measures the role of the company in enhancing the investments of the investors.

5. **Obligations towards Society:** Business is a part of society and therefore, business must contribute to the welfare of society in terms of preservation of environment and development of social infrastructure.

In recent years, the concept of social responsibility has gained tremendous importance. In most parts of the world, non-financial disclosures remain a voluntary practice. So far France is the only country to enact specific legislation requiring publicly listed companies to produce non-financial reports covering economic, social as well as environmental dimensions. Some other countries have specified compulsory non-financial disclosures for listed companies. However, there is no universally accepted format or structure for such disclosures.