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**CORPORATE SOCIAL RESPONSIBILITY (CSR): A CASE
STUDY ON NTPC VINDHYA NAGAR, SINGRAULI (M.P.)
INDIA**

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ABSTRACT

Corporate social responsibility means conducting business in an ethical way and in the interests of the wider community and responding positively to emerging societal priorities and expectations. It is a willingness to act ahead of regulatory confrontation and balancing shareholder interests against the interests of the wider community for becoming a good citizen. It is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large. Thus the meaning of CSR has two fold. On one hand, it exhibits the ethical behaviour that an organization exhibits towards its internal and external stakeholders. On the other hand, it denotes the responsibility of an organization towards the environment and society in which it operates. CSR is regarded as vehicle through which companies give something back to the society. Moreover corporate social responsibility is an obligation, beyond that required by the law and economics, for a firm to pursue long term goals that are good for society and the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as that of the local community and society at large. In the present study an attempts has been made to study the corporate social responsibilities for industrial image at NTPC Vindhya Nagar, (Singrauli) Madhya Pradesh, India. The study showed the corporate social responsibilities for industrial image at NTPC Vindhya Nagar. to be average .The average mean and percentage scores of the overall 23 items have been computed at 2.53 (38.25%). Study concluded that the CSR activities of the NTPC are not properly. So the image of NTPC Vindhya Nagar is not satisfactory.

Keywords: Corporate Social Responsibility (CSR); Industrial Image; NTPC Vindhya Nagar

INTRODUCTION

Corporate social responsibility means conducting business in an ethical way and in the interests of the wider community and responding positively to emerging societal priorities and expectations. It is a willingness to act ahead of regulatory confrontation and balancing shareholder interests against the interests of the wider community for becoming a good citizen. It is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large. Thus, the meaning of CSR has two fold. On one hand, it exhibits the ethical behaviour that an organization exhibits towards its internal and external stakeholders. On the other hand, it denotes the responsibility of an organization towards the environment and society in which it operates. CSR is regarded as vehicle through which companies give something back to the society. Moreover, corporate social responsibility is an obligation, beyond that required by the law and economics, for a firm to pursue long term goals that are good for society and the continuing commitment by business to behave

ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as that of the local community and society at large.

India has been named among the top ten Asian countries paying increasing importance towards corporate social responsibility (CSR) disclosure norms. India was ranked fourth in the list, according to social enterprise CSR Asia's Asian Sustainability Ranking (ASR), released in October 2009. 'Sustainability in Asia ESG reporting uncovered' (September 2010) is based on four parameters viz. General, Environment, Social and Governance. In its study based on 56 companies in India, it observed that India is ranked second in country ranking in Asia and is ranked one ranking in general category. It is observed that reporting is strongly followed by companies as well as they seek international development standards. It could be attributed to the Indian government compelling the public sector companies to provide for community investment and other environmental, social and governance liabilities.

A key finding of the survey conducted in June 2008, aimed at understanding of the role of corporations in CSR, carried out by TNS India (a research organization) and the Times Foundation, revealed that over 90 per cent of all major Indian organizations surveyed were involved in CSR activities. Besides the public sector, it was the private sector companies that played dominant role in CSR activities. A study on the CSR activities of 300 corporate houses, conducted by an industry body in June 2009, revealed that Corporate India has spread its CSR activities across 20 states and Union territories, with Maharashtra gaining the most from them. The study also revealed that about 36 per cent of the CSR activities are concentrated in the state, followed by about 12 percent in Gujarat, 10 per cent in Delhi and 9 per cent in TamilNadu. The companies have on an aggregate, identified 26 different themes for their CSR initiatives. Of these 26 schemes, community welfare tops the list, followed by education, the environment, health, as well as rural development.

In the present study an attempts has been made to study the corporate social responsibilities of NTPC Vindhya Nagar, (Singrauli) Madhya Pradesh, India.

REVIEW OF LITERATURE

Arora and Puranik (2004) applied a development oriented framework to contextualize CSR to structural adjustments related macro socioeconomic issues relevant to the developing countries with a focus on CSR in India. They concluded that a though the corporate sector in India benefited immensely from liberalization and privatization processes, its transition from philanthropic mindsets to CSR have been lagging behind its impressive financial growth.

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.

Chappel and Moon (2005) concludes that CSR does considerably among Asian countries. They also reported that multinational companies are more likely to adopt CSR than those operating solely in their home/ country but that the profile of their CSR trends to reflect the profile of the country of operation rather than the county of origin.

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.

Doh and Guay (2006) assessed the role that US and European non-governmental organisations (NGOS) have played in influencing CSR policies in three areas: the trade and regulation of genetically-modified organism (GMOS), pharmaceutical pricing and distribution policies, and

international environmental agreements. Verma and Chauhan (2007) found that roads, pollution and power are the major concern of corporate activities as compared to least concern area which is communication and education.

Barammer *et.al.* (2007) examined the potential contribution of institutional theory to understanding CSR mode of governance. They suggested that institutional theory seems to be a promising avenue to explore how the boundaries between business and society are constructed in different ways, and improve our understanding of the effectiveness of CSR within the wider institutional field of economic governance.

Blasco and Zeiner (2008) : concluded that despite similar institutional conditions in Mexico and France, the interplay of those institutions combined with the historical role of business and its relationship with society product quite different articulations of CSR in each country.

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.. .

Kariabrahimoglu (2010) was found that there is significant drop in numbers and extent of CSR projects in times of financial crisis. The study contributes to the literature by initiating discussions on CSR and the ways they are affected by financial crisis.

Mishra and Suar (2010) Indicated that stock- listed firms show responsible business practices and better FP than the non-stock listed firms. controlling confounding effects of stock- listing ownership, and firm size, a favorable perception of mangers towards CSR is found to be associated with increase in FP and NFP of firms. Such finding hold good CSR is assessed fro the Six stakeholder group in segregate. Findings suggested that responsible business practices towards. Primary stakeholders can be profitable and beneficial to Indian firms.

Silti and Michael (2011) stated that both community related and environmental related CSR are positively related to organisational commitment these result imply that companies should communicate their CSP to all employees because it has the potential to increase their employees organisational commitment, which may result in positive organisational outcomes.-

Gautam and singh(2012) find of the study are that CSR is now presented as a comprehensive business strategy, arising mainly from performance considerations and stakeholder pressure. Companies consider their interaction with stakeholders and impact of its business on society as significant issues. CSR policies vary with turnover and profit. The study suggests that business and CSR strategy appear to be on a convergent path, towards business and CSR integration across the company. Out of the top 500 companies, 229 did not report on CSR activities and were therefore filtered. 49% of the remaining 271 companies were reporting on CSR. Many companies are making token gestures towards CSR and only a few companies have a structured and planned approach. Several companies spread their CSR funds very thinly across many activities. Every company defines CSR in their own ways as per their needs. CSR is on an upward learning curve and is primarily driven by philanthropy. Tiwari (2013) showed the corporate social responsibilities for industrial image at ACC Cement Kymore, to be average. Study concluded that the CSR activities of the factory are not properly. So the industrial image of the factory is not satisfactory.

OBJECTIVES

1. To know the CSR activities of NTPC Vindhya Nagar.
2. To study the educational facilities and related infrastructure.
3. To analyse the health and hygienic programmes of NTPC Vindhya Nagar.
4. To measure the existing condition of neighbouring villages.
5. To evaluate the image of NTPC Vindhya Nagar.

Hypothesis

- A CSR activity at NTPC Vindhya Nagar is satisfactory.
- Health and educational programme are working properly.
- Existing condition of neighbouring villages is good.
- The industrial image of NTPC Vindhya Nagar is good.

METHODOLOGY

With a view to analyse the corporate social responsibility (CSR) of NTPC Vindhya Nagar, 23 items close ended structured questionnaires were distributed among various cadres of employees and peoples of neighbouring villages. Interview and discussion with some employees and villagers was another tool for study. Secondary data collected from past literature, annual reports, data maintained by the NTPC Vindhya Nagar was also incorporated. The study was conducted in NTPC Vindhya Nagar and neighbouring villages. The scoring was analysed on five point scale and score was simplified in percentage as per the formula of Rao (1991). i.e. Percentage Score = Mean Score - 1 x 25

Five categories of gradations consisted of very good, Fairly good, good, average and poor.

RESULT / FINDINGS

The table 1& 2 and fig. 1 & 2 as appended show the item wise mean score, percentage score and category of 23 items obtained in the study on CSR for industrial image at NTPC Vindhya Nagar (Singrauli) M.P. Some of trends noticed are given below-

The CSR for industrial image at NTPC appear to be average. The average mean score and percentage score of the overall of 23 item have been computed at 2.53 (38.25%).

The most important factors contributing very good score are: (i)Community houses are built by NTPC at necessary places (item-3), (ii)Improvement of shulabh toilets is done at neighbouring villages (item-22).

Other important factors resulting good score are (i) health checkup and medical facilities is going routinely and in proper manner (item-7), (ii)there is given concession to poor on their treatment(item-9),(iii)there is given concession in fees to student those belong from poor class family(item-13).

The items on which NTPC score average are: (i)Work done by NTPC is helpful in development of society and environment(item 1) ,(ii)malaria control operation is going properly (item 8), (iii)tricycles and hearing equipment are given to disabled people(item-10),(iv} I am satisfied with the education system provided by NTPC (item 12),(v)there is proper setting arrangement and furniture in school those run by NTPC (item-14).

The items which NTPC scored poor are: (i)NTPC has provided necessary employment to rehabilitated people(item-4), (ii)distribution of blankets, sweaters is done to poor/needy people(item-5),(iii) NTPC give compensation to pollution affected people (item 6), (iv)roads are repaired after certain period(item-16}, (v) there are no problems in drinking water (item -18), (vi) cleanliness of sulabh toilets is done neighbouring villages (item-23).

The items which NTPC scored extremely poor are: (i) NTPC pays attention towards making neighbouring villages hygienic (item-2), (ii) there is available necessary medicine and equipments in NTPC hospital (item-11), (iii) NTPC provide educational loan facility to poor class students for their further studies (item-15),(iv}development of road is done(item-17),(v)deep seating of ponds is done(item-19}, (vi)hand pumps are repaired regularly (item-20), (vii) drinking water is supplied during the summer through water tankers(item-21).

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Table 1. Item wise mean score, percentage score and categories of Corporate Social Responsibility (CSR) at NTPC Vindhya Nagar Singrauli (M.P.) India

Item	Statement	Mean score	% Score	Category
1	Work done by NTPC is helpful in development of society and environment.	2.9	47.5	AV
2	NTPC Pays attention towards making neighbouring village hygienic.	1.09	2.25	EP
3	Community houses are built by NTPC at necessary places.	3.94	73.5	VG
4	NTPC has provided necessary employment to rehabilitated people.	2.03	25.75	EP
5	Distribution of blankets, sweaters is done to poor/needy people.	1.00	0	EP
6	NTPC gives compensation to pollution effected people.	1.87	21.75	EP
7	Health checkups and medical facilities is going routinely and in proper manner.	3.11	52.75	G
8	Malaria control operation is going properly.	2.76	44	AV
9	There is given concession to poor on their treatment.	3.57	64.25	G
10	Tricycles and hearing equipment are given to disabled people.	2.79	44.75	AV
11	There is available necessary medicines and equipments in NTPC hospital.	1.95	23.75	EP
12	I am satisfied with the education system provided by NTPC.	2.87	46.75	AV
13	There is given concession in fees to student those belong from poor class family.	3.23	55.75	G
14	There is proper setting arrangement and furniture in schools those run by NTPC	2.66	41.5	AV
15	NTPC provide educational loan facility to poor class students, for their further studies.	2.03	25.75	EP
16	Roads are repaired after certain period.	2.37	34.25	P
17	Development of road is done.	2.19	29.75	EP
18	There are no problems in drinking water.	2.33	33.25	P
19	Deep seating of ponds is done.	1.75	18.75	EP
20	Hand pumps are repaired regularly.	2.89	47.25	AV
21	Drinking water is supplied during the summer through water tanker.	2.84	46	AV
22	Improvement of shulabh toilets is done at neighbouring villages.	3.89	72.25	VG
23	Cleanliness of sulabh toilets is done in neighbouring villages.	2.23	30.75	P
Average		2.53	38.25	P

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Table 2. Categories wise items of CSR in NTPC Vindhya Nagar

S.No.	Statement	Percentage (Range)	Item No.	Total No. of Item
1.	Very good.	70 and above	3,22	02
2.	Good.	50 and above	7,9,13	03
3.	Average	40 and above	1,8,10,12,13	05
4.	Poor	30 and above	4,5,6,16,18,23	06
5.	Extremely poor	Less than 30	2,11,15,17,19,20,21,	07

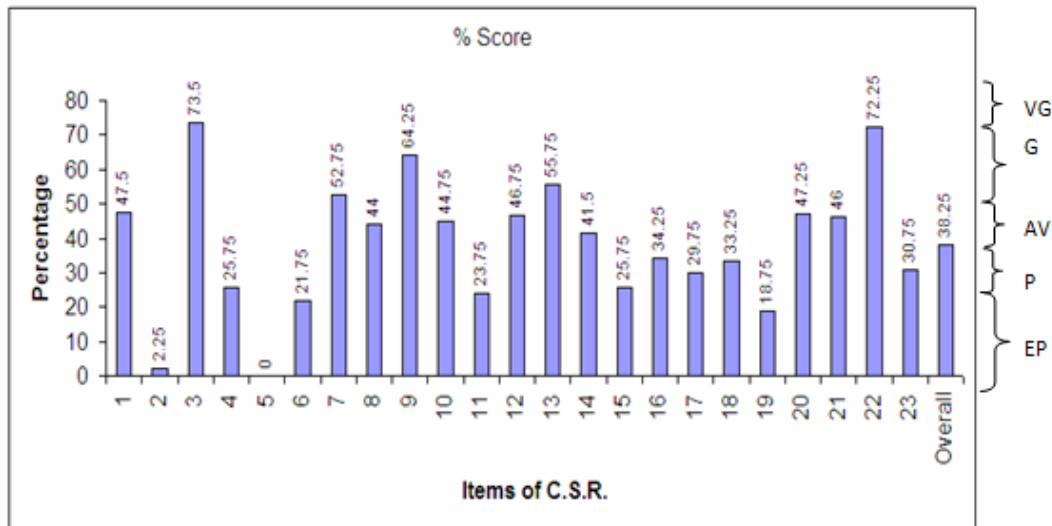


Fig 1. Item wise percentage score and categories of Corporate Social Responsibility (CSR) at NTPC Vindhya Nagar Singrauli (M.P.) India

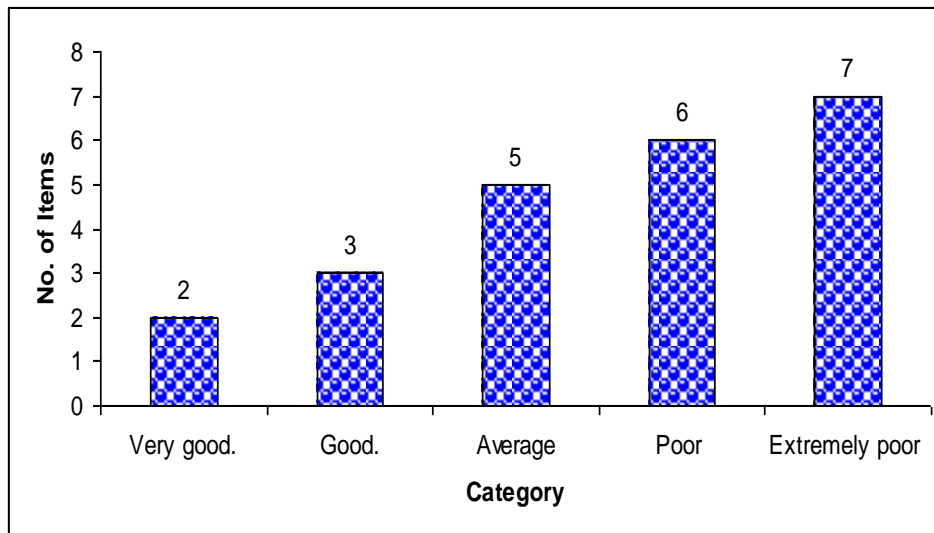


Fig 2. Categories wise items of CSR in NTPC Vindhya Nagar

CONCLUSION

There are many problems of the executing of CSR policies which is made by NTPC Plant Vindhya Nagar-

- Many problems of drinking water in neighbouring village hand pumps are not repaired regularly and drinking water is not supplied regularly even summer season.
- The neighbouring villages are suffered from the pollution of NTPC which causes various respiratory diseases, tuberculosis, skin diseases etc. NTPC does not give proper compensation to pollution affected peoples.
- There are does not given any educational loan facility to poor class students for their studies.
- Neighbouring villages has many problems of sanitation and hygiene. NTPC does not pay proper attention towards making neighbouring villages hygienic, sulabh toilet are dirty.

So the above analysis concluded the execution of the CSR policies of NTPC Vindhya Nagar Singrauli (M.P.) is not satisfactory.

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