

## **CHAPTER 3**

### **CSR PRACTICES OF PUBLIC SECTOR UNDERTAKINGS**

This chapter is a qualitative exploration of the first objective, which is to understand the CSR practices of Indian PSUs. It would help in identifying the major focus areas in which the CSR practices are oriented, the areas which receive lesser attention, and the CSR expenditure pattern of the selected organizations. It also attempts to analyze the difference in the CSR activities undertaken after the implementation of the Company Act 2013, which came into effect from April 1, 2014. It is analysed by studying the difference in budget allocation and expenditure by comparing the two consecutive financial years FY 2013-14 and FY 2014-15, for each of the selected PSU. The sector-wise budget allocation has also been studied to trace any significant changes in the year following the implementation of the New Company Act. The selection of the FY 2013-14 and 2014-15 gives an opportunity to understand the immediate effects of the implementation of new policy.

The chapter discusses about the various activities undertaken by PSUs under the Ministry of Power. They are National Thermal Power Corporation (NTPC), National Hydroelectric Power Corporation (NHPC), Rural Electrification Corporation (REC), North Eastern Electric Power Corporation (NEEPCO), Power Finance Corporation (PFC), Power Grid Corporation of India (POWER GRID), Satluj Jal Vidyut Nigam Limited (SJVN), and Tehri Hydro Development Corporation India Limited (THDCIL). Since the list comprises of the PSUs of all the Ratna status i.e Maharatna, Navratna, and Miniratna, the selection can be assumed to give a comprehensive picture of the existing practices.

The analysis in this section entirely depends on the secondary data and it is procured through the website of department of public enterprise, and annual report of the PSUs, Sustainability and CSR reports, publications, research papers and articles that are published in different national and international journal etc. A detailed list of all the resources used has been attached in the references.

#### **3.1 Public Sector Undertakings and Ratna Status**

In the post-independence period, the expansion of public sector was undertaken as an integral part of the Industrial Policy 1956. The term public sector undertaking or Enterprise

refers to a Government Company. Government Company is defined (under Section 2 (45) of the Companies Act, 2013) as any company in which not less than 51% of the paid up share capital is held by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments, and includes a company which is a subsidiary company of so called Government company.

In 2009, the government established the “Ratna” status. Accordingly, a few companies have been chosen to be granted such status of Maharatna, Navratna and Miniratna. The following section discusses the guidelines on CSR for PSUs as they have evolved over the years. They have been studied referring to Mukherjee and Bordoloi (2014) who has used the following documents: DPE O.M. No. 2(1)/94-GM dated the 29th November, 1994, F.No.15(3)/2007 - DPE(GM)-GL-99 Dated 9th April 2010, 3. No. 15(3)/2007-DPE (GM)-GL-100 Dated the, 4th February, 2011, DPE OM No. 15 (7)/2012-DPE (GM)-GL-104 Dated the 12th April, 2013, and The Companies Act 2013.

### **3.2 Guidelines on Corporate Social Responsibility and Sustainability for Central Public-Sector Enterprises through the years (1994-2013)**

The requirement of CSR of the CPSEs first comes to light on recommendation made by Committee on Public Undertakings (1993-94) in its 24th Report on ‘Social Responsibilities and Public Accountability of Public Undertakings’. Accordingly, a guideline was issued on 29th Nov’1994 which stresses on CSR practices in accordance with the provision of Memorandum of Association (MOA) of respective CPSEs. The MOA of the CPSEs constitutes the aspects like social objective along with the commercial objective for which they are incorporated. Responsibility was put on individual CPSEs to identify and implement social responsibility keeping in view their financial capability, operating environment and provision in its MOA. Moreover, provision was also made in guidelines that CPSEs can be entrusted with social responsibilities through issuance of Presidential Directives or by guidelines of concerned ministries/departments. Implementation of Presidential Directives was mandatory.

Another important guideline was issued by DPE in 9th April’2010, superseding all earlier guidelines issued to CPSEs regarding the CSR practices. This guideline can be considered as turning point in CSR practices by CPSEs. The guidelines envisage on the drastic shift in the CSR approach of the CPSEs. This guideline has put thrust on acceptance of

CSR as long term sustainable approach. It was suggested to prepare a long term planning for the identification and implementation of CSR. The long-term Corporate Social Responsibility Plan should match with the long term Business Plan. This should be broken down into medium term and short term plans.

According to this guideline the CPSEs have to make CSR investment as project based. Mere donations to the charity houses would not be considered as CSR. The CSR project must be time-framed and must generate community goodwill, create social impact and visibility. Project activities identified under CSR are to be implemented by Specialized Agencies and generally not by staff of the CPSE concerned. Specialized Agencies could be made to work singly or in tandem with other agencies. The guideline also proposes for setting up of a National CSR Hub which will act as think tank. The National CSR Hub will carry out Nation-wide compilation, documentation, and creation of database; Advocacy; Research; Preparation of Panels of Implementing organisations/ monitoring and valuation Agencies; Promotional activities, including production of short films, printing of brochures, pamphlets etc.; Conferences, Seminars, Workshops - both national and international; Any other matter as entrusted to it from time to time by the Department of Public Enterprises (DPE). The guideline also made it compulsory to create CSR budget for every financial year. The budget would allocated through board resolution as a percentage of Net Profit. This guideline also requires that CPSEs before investing in CSR projects have to document its impact quantitatively. So, here CPSEs have to mandatorily conduct the base line surveys. It is also necessary for CPSEs to report their CSR policies, approaches, expenditures etc. in public domain and the National CSR Hub.

CPSEs were served by another guidelines by DPE in 12th April 2013 superseding all earlier guidelines/circulars/instructions etc. on the subject, that have been issued by Department of Public Enterprises (DPE) on any prior date. Some of the important features of the 2013 guidelines are as follows:

1. The earlier guidelines focused mainly on CSR activities for external stakeholders. Whereas, in the revised guidelines, CSR and Sustainability agenda is perceived to be equally applicable to internal stakeholders (particularly, the employees of a company), and a company's corporate social responsibility is expected to cover even its routine business operations and activities.

2. In line with the international practice, in the revised guidelines CSR and Sustainable Development have been clubbed together in one set of guidelines for CSR and Sustainability.
3. The thrust of CSR and Sustainability is clearly on capacity building, empowerment of communities, inclusive socio-economic growth, environment protection, promotion of green and energy efficient technologies, development of backward regions, and upliftment of the marginalised and under-privileged sections of the society.

### **3.3 Provisions on Corporate Social Responsibility in the Companies Act 2013 (to be Effective from 1st April'2014)**

Some of the important provisions in the Companies Act 2013 regarding CSR are as follows:

1. The board of director has to submit CSR report regarding CSR policies and implementation in general meeting in a year.
2. Company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director. The committee shall be responsible for formulation of CSR policies, budget, and its implementation.
3. The Board of every company shall ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

If company fails to invest the same then board should specify the reasons for not spending the amount. Activities relating to:— Eradicating extreme hunger and poverty; Promotion of education; Promoting gender equality and empowering women; · Reducing child mortality and improving maternal health; Combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases; Ensuring environmental sustainability; Employment enhancing vocational skills; · Social business projects; · Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and

relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and · Such other matters as may be prescribed.

This background that explains the formation and implementation of various CSR policies and guidelines through years, leads towards a discussion of the CSR practices of the selected PSUs. The information has been procured through the website of the organistaions and the annual reports.

### **3.4 National Thermal Power Commission (NTPC)**

NTPC is India's largest energy conglomerate with roots planted way back in 1975 to accelerate power development in India. Since then it has established itself as the dominant power major with presence in the entire value chain of the power generation business. Starting from fossil fuels it has ventured into generating electricity via hydro, nuclear and renewable energy sources. This plays a major role in lowering its carbon footprint by reducing greenhouse gas emissions. To strengthen its core business, the corporation has diversified into the fields of consultancy, power trading, training of power professionals, rural electrification, ash utilisation and coal mining as well. NTPC became a Maharatna company in May 2010.

NTPC- CSR and Sustainability objectives:

- a. To lead the sector in environment protection including effective ash utilization, peripheral development and energy conversation practices.
- b. To lead the sector in the area of resettlement and rehabilitation.
- c. To contribute to sustainable power development by discharging corporate social responsibility.

NTPC has a well-entrenched set of policies for its Community Development Initiatives. These policies are our guiding lights for the successful implementation of these initiatives. The Initial Community Development (ICD) Policy guides Community Development during project inception, Resettlement & Rehabilitation (R&R) Policy guides envisaging Community Development during project development and CSR-Community Development (CSR-CD) Policy guides envisaging Community Development activities during operational phase. Following are the various CSR initiatives categorized under different headings:

## **Education**

NTPC earmarks 15%-20% of its CSR-CD budget for education. Key Initiatives in education:

- Running schools at stations out of which more than 20 schools are predominantly catering to nearby community. It also provides infrastructural support to schools for underprivileged children at Government Schools.
- Supporting to set-up technical polytechnic at Kaladungi, Uttaranchal
- Special initiative of construction of girl toilets at primary & middle schools so as to support education of girl child and reduce dropouts of girls from schools.
- On regular basis, stations also take up activities related to development of school infrastructure, Adult Education, Coaching and personality development programs, providing Scholarships, Solar Lanterns, Study material & uniforms etc to deserving students.

## **Health**

NTPC's community outreach takes the form of providing access to basic yet quality infrastructure for health, sanitation and hygiene in and around our plants. Key Initiatives in health:

- Mobile Community Clinics- "Health on Wheels".
- Subsidized medical facilities to surrounding community at project / station hospitals.
- General / special medical camps and camps to provide surgical treatment.
- Health related infrastructure in neighbourhood villages.
- Support committed for development of King George Hospital, Visakhapatnam.

## **Community Development**

**Safe Drinking Water:** NTPC has constructed sheds for housing the RO plant, installed equipment and handed over the RO Plants to Village Development Committee and thus helps in providing clean drinking water to the residents of village at nominal charge covering operating and maintenance costs.

**Capacity Building:** NTPC promotes policies and programmes that focus on enhancing capability, improving equity and increasing social sustainability. Key Initiatives in capacity building include; Udaan- initiative for training J&K youths, Adoption of 17 ITIs, and 9 new

ITIs being set up under R&R. Vocational Training programmes like Web page designing, Computer training, motor rewinding, Motor Driving, General Electrical / Mobile Repairing are being run, Support committed to Chanderi Development Society for Handloom Weavers for Common Facility Centre (CFC) in Handloom Park at Chanderi, District Ashok Nagar, Madhya Pradesh, Support for construction of school cum multipurpose buildings, furniture, lab items, girls toilets in schools, hostels etc.

### **Women Empowerment / Enfranchisement**

NTPC has a number of courses and projects specially designed for the ladies of the community such as Tailoring, Stitching, Dress Designing, Beautician, and Embroidery. Their focus is aimed at assisting women to understand that when the backbone of the family is strong and economically independent, the rest of the family will flourish. The programmes include: Adult education programmes for underprivileged women, Distribution of Bicycles for Girls through West Bengal Government, Vocational Training programmes, Handicrafts. Food Preservation/ Processing, Computer Education for women population in the neighborhood villages

### **Empowering Physically Challenged Persons**

The universal declaration of "Human Rights" affirms that every person is equally entitled not only to life, but to a life of dignity. People with disabilities have the same rights as all other people. However, for a number of reasons they often face social, legal, and practical barriers in claiming their human rights on an equal basis with others.

NTPC has been in the forefront of supporting the special needs community. NTPC supports the physically challenged persons through (1) Rehabilitation - enabling an impaired person to reach an optimum mental, physical and / or social functional level and (2) Equalization of Opportunities – making accessible educational opportunities for all.

NTPC Foundation, registered in December 2004, is engaged in serving and empowering the physically challenged and economically weaker sections of the society

### **Environment**

In November 1995, NTPC brought out a comprehensive document entitled 'NTPC Environment Policy and Environment Management System'. Amongst the guiding principles adopted in the document are the company's pro-active approach to environment,

optimum utilisation of equipment, adoption of latest technologies and continual environment improvement.

The policy envisages new technology initiatives and efficient utilisation of resources, thereby minimising waste, maximising ash utilisation and ensuring a green belt all around the plant for maintaining ecological balance. The Union Ministry of Environment & Forests and the Ministry of Power and NTPC were involved in preparing the draft Environment Policy which was later approved by the Union Cabinet in May 2006.

*CenPEEP - Centre for Power Efficiency & Environmental Protection*

Centre for Power Efficiency & Environmental Protection was established to take initiatives to address climate change issues as well as improving the overall performance of coal-fired power plants. It is a symbol of NTPC's pro-active and voluntary approach towards the cause of reducing greenhouse gases emission. The centre functions as a resource centre for acquisition, demonstration and dissemination of state-of-the-art technologies and practices for the performance improvement of coal fired power plants for the entire power sector of India.

The budget allocation and expenditure for the two financial years show that the budget allocated to CSR activities increased drastically in 2014-15 but a part it remained unspent to be carried forward to the next financial year i.e 2015-16 but interestingly the expenditure on CSR in 2013-14 was similar to the budget allocated even though the amount was smaller as compared to the subsequent year. After studying the CSR practices, we proceed with and analysis of the budget allocation and expenditure in the years selected for study.

**Table 2: CSR Budget allocation and Expenditure at NTPC**

| <b>Year</b>    | <b>Total Budget Allocated (cr.)</b> | <b>Expenditure (cr.)</b> |
|----------------|-------------------------------------|--------------------------|
| <b>2013-14</b> | 126.12                              | 128.35                   |
| <b>2014-15</b> | 283.48                              | 205.18                   |

The sector wise comparison could not be done for these two years since the relevant data is not disclosed by the organization in the required format; neither in the sustainability reports nor in the annual reports. The reports rather have region wise allocation of budget and expenditure which are further divided into several activities.



### **3.5 Rural Electrification Corporation Limited (REC)**

REC, a Navratna company, came into being in 1969 to articulate a response to the pressing exigencies of the nation. It was established during the time of severe drought when the leaders sought to reduce the dependency of agriculture on monsoons by energizing agricultural pump-sets for optimized irrigation. Various CSR initiatives of REC are as follows:

#### **Skill Development**

Skill development is a focus area for REC, and it has executed several programmes to promote the same. Job oriented skill development training programmes have been running benefitting youngsters and women from economically weaker sections of the society across the states of Odisha, Uttar Pradesh, Bihar, Haryana, Madhya Pradesh, Chhattisgarh, Punjab, Tamil Nadu, Jharkhand and Rajasthan.

#### **Education**

- 80 libraries have been set up in government primary schools in Delhi, Chhattisgarh, Uttarakhand, Andhra Pradesh and Telangana for promoting literacy and educational access. This initiative has benefitted many children from underprivileged families with high illiteracy rates, which had little or no access to libraries. The objective of the programme is to help meet the goal of universalizing quality elementary education for all children.
- Teaching and learning tools for English and Mathematics have been provided to schools situated predominantly in slums and villages in Delhi.
- A residential academic programme has been launched for a batch of female students from the remote villages of Uttarakhand and Sikkim.
- Amenities like computers, school furniture and ceiling fans have been provided to schools, colleges & institutes and self-help groups. Further, school fees, uniforms, bags, braille slates and Taylor frames have been funded for visually impaired students studying in various schools.
- Residential coaching programmes has been initiated for 65 unprivileged students from Chhattisgarh, Odisha, Bihar, Delhi and Jammu & Kashmir, to help them prepare for the entrance examination for admission in IIT/NIT and other leading engineering institutes.

- 50 laptops with special software have been provided to visually impaired students pursuing professional or technical course in Delhi.

### **Health & Wellness**

REC has been conscious of the need for improved and inclusive health care services for the poor, the elderly, the specially-abled, and people from marginalized sections and has undertaken several initiatives towards achieving the goal.

- Mobile van units equipped with basic medical facilities have been deployed in Assam, Andhra Pradesh, Madhya Pradesh and Uttar Pradesh to improve access to primary healthcare services.
- Aids and assistive devices have been provided to persons with special abilities from weaker sections of the society in various regions across India with the objective of empowering them to lead lives of socio-economic independence.
- Multi facility kits have been provided to old age homes across India aimed at enabling old-aged people to maintain their fitness levels through physical recreational activities and to allow them to lead life with dignity.
- Corrective surgeries have been facilitated for polio affected and born specially-abled persons from weaker sections of the society. Calipers with crutches were also distributed after treatment as per requirement. Cataract diagnoses and surgeries have been funded.
- Cleft lip and palate surgeries have been supported, for improving cleft and facial deformity for a number of children from poor families lacking awareness and access to medical services in Delhi.
- Procurement and commissioning of nine steam sterilizers in Central Sterile Supply Department of AIIMS, New Delhi has been financed to improve the quality of patient care and reduce the chances of nosocomial infections.

### **Environmental Sustainability**

- Apart from promoting renewable energy projects through business activities, efforts are made to reduce, re-use and recycle waste material, replenish ground water supply, protect, conserve and restore the ecosystem, reduce carbon emissions and help in greening the supply chain.

- Solar photovoltaic systems have been installed in the campuses of various leading educational institutes
- Contributions have been made towards the conservation of the biotic diversity and the rejuvenation of the river Ganga to control non-point pollution. Waste treatment and disposal plants have been set up. Several community based activities have been taken up to reduce pollution through human interface.
- LED based Solar Street Lightings systems have been installed to make electricity accessible and solar lanterns have been distributed in poorly electrified villages. Also, Solar micro grids have been provided to bring clean and affordable lighting to rural households in need of reliable lighting service in the poorly electrified villages of Odisha and Jharkhand.

### **Women Empowerment**

- REC has an increased focus on capacity building for women in rural areas.
- Skill development and livelihood support programmes in Apparel and Dress Making, Handicrafts, Aari & Zardozi and Beauty Culture have been organized for women from poor and underprivileged sections in rural areas of Bihar and Uttar Pradesh.
- Production and marketing resource centres with all the necessary services and facilities have been established to offer livelihood support to trained women from the backward areas in Uttar Pradesh.

### **Rural Development**

The World is witnessing rapid economic, social and technological transformation. To enable rural areas to participate in this transformation rather than be marginalised by it, adequate measures need to be taken to create infrastructure for inclusive development. Rural infrastructure is vital to economic growth and poverty alleviation in the villages. REC, not only contributes to rural development through its unceasing endeavours to electrify every household, but also by creating learning and livelihood opportunities in the villages.

- Farmer-centric integrated watershed management programmes have been run to benefit the farmers living in rural areas of Andhra Pradesh by soil & water conservation, productivity enhancement, livestock development, construction of

wastewater treatment unit, construction of check dams and creation of “Model Sites of Learning”.

- A culvert linking two villages in Uttar Pradesh has been constructed with the objective of mitigating hardships for the local community, improving socio-economic conditions of the area and quality of life of its residents. This shall have a long term impact on the rural population of the two villages as well as the neighbouring villages.
- Construction of asphalt road and development of Eco Park have been taken up in a village in Karnataka.
- Integrated village development projects have been executed for three underdeveloped villages, one each in Odisha, Uttar Pradesh and Chhattisgarh. It helped in improving the quality of lives for people living in respective villages covering the thrust areas of community mobilization, education intervention, vocational training, women empowerment, healthcare and sanitation.

### **Safe Drinking Water**

Safe drinking water facility has been brought to 18 villages in Telangana, Rajasthan and Punjab by setting up RO water plants in identified communities of rural population having contaminated and brackish water. Also, Water ATM machines, bore well hand pumps have been installed and community water plants have been set up at various locations.

### **Sanitation and Hygiene**

Several programmes such as *Swachh Bharat Abhiyan* and *Swachh Vidyalaya Abhiyan* are being executed to improve the situation of sanitation in the country. REC has been actively working to push the cause forward through its several CSR initiatives like:

- A large number of toilets have been constructed for girls and boys in schools under Government of India initiative ‘Swachh Vidyalaya Abhiyaan’ in the 33 districts of states of Punjab, Rajasthan, Uttar Pradesh, Bihar, Madhya Pradesh and Telangana.
- Water facility has been provided by means of tubewell, borewell, etc. in a number of toilets constructed under *Swachh Vidyalaya Abhiyaan* in the states of Rajasthan and Telangana.

- Water, sanitation and hand wash programmes have been executed to create awareness about hygienic practices. Further, toilets have been constructed and repaired and dustbins and other facilities have been provided in government schools of Tripura.

### **Infrastructure Development**

REC, in extension of its role in development of power infrastructure, has taken up several initiatives for infrastructural developments in other aspects too, especially in underdeveloped areas including tribal villages with special emphasis on the areas in and around the projects financed by REC. REC has established the “Centre of Excellence for Deformity Correction” in the state of Odisha to meet the growing needs of specially abled persons. It has built a number of old age homes, rehabilitation centers, constructed and renovated school buildings, class rooms, boundary walls, auditoriums etc. Following is the comparative analysis of the two financial years.

The data in the table 3 below clearly indicates that the budget allocated for CSR activities in 2014-15 increased by a big amount though a large part of it remained unspent and not much difference can be seen on CSR expenditure as compared to the FY 2013-14, despite a range of CSR activities REC is involved in.

**Table 3: CSR Budget allocation and Expenditure at REC**

| <b>Year</b>    | <b>Total Budget Allocated (in cr.)</b> | <b>Expenditure (In cr.)</b> |
|----------------|--|-----------------------------|
| <b>2013-14</b> | 66.6                                   | 38.40                       |
| <b>2014-15</b> | 103.25                                 | 46.04                       |

The sector-wise expenditure for the two consecutive financial years suggest a major shift in the allocation of resources. In the FY 2013-14, highest percentage of expenditure was made on environmental sustainability and after that on education and skill development. In both the financial years Health care and community development activities share almost equal weightage of around 13% and 14%. But in the FY 2014-15, a major amount is diverted from environmental sustainability and other sectors to health care. The reason behind this is that the expenditure made on *Swachh Bharat Abhiyaan*, is also included in health care category as the initiative are concerned with sanitation and hygiene. Educational development remains the second priority in 2014-15 also.

**Table 4: Sector-wise expenditure for REC**

| Sector   | FY 2013-14 (in %) | FY 2014-15 (in %) |
|--|-------------------|-------------------|
| Education/ Skill Development   | 26.29             | 20.9              |
| Environmental Sustainability   | 44.6              | 6.40              |
| Health Care  | 14.5              | 58.2*             |
| Project Based Others (Including rural Development, Women Empowerment and Contribution for relief and rehabilitation activities for calamity affected states/ Homes for senior citizens | 13.02             | 14.36             |
| Misc. Expenditure -CSR Impact Evaluation / need assessment studies& CSR Training etc   | 0.44              | NA                |
| Non-Project Based  | 0.62              | NA                |

\* Also includes expenditure on Swachh Bharat Abhiyaan (as mentioned in the CSR report)

### 3.6 Power Grid Corporation of India Ltd. (POWERGRID)

POWERGRID, a Navratna company, is one of the largest electrical power transmission utilities in the world. POWERGRID is engaged in power transmission business with the responsibility for planning, coordination, supervision and control over inter-State transmission system and operation of National and Regional Power Grids. This gigantic transmission network, spread over length and breadth of the country, is consistently maintained at an availability of over 99%. CSR initiatives.

#### Education

- Construction of toilets in Schools under "Swachh Vidyalaya Abhiyaan" in the 7 states of Andhra Pradesh, Assam, Bihar, Chhatisgarh, Madhya Pradesh, Odisha and Uttar Pradesh.
- Construction of boys' hostel, scholarship to 850 students of Assam & Manipur, who became orphans due to Militancy/Communal violence.
- Distribution of 10,000 solar lanterns to school children in Bihar, Jharkhand & Odisha for better education.
- Installation of 14 solar hand pumps for providing solar drinking water facility to far off hostels of Tribal Development Department in district Jashpur, Chattisgarh.

- Organized "RIGI-CHINGI Patashala" for rural and backward class school students in Raipur, Chhattisgarh.

### **Environmental Sustainability**

- Installation of Solar Photovoltaic Lights in various villages.
- Photovoltaic street lights have been installed.
- Chirang Reserve Forest with plantation of 50,000 saplings was successfully undertaken by POWERGRID in association with Eco-Task Force of the Indian Army and the Bodoland Territorial Council.
- Renovation of Bhairobaba Talab, Bilaspur, Chhattisgarh.

### **Health**

- Construction of 10 Storied, 325 bedded Dharmshala at AIIMS, New Delhi, for providing shelter to patients and their attendants.
- Preventive Health Checkup camps at 94 locations across India. Investigations like Hemoglobin, Blood Sugar, ECG, PFT, Blood pressure, Eye check up by physician doctors/consultants etc. were undertaken in the camps.
- Supply of aids and appliances to disabled persons at different locations.
- Donation of ambulances to Government hospitals.

### **Skill Development**

- Skill Development training and imparting livelihood oriented skill development training to a number of youths spread across various locations across the country like Jamshedpur (Jharkhand) & Patna (Bihar), at various locations in North East etc.
- It has provided condensed courses in Tool & Die making, certificate course in Fitter Trade and certificate course in Welding Technology, Transmission Line Tower Erection & Stringing.
- Organising short-term vocational Skill Development Training programme for a number of Under-privileged / Unemployed youth. It also imparts skill development to Persons with Disabilities (PwD).

- Vocational training programmes for 400 rural women on fruit and vegetable processing and training in vocational skills imparted to girls on tailoring and they are also provided with a sewing machine and associated accessories for tailoring required for self-employment.

**Rural Development**

- Construction of Community Centres, open shed, roads, culverts, drains, class rooms in schools, drinking water system, development of ponds etc. in village in Angul District, Odisha.
- Improving Rural Livelihoods through Farmer-centric Integrated Watershed Management.
- Harnessing the potential of rainfed areas by adopting integrated water source management approach.
- To enhance water availability and its (green and blue water) use efficiency for diversifying the livelihood systems in the target villages by adopting integrated water resource management approach and
- To build capacity of the farmers in the selected areas for improving rural livelihoods through knowledge sharing and dissemination strategy like; Soil analysis & fertilizer recommendations.

Following is the comparative analysis for the financial years:

It can be observed from the table 5 below that both in FY 2013-14 and 2014-15 a large amount of the allocated budget remained unspent but the amount allocated in 2014-15 increased highly as compared to the previous year’s budget.

**Table 5: CSR Budget allocation and Expenditure at POWERGRID**

| <b>Year</b>    | <b>Total Budget Allocated (in cr.)</b> | <b>Expenditure (in cr.)</b> |
|----------------|--|-----------------------------|
| <b>2013-14</b> | 103.18                                 | 27.05                       |
| <b>2014-15</b> | 288.23                                 | 47.41                       |

The sector wise expenditure of the budget shows that rural development initiative and skill development programmers were on the first and second priority respectively, though



with a huge difference between them. The expenditure in the FY 2014-15 majorly shifted funds towards education and health which were merely a focus in FY 2013-14.

**Table 6: Sector-wise expenditure for POWERGRID**

| Sector              | FY 2013-14 (in %) | FY 2014-15 (in %) |
|---------------------|-------------------|-------------------|
| Village Development | 59.5              | 43.7              |
| Education           | 2.62              | 24.9              |
| Health              | 6.46              | 12.3              |
| Skill Development   | 11.5              | 8.03              |
| Environment         | 10.2              | 5.6               |
| Others              | 9.39              | 5                 |

### **3.7 North Eastern Electric Power Corporation Limited (NEEPCO)**

NEEPCO, a Miniratna Schedule "A" Government of India Enterprise under the Ministry of Power was set up on the 2nd of April, 1976 to plan, investigate, design, construct, generate, operate and maintain power stations in the North Eastern Region of the country. NEEPCO is dedicated to harness the vast hydro and thermal power potential and produce pollution free and inexhaustible power through planned development of power generation projects.

NEEPCO stands everywhere in a NE region for community development activities particularly in the field of education, health, infrastructure development and other community needs. Since NEEPCO's operating stations and projects are located all over the North Eastern Region under varying socio-economic conditions, the community development programmes are identified and designed based on specific needs and requirements of the location. CSR initiatives for NEEPCO consist of the following:

#### **Education**

- To organize Skill Development / Vocational Training and other relevant training programmes to improve the skills and employability of the people. It includes sponsoring people to undergo ITI training, computer training, adoption/upgradation of ITI in the N.E. Region etc.
- Award of scholarships to selected local children of BPL and project affected families for studying in nearby schools and/or in NEEPCO Township. Preference may be given to girl child. Supply of study materials like school bags, books, stationary etc. to needy students.

- To extend financial assistance towards construction of school buildings, libraries, auditoriums, teachers' common room etc. in institutions in the corporation's operational areas besides promoting higher education in the region.

### **Healthcare**

- To conduct health surveys for identification of health concerns.
- Organizing awareness campaigns through printed publicity materials / films etc.
- Regular immunization programmes for children and medical check-up in schools.
- To organize family planning camp, eye check-up camp etc. with particular focus on women, children, disabled and aged persons.

### **Community Development:**

- To augment basic infrastructure facilities like electrification, community centre, drains, roads, parks, playgrounds etc. as per need and requirement of local administration based on the need assessment survey carried out by the Corporation.
- To facilitate the creation / up-gradation of community health / potable water / sanitation / educational facilities in partnership with the concerned government agencies and the local community.
- To help create self-employment/employment opportunities for disabled persons.
- To promote rural sports in villages by providing necessary equipments and other facilities.
- To extend financial assistance to socio cultural, sports, women and youth organizations to enable them to carry out their community development activities.
- To organize conservation of the historical monuments and cultural heritage sites on selective basis.
- To contribute towards creation of enabling rural infrastructure base to realize the potential for growing horticultural crops besides providing skills and training for improved agricultural practices etc.

### **Environmental Responsibility**

NEEPCO strictly follows and adheres to all policies and guidelines of the Ministry of Environment, Forest and Climate Change, with regards to identification and mitigation of

Environmental impacts of power projects, with due consideration to the distinctive environmental condition of the North East. In order to achieve the objective of sustainable development, Environmental Impact Assessment (EIA) is carried out for each project. The sustainable activities include: Landscaping and restoration of construction areas, Compensatory Afforestation, Afforestation, Stabilisation of quarry and muck disposal sites, Greenbelt development, Anti erosion / soil conservation measures, Catchment area treatment plan (CAT), Maintenance of water quality, Monitoring of sediment load and inferences, Bio-diversity conservation plan, Sustenance of river fisheries etc.

It can be clearly observed from table 7 that the budget allocated for CSR activities increased by a significant amount in the FY 2014-15. Interestingly, in both the years the most of the amount allocated was successfully spent leaving a relative small amount unspent, as compared to other PSUs.

**Table 7: CSR Budget allocation and Expenditure at NEEPCO**

| Year    | Total Budget Allocated (in cr.) | Expenditure (cr.) |
|---------|---------------------------------|-------------------|
| 2013-14 | 6.37                            | 5.96              |
| 2014-15 | 10.13                           | 9.62              |

Sector-wise expenditure of the two years indicate a major shift in the expenditure In FY 2013-14, the highest percentage of budget was spent for educational and community development.

A major shift can be observed in the expenditure in FY 2014-15. A large share initially spent on Educational and Community development was diverted towards *Swachh Vidyalaya Abhiyaan* which accounted for 48% of the total expenditure on CSR in 2014-15.

**Table 8: Sector-wise expenditure for NEEPCO**

| Sector                | FY 2013-14 (in %) | FY 2014-15 (in %) |
|-----------------------|-------------------|-------------------|
| Education             | 43                | 9                 |
| Health                | 3                 | 3                 |
| Vocational Skill      | 13                | 11                |
| Rural Development     | 5                 | 12                |
| Environment           | 10                | 8                 |
| Community Development | 26                | 6                 |

### **3.8 National Hydro Power Commission (NHPC)**

NHPC Limited, a Miniratna Category-I Enterprise of the Govt. of India was incorporated in the year 1975 with the vision, “To be a world class, diversified and transnational organization for sustainable development of power through conventional and non-conventional sources”. NHPC Limited has become the largest organization for hydropower development in India, with capabilities to undertake all the activities from conceptualization to commissioning in relation to setting up of hydro projects. NHPC Limited is also planning to take Wind and Tidal wave projects in the country.

Since, NHPC’s Power Stations/Projects are located all over India under varying socio-economic condition, the community development programs have to be identified and formulated based on the specific needs and requirement of the particular site. To this effect whole gamut of activities have been identified which to a great extent have been initiated in and around the Power stations/Projects. NHPC while fulfilling its CSR obligation has taken up following initiatives:-

#### **Education and Skill Development**

- Scholarship to a large number of SC/ST and girl students, studying in Govt. schools of nearby area of NHPC Project/Power Stations/Townships.
- For broader coverage, handicapped students, students from economically weaker section, meritorious students and outstanding sports students have also been included for scholarship from financial year 2013-14.
- Improvement of basic education by retraining the primary teachers.
- NHPC is contributing towards various skill development programmes for employability to the people specially youth and women in the periphery of its Projects/Power Stations.
- Organizes Skill Development / Vocational Training on cutting, tailoring, sewing, beautician, mobile repairing and other training programs to improve the skills and employability of the people. It includes sponsoring people for vocational training, ITI training, computer training etc.

### **Environmental Sustainability**

Sustainability principles are translated into strategy and action by NHPC in all its operation so that corporate excellence is blended with inclusive growth and environment friendly power development. The key initiatives comprise of:

- Impact assessment study to quantify reduction in carbon footprint and
- Implementation of measures and completion of study.
- Installation of Solar Street Light Poles.
- Distribution of Solar LED lanterns in project affected villages.
- Voluntary afforestation under SD by planting Saplings.
- Rain water Harvesting.
- Development of Bio-Diversity Parks/ Eco- Parks etc.

### **Rural Development**

NHPC has augmented basic infrastructure facilities like electrification, community centres, panchayat ghar, water drains, roads etc. as per the need and requirement of local people based on the need assessment survey.

It has facilitated the creation/ up-gradation of community health/ Potable water/ Sanitation/ educational facilities in partnership with the concerned government agencies and the local community. Priority is given to those schools/ primary health centre which are operating but do not have facilities like building, equipment etc.

### **CSR Capacity Building & Other Initiatives**

NHPC promotes rural sports and organizes annual sports meet etc. in the villages by providing the equipment and other facilities. Each station will compulsorily identify a specific day/ week for organizing annual rural sports meet. It sponsors deserving local sports person for training and development at national sports institutes.

Other activities include organizing veterinary camp for the cattle stock, facilitating the unemployed people in and around the operating stations, in self-employment through co-operatives / self-help groups, organizing conservation of the national monuments & cultural heritage sites on selective basis, providing relief & assistance during national calamities, organizing for conservation of holy places of local importance. Various other Initiatives

have also been undertaken like creating Herbal Parks with medicinal value, catchment area treatment (CAT), fisheries management, development of tourism in the region, infrastructural developments etc.

Following is the comparative analysis of budget allocation and expenditure for the two financial years.

**Table 9: CSR Budget allocation and Expenditure at NHPC**

| <b>Year</b>    | <b>Total Budget Allocated (in cr.)</b> | <b>Expenditure (in cr.)</b> |
|----------------|--|-----------------------------|
| <b>2013-14</b> | 24.00                                  | 31.87                       |
| <b>2014-15</b> | 47.64                                  | 52.23                       |

The Total Fund available for FY 2013-14 (49.80 Cr) includes the Budget Allocation for FY 2013-14(Rs.24.00 Cr.) and unspent Budget from previous years (Rs.25.80 Cr). The Total Fund available for FY 2014-15 (65.57 Cr) includes the Budget Allocation for FY 2014-15 (47.64 Cr) and unspent budget from previous years (17.93 Cr). Overall, the amount specifically allocated for CSR activities increased in FY 2014-15.

Sector-wise expenditure shows that in FY 2013-14 the maximum amount was spent on education and then on rural development. In 2014-15 the maximum amount is spent on *Swachh Bharat Abhiyan* and for that the major reduction is from the budget allocated to education and capacity building which decreased from 48% to 11.4% and from 10% to 1.7% respectively.

**Table 10: Sector-wise expenditure for NHPC**

| <b>Sector</b>  | <b>FY 2013-14 (in %)</b> | <b>FY 2014-15 (in %)</b> |
|--|--------------------------|--------------------------|
| Education  | 48                       | 11.4                     |
| Health Care  | 9                        | 5.3                      |
| Rural Development  | 29                       | 18.7                     |
| Environment & Sustainability   | 4                        | 6.7                      |
| CSR Capacity Building & Other Activities, sports, Art & Culture etc. Total expenditure | 10                       | 1.7                      |

As per the reports, 44% of the total expenditure in FY 2014-15 was made on *Swachh Bharat Abhiyan* and 1.1% on Women empowerment

### **3.9 SJVNL (Satluj Jal Vidyut Nigam Limited)**

SJVN Limited, a Miniratna PSU under the Ministry of Power, Govt. of India, is a joint venture between the Govt. of India & Govt. of Himachal Pradesh. Incorporated in the year 1988, it has emerged as one of the major power player. Its flagship project include India's largest 1500 MW Nathpa Jhakri Hydropower Station which is setting new benchmarks in generation and maintenance year after year.

CSR practices and initiatives of SJVNL are discussed below:

#### **Education and Skill Development**

- SJVN has launched SJVN Silver Jubilee Merit Scholarship Scheme in the year 2012 which aims at inculcating competitive spirit amongst students and to nurture their academic talent. The implementation of the scheme has been assigned to Himachal Consultancy Organization (HIMCON), Shimla.
- SJVN periodically sponsors local youth of project areas for training in Construction Industry Development Council (CIDC), Faridabad. The candidates are imparted the training program, in core disciplines like Plumber, Welder, Electrician, Site Accountancy and Office Assistant. The objective of these programs is to enhance technical skills in core trades.
- Three tier skill development programmes in project areas are conducted where in tier- I the awareness camps are organized to spread knowledge regarding the basic concepts of the vocational program. In Tier-II the beneficiaries of awareness camp who are interested in self-employment or otherwise are provided skill development training in viable trades. After completion of skill development training under various trades, the interested candidates are subsequently selected for advanced training in marketing techniques, packaging techniques, general management and human resources management.
- SJVN adopted two ITIs in Himachal Pradesh These ITIs facilitate local youth to acquire required technical and vocational skills for employability in various industries not only in Himachal Pradesh but elsewhere besides enabling self-entrepreneurship skills. The local youths are sponsored for various vocational courses like electrician, welder, motor mechanic, computer, masonry, plumber, cutting and sewing etc and they are also provided scholarship.

- The Apprenticeship Scheme aims at providing practical exposure to the local students who have passed ITI or diploma in technical disciplines. Another scheme Abhyanand Super 30 – provides free residential coaching to underprivileged talented Students.

### **Healthcare**

Through Satluj Sanjeevani Sewa, SJVNL is operating six mobile medical Units (MMUs) and organizing specialized health check-up camps in and around project area. It gives free treatment, free medicines, provides for basic diagnostics and referral linkage with local health providers. It also runs welfare projects for differently abled persons.

### **Community Development**

- SJVN has launched Silver Jubilee Women and Child Development Scheme in the year 2012. Under the scheme, financial assistance of ₹ 5,000/-is extended to each BPL mother in project areas for proper nourishment during ante and post natal period.
- In its initiative under CSR, SJVN foundation has inked MOU with Municipal Corporation (MC), Shimla for beautification of Shimla city. As a part of this drive MC, Shimla is constructing resident/ children parks and is developing landscaping sites

### **Environmental Responsibility**

SJVN reaffirms its commitment towards sustainable power generation and transmission with utmost care for environment and tries to minimize waste generation, promote efficient use of resources and contribute towards reduction of Green House Gas (GHG) emissions. It promotes environmental awareness among its employees, contractors and suppliers and ensure that they have the training, knowledge, skills, resources, and equipment to meet the environmental commitments.

To reclaim the landscape at a project construction site, like that at the muck dump yard for Rampur project, SJVN out of its concern for the environment has introduced the Geo-green Erosion Control Blanket, so as to enable vegetation taking early hold in gripping the deep excavated soil together. The green blanket is designed and developed to provide solutions to erosion control problems and slope stabilization.



Following is the comparative study of budget allocation and expenditure of SJVNL for the two financial years. Analysis from the table 11 shows that both the allocation of the budget and expenditure has increased substantially. Sector-wise analysis from the table 12 shows that in FY 2014-15 a large amount of money spent on community development was diverted towards educational development and environmental sustainability.

The sector-wise expenditure shows that the highest amount was spent on education and environmental sustainability in FY 2014-15.

**Table 11: CSR Budget allocation and Expenditure at SJVNL**

| Year    | Total Budget Allocated (in cr.) | Expenditure (in cr.)  |
|---------|---------------------------------|---|
| 2013-14 | 13.68                           | 16.47<br>(including carried forward amount from FY 2012-13) |
| 2014-15 | 25.89                           | 24.83   |

**Table 12: Sector-wise expenditure for SJVNL**

| Sector                       | FY 2013-14 (in %) | FY 2014-15 (in %) |
|------------------------------|-------------------|-------------------|
| Health                       | 17.57             | 16.1              |
| Education                    | 19.36             | 34.55             |
| Community Development        | 51.8              | 9.5               |
| Culture Development          | 3.09              | 1.4               |
| Sustainability               | 6.16              | 37.65             |
| Miscellaneous CSR activities | 1.8               | 0.6               |

### **3.10 Tehri Hydro Development Corporation (THDC)**

THDC is a Miniratna Category – I, incorporated in July’ 1988, is a Joint Venture of Govt. of India and Govt. of Uttar Pradesh. The Company was THDC’s CSR journey started in January, 2008 with sporadic charity activities such as distribution of sweaters.

Thrust of THDC’s CSR and SD activities are on capacity building, empowerment of communities, inclusive of socio-economic growth, environment protection, promotion of green and energy efficient technologies, development of backward regions and upliftment of the marginalized and under privileged sections of the society. In the power sector, THDC is the first to come out with a structured “Communication Strategy for CSR” in 2014.

Some of the CSR initiatives of THDC are as follows:

- THDC has established THDC Institute of Hydropower Engineering & Technology at Tehri in the state of Uttarakhand. It has also established schools through “THDC Education Society (TES)”
- Established Two Nodal/Research units with facilities such as; Libraries, various types of vocational trainings (computer, Stitching etc).
- Promoted research for technology refinement and frontline demonstrations of the latest agriculture technologies.
- Established Mahila Mangal Dal (MMDs) to mobilize individual skills for group's interest, entrepreneurship development, to act as a media for socio-economic development of village, to develop linkage with institution of NGOs etc.
- It has undertaken skill development programmes like cutting, tailoring and knitting, computer training, chicken embroidery and English speaking courses for women and girls from weaker sections with a view to upgrade skills and enable them to get employment.
- Environmental Sustainability initiatives include improving the biodiversity of the villages. The area of land where the forest has been harvested or damaged, plantation activities are taken up.
- Construction of check dams at selected locations. ‘Chal-khal’, trenches and water recharge pits are also excavated to enhance the ground water level.
- Demonstration of farms related to horticulture, food crops, herbs, medicinal plants, ginger, off -season vegetables etc., is taken up to introduce innovative method of farming and change cropping pattern according to local situation, to educate the people with modern techniques and to motivate other farmers to adopt such techniques.
- In animal husbandry various interventions have been carried out for economic upliftment of the farmers through increase in milk production. These are de-worming medicine for heat inductions, fodder nutrients and mineral mixtures for balance nutrition of mulching animals.
- THDC initiated a long term project to empower and enhance livelihood of 30 rim area villages of Tehri Dam Reservoir. The various activities undertaken are in the area of: goat rearing, poultry farming, scientific input to the farmers in

agriculture/horticulture activities to increase production, empowering women and child health and hygiene, empowering youth-male etc.

From table 13 it can be observed that the budget allocated for CSR in 2014-15, after the implementation of company act, increased, and the entire budget allocated was spent.

**.Table 13: CSR Budget allocation and Expenditure at THDC**

| Year    | Total Budget Allocated (in cr.) | Expenditure (in cr.) |
|---------|---------------------------------|----------------------|
| 2013-14 | 18.54                           | 15.87                |
| 2014-15 | 29.08                           | 29.09                |

The sector-wise expenditure shows that the highest amount is spent on the educational development in both the years but in 2014-15 the amount spent on health and veterinary care increased to 13.3% from 2%.

**Table 14: Sector-wise expenditure for THDC**

| Sector                                    | FY 2013-14 (in %) | FY 2014-15 (in %) |
|---|-------------------|-------------------|
| Educational Development                   | 77                | 69                |
| Economic & Community Development          | 9                 | 8.5               |
| Health & Veterinary Care                  | 2                 | 13.3              |
| Environment & Natural Resource Management | 1                 | 0.17              |
| Infrastructure Development                | 6                 | -                 |
| Women Empowerment and Child Care          | 2                 | 2.78              |
| Emergency Need                            | 1                 | 3.43              |
| Other Social Welfare Activities           | 1                 | -                 |
| Administrative Expenditure                | 1                 | -                 |

### **3.11 Power Finance Corporation Limited (PFC)**

PFC was set up on July 16, 1986 as a Financial Institution (FI) dedicated to Power Sector financing and committed to the integrated development of the power and associated sectors. PFC was incorporated with an objective to provide financial resources and encourage flow of investments to the power and associated sectors, to work as a catalyst to bring about institutional improvements in streamlining the functions of its borrowers in financial, technical and managerial areas to ensure optimum utilization of available resources and to mobilize various resources from domestic and international sources at competitive rates.

The company started its CSR Policy in 2010 and started CSR activities as one of the objectives. A separate department called the CSR Unit was created to ensure adequate sanction, disbursement and monitoring of approved CSR projects. Some of the important CSR initiatives are as follows:

- Energy Ensuring environmental sustainability measures such as: Renewable Energy and Efficient and Environment-friendly Technologies, support research development activities in renewable and clean energy initiatives, and waste management etc.
- Promoting Education and employment enhancing vocational skills, such as: Skill Development Training leading to employment for various under privileged sections of the society; Interventions in education sectors such as providing inputs to basic education needs in backward areas and support to education programmes for girls/ women.
- It has also undertaken activities related to supporting differently abled persons, sanitation & provision of safe drinking water and activities related to health sector etc.
- Others activities include: Contribution to the Prime Ministers National Relief Fund or any other fund set up by the Central government for socio-economic development and relief, rehabilitation and welfare of the Scheduled Castes, the Scheduled Tribes, Other Backward Classes, minorities and women; contribution or support to technology incubators located within academic institutions approved by the Central Government, contribution to any initiative of Ministry of Power with regard to CSR activities, and providing Financial Assistance towards Supply, Installation and Commissioning of LED based Solar Street Lighting Systems.

Year wise comparison of total allocation and expenditure from table 15 shows that though the allocation of budget for CSR activities has increased in FY 2014-15 but the expenditure has not increased that much.

**Table 15: CSR Budget allocation and Expenditure at PFC**

| <b>Year</b>    | <b>Total Budget Allocated (in cr.)</b> | <b>Expenditure (in cr.)</b> |
|----------------|--|-----------------------------|
| <b>2013-14</b> | 44.38                                  | 46.52                       |
| <b>2014-15</b> | 117.49                                 | 51.68                       |

Expenditure made in 2013-14 also includes projects sanctioned in previous three years. Sector wise expenditure shows that maximum amount was allocated to the establishment solar plants and lights and skill development activities in FY 2013-14 and the similar trend can be only in 2014-15 also but a major amount of around 23.5% is being spent on the construction of toilets under *Swachh Bharat Abhiyaan*.

**Table 16: Sector-wise expenditure for PFC**

| Sector   | FY 2013-14<br>(in %) | FY 2014-15<br>(in %) |
|--|----------------------|----------------------|
| Solar Plants and Solar street lights                         | 34.5                 | 23.05                |
| Health Care  | 10.7                 | -                    |
| Skill Development  | 33.7                 | 44.6                 |
| PM and Other Relief funds                                    | 5.6                  | -                    |
| Electrification of Villages and Water distribution pipelines | 14.5                 | 8.66                 |

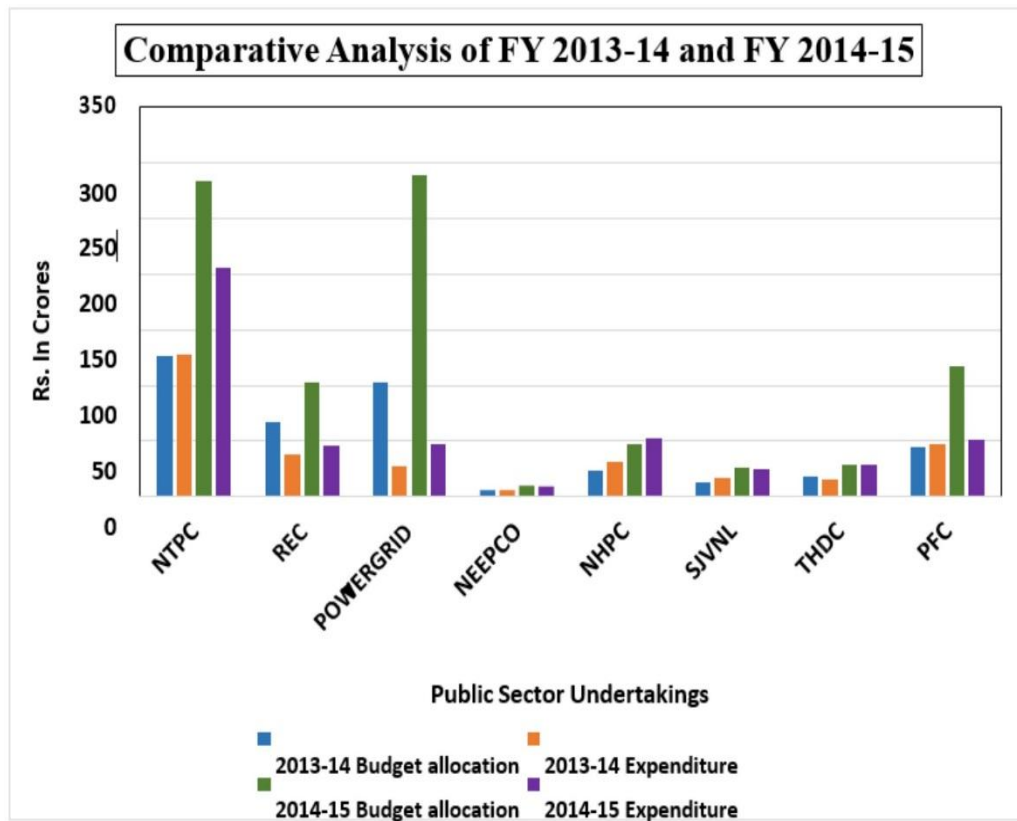
### **3.12 Discussion**

A detailed analysis of the CSR practices and the shift in budget allocation and expenditure towards different sectors presents an intriguing picture of the effects of the New Company Act. This exploratory study leads us to sum up the major observations as follows:

The PSUs studied under this section involve in various CSR activities and the initiatives span across a wide range of categories but still different PSUs have different focus areas where they spend more as compared to other sectors.

After the implementation of the company act in April 2014, almost all the PSUs increased the budget allocated for CSR activities. All the PSUs have different sectors as their priority for CSR expenditure but educational development has been a focus area of almost all of them. The following graph presents a comparative analysis-

## Comparative Analysis of FY 2013-14 and FY 2014-15



**Figure 1:** Comparative Analysis of FY2013-14 and FY 2014-15

In FY 2014-15 many PSUs like REC, NEEPCO, NHPC etc. diverted a huge amount of their CSR budget towards *Swachh Bharat Abhiyaan* reducing the expenditure from other sectors.

An important observation on CSR reporting was made during the collection of data.

Since, CSR reporting is significant feature of the company act, almost for all the PSUs, data pertaining to 2014-15 can be easily procured as compared to the previous years. But, all organizations reported the activities differently and hence interpretation of data becomes difficult in certain cases, due to a lack of a consistent and uniform approach towards CSR reporting. The information therefore had to be presented in the tabular form after careful examination and calculation of the data presented in the annual reports.