

# A STUDY ON CORPORATE SOCIAL RESPONSIBILITY AT POWER GRID

Mr.Sunit Lakra  
 Ph.D Scholar  
 Bharathiar University  
 E mail- sunit\_lakra123@yahoo.co.in  
 Contact: 9900275464/8792898577

Dr.Mahesh Kumar K.R  
 Director  
 Community Institute of Management  
 Studies Bangalore  
 E mail- krmaheshds@gmail.com  
 Contact:9886397941

---

## Abstract

*Corporate social responsibility (CSR, also called corporate conscience, corporate citizenship or responsible business) is a form of corporate self-regulation integrated into a business model. CSR policy functions as a self-regulatory mechanism whereby a business monitors and ensures its active compliance with the spirit of the law, ethical standards and national or international norms. With some models, a firm's implementation of CSR goes beyond compliance and statutory requirements, which engages in "actions that appear to further some social good, beyond the interests of the firm and that which is required by law".*

*The aim is to increase long-term profits and shareholder trust through positive public relations and high ethical standards to reduce business and legal risk by taking responsibility for corporate actions. CSR strategies encourage the company to make a positive impact on the environment and stakeholders including consumers, employees, investors, communities, and others.*

*Corporate Social Responsibility is a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders. CSR is generally understood as being the way through which a company achieves a balance of economic, environmental and social imperatives ("Triple-Bottom-Line- Approach"), while at the same time addressing the expectations of shareholders and stakeholders. In this sense it is important to draw a distinction between CSR, which can be a strategic business management concept, and charity, sponsorships or philanthropy. Even though the latter can also make a valuable contribution to poverty reduction, will directly enhance the reputation of a company and strengthen its brand, the concept of CSR clearly goes beyond that.*

*This paper highlights the concept of CSR and practices exhibited by Power Grid Corporation of India Ltd .*

**Keywords:** *Corporate Social Responsibility, Sponsorship, philanthropy, Environment, Stakeholder*

---

## Introduction:

Corporate Social Responsibility (CSR) is a concept that has attracted worldwide attention and acquired a new resonance in the global economy. Heightened interest in CSR in recent years has stemmed from the advent of globalization and international trade, which have reflected in increased business complexity and new demands for enhanced transparency and corporate citizenship.

Corporate social responsibility has been very popular amongst companies and top corporations. Especially in the 21st century when environmental concerns, human rights, labor rights, fair trade and many other concerns are becoming increasingly important to consumers, stakeholders and companies alike.

In order to streamline the philanthropic activities and ensure more accountability and transparency, the government of India made it mandatory for companies to undertake CSR activities under the Companies Act, 2013. The concept of CSR is defined in clause 135 of the Act, and it is applicable to companies which have an annual turnover of Rs 1,000 crore or more, or a net worth of Rs 500 crore or more, or a net profit of Rs 5 crore or more.

## Literature Review:

Marne (2005) proposed a transnational model of corporate social responsibility (CSR) that permits identification of universal domains, yet incorporates the flexibility and adoptability demanded by international research. The end result is a multi-dimensional typology that permits the organisation and development of empirical CSR research in an internal setting

Fronk et.al. (2005): analysed three views of CSR and CSP one view is that development occurred from conceptual vagueness, through clarification of central constructs and their relationships. other view that hardly any progress is to be expected because of the inherently normative character of the literature. Final view is that progress in the literature on the social responsibilities of business is observed or even hampered by the continuing introduction of new construct this survey explores which of these three views better describes.

Mittal et.al. (2008) reported that there is title evidence that companies with a code of ethics would generate significantly more economic value added (EVA) and market added value (MVA) than these without code

Shah, Bhaskar (2010), has taken a case study of public sector undertaking i.e. Bharat Petroleum Corporation Ltd. in their research work. The research has discussed that there is a broad relationship between the organization and society. Organization has its existence only with the society. Organization used the resources/inputs of the society like material and human etc. In reverse, the organization provides services to the society. From the case study of the BPCL, it was found that company has taken a lot of initiatives in order to serve the society.

Harbajan Bansal, Vinu Parida and Pankaj Kumar (2012) in their paper entitled “Emerging trends of CSR in India” analysed 30 companies of 11 sectors listed in the Bombay Stock Exchange with the help of their annual reports. Some of these sectors were Transport Equipment sector, Finance and Metal Mining sector, IT & Power, Capital goods, Telecom, Housing, FMCG, Oil & Gas, Cipla etc. The study concluded that the companies today are working not only to earn profit but have also realized the importance of being social friendly. Social Responsibility today has started taking a turn in the new direction.

## Objectives of the study

1. To find out the scope of CSR
2. To understand the concept of CSR
3. To know how the Power Grid has fulfilled its responsibility towards all stakeholders.

## Methodology

This study was conducted using secondary data. In this study data on the CSR was collected from the websites, annual reports, newspapers and CSR reports.

## Limitation of the study

This study was done exclusively on CSR activities exhibited by Power Grid in India.

## CSR at Power Grid

Power Grid emphasizes on the overall development of areas and communities around its establishments. It undertakes various community development schemes through provision of facilities like health, education, drinking water besides infrastructure like roads, community centers etc.

At Power Grid, Corporate Sustainability integrates economic progress, social responsibility and environmental concerns with the objective of improving the quality of life for all stakeholders, now and for generations to come. They view it as an opportunity to make a difference and remain committed to the issues of resource conservation,

energy efficiency, environment protection and enrichment and development of local communities in and around areas of operations.

Powergrid as a responsible Corporate Citizen developed its Environment and Social Policy and Procedures (ESPP) in 1998 to address the environmental and Socio-economic issues arising from its activities. The ESPP was revised in 2005 and 2009 after extensive discussions with the World Bank and through Public consultations.

POWERGRID came out with its policy on CSR in 2009 way before the issue of CSR guidelines by Department of Public Enterprises in 2010. The CSR policy was revised in 2013 and again in 2014 to make it compliant with the revised DPE guidelines and the Companies Act 2013.

In their drive towards clean environment, they are trying to set standards in the development and implementation of cutting edge eco-friendly technologies and processes for energy management. They have recently announced their intention to bring carbon capture and storage technologies from the research and pilot stages into large scale commercial application. They are working with policymakers and regulators to advance technology, strengthen the renewable energy portfolio, accelerate the development of cost effective energy efficiency programs and manage consumers' demand for electricity. They have to work with stakeholders if they are to make significant progress in this direction.

## Area of Operation

### Rural Development

Power Grid has undertaken establishment of "Model Sites of Learning" in two locations in Kudgi (Karnataka) and Kurnool (Andhra Pradesh), of about 5000 hectare each, for a period of 5 years w.e.f. 2013-14 with the following objectives:

1. For harnessing the potential of rainfed areas by adopting integrated water source management approach.
2. 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
3. To build capacity of the farmers in the region for improving rural livelihoods through knowledge sharing and dissemination strategy.

### Progress in Kurnool Dist:

1. Soil analysis & fertilizer recommendations completed;
2. 6 capacity bldg program conducted during '15-'16;
3. Three nos. of Check Dam are in progress;
4. 2 Farm Ponds & 5 rockfill dams completed;
5. Land development of 10 SC farmers with convergence of MGNREGS;
6. 64 Participatory trails during kharif season in '14-15 were conducted to evaluate soil test base recommendations- which showed productivity improvement by 19-24% in maize, 27% in pigeon pea, 8% in groundnut and 9% in paddy.

### Progress in Kudgi Dist:

1. Soil analysis & fertilizer recommendations completed;
2. 2 check dam, 5 farm ponds, 3 bore well recharge & 2 sunken pits constructed;

3. Participatory rural appraisal and other awareness, capacity building and community mobilization has been undertaken;
4. 19 farmer capacity building program & 1 farmers' day was conducted;
5. 49 Participatory trails during kharif season in '14-15 were conducted to evaluate soil test base recommendations- which showed productivity improvement by 17% in maize, 15% in pigeon pea, 19% in groundnut and 22% in chickpea.

### **Environment Protection**

1. Installation of Solar Photovoltaic Lights in various villages.
2. Photovoltaic street lights have been installed.
3. 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.
4. Renovation of Bhairobaba Talab, Bilaspur, Chhattisgarh.

### **Skill Development**

1. Skill Development training to 5000 youths through NSDC. POWERGRID in association with NSDC (National Skill Development Corporation) is imparting livelihood oriented skill development training to 5000 youths spread across 33 locations across the country. A tripartite MoU was signed between NSDF, NSDC & POWERGRID. Implementation is under progress.
2. Imparting Skill Development Training Programme to 360 youths at Indo-Danish Tool Rooms at Jamshedpur (Jharkhand) & Patna (Bihar).
3. Skill Development Programme in CNC Turning & Milling, condensed course in tool & Die making, Certificate course in Fitter Trade and certificate course in welding Technology to 125 no. of land oustee villagers near POWERGRID's substation of Gujarat and Madhya Pradesh.
4. Organising short-term vocational Skill Development Training programme for 560 nos. of Under-privileged / Unemployed youth in association with CIPET.
5. Imparting skill Development to 1500 Persons with Disabilities (PwD) through National Handicapped Finance and Development Corporation (NHFDC).
6. Placement linked skill development programme for unemployed / unskilled 300 youth in SRTS-II through ITCOT, Tamil Nadu.
7. 25 nos. Capacity Building & Skill Development Training Programmes conducted for 500 beneficiaries at various locations of Eastern Region-II (Rangpo, Jorethang & Gangtok in Sikkim; Siliguri, Birpara, Subhashgram, Maithon, Dalkhola, Berhampore & Malda in West Bengal; Sundergarh, Indravati, Jeypore, Baripada & Angul in Odisha).
8. Skill Development training on Transmission Line Tower Erection & Stringing.

### **Health**

1. Construction of 10 Storied, 325 bedded Dharmshala at AIIMS, New Delhi, for providing shelter to patients and their attendants.
2. MOU was signed on 19th March, 2014 for construction of the building. At present finishing work is under progress.
3. Preventive Health Checkup camps at 94 locations across India. More than 25,000 persons enrolled and benefitted.
4. Investigations like Hemoglobin, Blood Sugar, ECG, PFT, Blood pressure, Eye check up by physician doctors/consultants etc. were undertaken in the camps.
5. Supply of Aids and appliances to around 2500 disabled persons at 09 locations through ALIMCO.
6. Aids and appliances distributed to 1751 nos. persons in 08 camps.

### **Education**

1. Construction of 40 room (120 bedded) Boys' Hostel at Pt. Ravishankar Shukla University, Raipur, Chattisgarh.

2. Boy's hostel will have 40 rooms (120 bedded on triple sharing basis with basic facilities. The construction work of hostel has started and slab of second floor has been casted.
3. Scholarship to 850 students of Assam & Manipur, who became orphans due to Militancy/Communal violence, through National Foundation for Communal Harmony (NFCH) (Ministry of Home Affairs).
4. Distribution of 10,000 solar lanterns to school children in Bihar, Jharkhand & Odisha for better education.
5. Installation of 14 solar hand pumps for providing solar drinking water facility to far off hostels of Tribal Development Department in district Jashpur, Chattisgarh.

## Conclusion

It can be concluded from the above study that Power Grid is actively exhibiting Social Responsibility in various fields like Health, Education, Environmental protection. Policies are in place with regard to CSR. Company is having Integrated Management System to upgrade and improve the quality, health and environment management system.

## References

1. Sharma A. and Ravi Kiran (2012): Corporate Social Responsibility initiatives of major companies of India with focus on health education and environment. African Jour. of Basic and Applied Sciences. Vol. 4 (3) pp. 95-105.
2. Gautam Richa and Anju Singh (2010): Corporate Social Responsibility Practice in India: A Study of Top 500 Companies. Global Business and Management Research: An International Journal, Vol. 2, No. (1) pp. 41-56.
3. Brammer Stephen, Millington A. and Rayton Bruce (2007): The contribution of corporate social responsibility to organisational. Commitment. The International Jour. of human Resource Management. Vol. 18 (10) pp. 1701-1719.
4. Mishra & Suar : (2010): Institutional complementarity between corporate governance and corporate social responsibility: a comparative institutional analysis of three capitalism. Social Economic Review.
5. Sharma A. and Ravi Kiran (2012): Corporate Social Responsibility initiatives of major companies of India with focus on health education and environment. African Jour. of Basic and Applied Sciences. Vol. 4 (3) pp. 95-105.
6. Mohan, A. (2001), "Corporate Citizenship: Perspectives from India" , Journal of Corporate Citizenship, Spring, pp 107-117.
7. Brown K (2001), "Corporate Social Responsibility: Perceptions of Indian Business", in Mehra M (Ed.), Retrieved from [www.csmworld.org/public/pdf/social\\_respons.pdf](http://www.csmworld.org/public/pdf/social_respons.pdf) (Accessed February 10th 2011).
8. <http://www.powergridindia.com/csr>