Impact of Corporate Social Responsibility Practices on Neighbouring Society: A Case Study of NLC Ltd., Tamil Nadu

A. Jayakumar* and R. Elavarasan**

ABSTRACT

Right from its inception, Neyveli Lignite Corporation (NLC) has been taking up various CSR projects and activities for the benefits of inhabitants of surrounding villages and the welfare of the neighboring society at large. In 1998-99 the Scheme for Building Social Infrastructure in NLC’s surrounding areas was regularized with the formation of Peripheral and Community Development Committee under the chairpersonship of the District Collector. NLC had adopted a full-fledged CSR policy in the year 2009-10. The vision to continue to be a socially responsible company and the mission to play an active role in the society and to be sensitive to the emerging environmental issues integrate the business objectives with the CSR objectives. The details on various CSR activities of NLC are given in this paper. NLC is allocating 1% of its profit after tax as annual CSR budget. NLC, as a Socially Responsible Corporate Citizen extended financial assistance for the relief and rehabilitation works.

Keywords: Corporate Social Responsibility, Mining and Green energy, Land Reclamation, Sustainable Development, Green Power Generation.

1.0 Introduction

Corporate Social Responsibility (CSR) is a comprehensive set of policies, practices and programs that are integrated into business operations, supply chains, and decision-making processes throughout the organisation and includes responsibility for current and past actions as well as future impact. CSR involves addressing the legal, ethical, and commercial expectations that society has for business, and making decisions that fairly balance the claims of all key stakeholders. Effective CSR aims at “achieving commercial success in ways that honour ethical values and respect people, communities, and the natural environment.” Simply put, it means “what you do, how you do it, and when and what you say.”(Handbook on Corporate Social Responsibility, PWC, 2013)

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Several terms have been used interchangeably with CSR. They include business ethics, corporate citizenship, corporate accountability, sustainability and corporate responsibility. The issues that represent an organisation’s CSR focus vary by size (small, medium and large), sector and even by geographic region. In its broadest categories, CSR typically includes issues related to business ethics, community investment, environment, governance, human rights, the marketplace and the workplace (Jayakumar and Geetha, 2012).

1.1 Importance of CSR

While the interests of shareholders and the actions of managers of any business enterprise have to be governed by the laws of economics, requiring an adequate financial return on investments made, in reality the operations of an enterprise need to be driven by a much larger set of objectives that are today being defined under the term CSR. The broad rationale for a new set of ethics for corporate decision making, which clearly constructs and upholds an organisation’s social responsibility, arises from the fact that a “business enterprise derives several benefits from society, which must, therefore, require the enterprise to provide returns to society as well”.

2.0 Corporate Social Responsibility in India

Mahatma Gandhi, the charismatic visionary leader who brought the cause of India's Independence from British colonial rule, was a person who in several respects was ahead of his time. His view of the ownership of capital was one of trusteeship, motivated by the belief that essentially society was providing capitalists with an opportunity to manage resources that should really be seen as a form of trusteeship on behalf of society in general. Today, the world is coming round full circle in emphasising this concept through an articulation of the principle of social responsibility of business and industry. This trend is no different in India either.

A much less published but deeper aspect of the importance of CSR in India comes to light when one considers CSR as a concept that covers a range of issues under the fabric of sustainable development. This is a crucial terminology for developing nations in the world today. Protection of the environment and a country’s natural resources are a key element of this concept. Additionally, there is this equally important need to ensure that society does not suffer from disparities of income and provision of basic services like health care, education and literacy.
In India, some companies have been practicing the Corporate Social Responsibility for decades. Tata Group, an India-based indigenous multinational enterprise with a unique 140-year old commitment to the community is the founder in India for CSR activities. Some of the major companies are eagerly engaged in the corporate social responsibility practices since the mid-1990s. Companies like Infosys, Bharti Enterprises, ITC Welcome group, Indian Oil Corporation etc., are involved in corporate social responsibility programs in areas like education, health, livelihood creation, skill development, and empowerment of weaker sections of the society etc., The 2010 list of Forbes Asia’s ‘48 Heroes of Philanthropy’ contains four Indians. India has been named among the top Asian countries paying increasing importance towards corporate social responsibility disclosure norms.

3.0 Challenges in CSR

While Indian CSR is at its growth, there are a number of challenges to the implementation of CSR. They are enumerated below.

- Maintaining continuous improvements in safety performance throughout the organisation.
- Building a more robust safety culture.
- Achieving significant reductions in resource use.
- Reducing waste arising and improving recycling rates.
- Integration of environmental considerations into supply chain management and purchasing decisions.
- To strengthen the people management framework to develop a positive and productive working environment.
- To achieve greater consistency in the management of people processes across the business.
- To communicate effectively the organisation’s goals and direction.
- To improve the employee attitude survey ratings.
- To achieve greater diversity in the workforce.
- Build the relationship with business in the community and with Local Authorities.
- To integrate consideration of environmental and social issues into the purchasing process.

The purpose of corporate social responsibility (CSR) is to make corporate business activity and corporate culture sustainable in three aspects: economic aspects, social aspects, and environmental and ecological aspects.
4.0 CSR Policy: Case Study of Neyveli Lignite Corporation (NLC), Cuddalore, Tamil Nadu

The purpose of NLC’s CSR Policy is to maximise its contribution to the Sustainable Development of the localities in which it operates. The vision of the company has been defined as follows: “To emerge as a leading Mining and Power Company, continue to be Socially Responsible Company and strive for operational excellence in Mining and Exploration”.

The company’s mission is “to play an active role in the society and be sensitive to emerging environmental issues”. A systematic and positive approach to enhance on all the three facets, viz. profit, people and planet in such a manner to deliver value addition to all stakeholders. The major thrust areas are:

(i) Economic performance.
(ii) Social performance- covering education, quick resolution of compensation disputes, peripheral development, employability and entrepreneurial development, employability of engineering and management students, health, and improving the quality of life.
(iii) Environmental performance.

4.1 Budget and CSR machinery

Though the minimum CSR funding requirement under the DPE guidelines is 0.5 % of net profit, NLC has allocated 1% of the Profit after Tax for CSR. The CSR initiatives of NLC are spiritually evolved by its conscious and dedicated leadership. A well-structured CSR Machinery is in place for effectively and efficiently carrying on the CSR process, along with day to day business.

Corporate level Co-ordination Committee

A Corporate Level Coordination Committee consisting of Executives has been constituted as a formal CSR machinery of NLC. This committee is engaging itself in the preparation of plan and implementation of activities in consultation with the unit heads. Its role is to channelise and professionalise the CSR-work, document the programmes being implemented, generate CSR reports for various purposes and introduce best practices for the benefit all stakeholders.

CSR Machinery at grass root level

The roles of planning, channelisation, professionalisation, creating good atmosphere for the implementation and reporting at the unit levels have been assigned to the heads of the respective units. They are promoting best practices for the benefit of all
stakeholders in relation to their unit. A Nodal Officer or Unit Level Committee is looking after and coordinate the CSR activities of their respective units. These units are in Orchestral Arrangement for best CSR practices.

4.2 CSR Plan of NLC

Ideologically, energy from NLC can eliminate poverty, stimulate social benefits and economic development in an environmentally sustainable manner. The value systems of NLC have its base on the principles of Good Environmental Management and Business Governance. The CSR process in NLC is methodologically targeted at attaining the objectives of:

- Striking win-win solutions in all situations involving the interest of the stakeholders.
- Establishing a harmonious relationship of NLC with the local public.
- Inclusive growth with appropriate value shared with all the stakeholders.
- Environment protection and up-gradation for the future.

To facilitate the accomplishment, the CSR activities/projects of NLC are geographically targeted towards the region of about 10 km radius surrounding the core activity zone. At the grass-root level, CSR activities/projects are individually targeted to benefit the village in terms of creation of or value additions to the Common Resource Properties (CRP) as well as the village population by overall Human Development. Specific Target Segments of village population represented by focus groups or vulnerable individuals are specially considered for suitable measures for uplift.

NLC’s Core Business as well as its regular CSR activities are aligned with Social Goals represented by Millennium Development Goals (MDG), State Development Goals (SDG) and National Development Goals (NDG) (Table 1).

4.3 Sustainable Development at NLC

Sustainable Development depends on an organisation’s ability to build resilience to our plans and operations. At NLC, the management believes that their responsibility lies in environment friendly mining and delivering cleaner, more reliable and affordable energy for sustainable growth of the company. They work closely with community and regulatory authorities towards continued growth of the company and powering the Nation. Department of Public Enterprises recently issued the Sustainable Development (SD) guidelines for PSU making it mandatory for CPSE’s to include SD as a compulsory element in their MOU under the non-financial parameters with mandatory weight age of 5%. Their Board has approved SD Policy and allocated budget amount of Rs 1.28 Cr. to take up the above projects for the year 2012-13.
Table 1: NLC’s Regular CSR activities aligned with the Social Goals

<table>
<thead>
<tr>
<th>Group of NLC’s CSR Activities</th>
<th>Social Goals to which aligned</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Core business of NLC. i.e. Lignite Exploration, Mining and Power Production, in an environmentally friendly and socially sustainable manner</td>
<td>Eradicate Extreme Poverty and hunger; Develop a Global Partnership for Development. (MDG 1 &amp; 8).</td>
</tr>
<tr>
<td>Supply of mines water to surrounding villages for irrigation, employability, entrepreneurial, management development initiatives</td>
<td>Eradicate Extreme Poverty and hunger. (MDG 1)</td>
</tr>
<tr>
<td>Environmental Safety Measures, Pollution Control, Afforestation, Land Reclamation, Plastic Menace Control Programme etc., artificial recharging of water table, construction of check-dams, rain water harvesting, reclamation of ash dykes, organic fertilizer from lignite(Humigold), Research and Development for innovative solutions to emerging environmental issues.</td>
<td>Ensure Environmental Sustainability. (MDG 7)</td>
</tr>
<tr>
<td>Education to the children of Local Society in Neyveli Schools along with the ward of NLC Employees/contract workers. Grant and Infrastructure to other educational societies in Neyveli Township, construction of Schools, noon meal scheme buildings in peripheral villages, Supplying uniforms, books, notebooks for students of peripheral village schools and furniture, lab equipment, library books etc. to peripheral village schools, Students’ guidance programme 'Jaithu Kattuvom' (meaning ‘we will show success’), etc.</td>
<td>Achieve universal primary Education. ( Actually within Neyveli Township Schools upto Higher Secondary level and a college are functioning) (MDG 2)</td>
</tr>
<tr>
<td>Support to Women in Public Sector WIPS, Ladies Club etc., encouraging Women Self Help Groups and providing equipment/facilities to them.</td>
<td>Promote Gender Equality &amp; Empower Women. (MDG 3)</td>
</tr>
<tr>
<td>Free out-patient treatment and subsidized inpatient treatment for surrounding villagers, construction of Dispensary/Primary Heath Centre Buildings in surrounding villages.</td>
<td>Health to all. (National Dev. Goal)</td>
</tr>
<tr>
<td>Immunisation programmes, Pulse Polio Drops Administration, Well Baby Clinic.</td>
<td>Reduce Child Mortality. (MDG 4)</td>
</tr>
<tr>
<td>Grants and infra structure to Opportunity Schools for Special Children, Special Schools for differently-abled, Social Welfare Society, Heath Care Services to the Elderly, etc.,</td>
<td>Improve Mental Health (MDG 5); Opportunities to the Special Children &amp; differently-abled. (National/State Dev. Goal)</td>
</tr>
<tr>
<td>Community Health Screening Camps.</td>
<td>Combat HIV/Malaria and other deceases. (MDG 6)</td>
</tr>
<tr>
<td>Artificial limbs/callipers manufacture and supply to the physically challenged.</td>
<td>Opportunities to differently-abled. (National/State Dev. Goal)</td>
</tr>
</tbody>
</table>

Source: www.nlcindia.com
Sustainable Development Policy

The Sustainable Development Policy of NLC includes the following:

- Promote the sustained growth of the company while safeguarding the earth’s capacity to support life in all its diversity and protection of health of all living beings and environment.
- Align Sustainable Development into core and allied business of the company.
- Promote high quality human resource whose strength is based on education, training and innovation to achieve economic progress concurrently maintaining ecological balance.
- To follow sound environment management practices which are basic necessity for Sustainable Development
- Conserve scarce resources and utilize renewable sources of energy.
- Maintain quality of air, water and soil / land.

The Company has approved the following SD projects for the period 2013.

- Development of Eco Tourism Park in Neyveli Township
- Completion of Residual Life Assessment (RLA) studies of Turbine and replacement of final loop of Re-heater 2 coil in one Unit (210MW) of TPS-II towards improved efficiency
- Mandatory training Programme on Sustainable Development for Students
- Sequestration of CO2 and production of Bio-fuel from flue gas from Thermal Power Plant
- Pollution Source Apportion Study for Neyveli industrial area
- Water Management-Recharging of Ground Water
- Utilisation of fly ash in making Brick/Window and
- Renewable energy project (Solar PV Power Project).
- Reclamation and reuse of land in Mines

4.4 CSR Activities in Neyveli Lignite Corporation Limited, Neyveli

NLC has been practicing CSR for around six decades, well integrated with its day to day business and focused on people and the planet. NLC’s operations are technology and projects driven with extensive land requirements. NLC is aware of the dimensions of the CSR which are specific and conspicuous as natural corollary to its large scale Mining and Power Station Projects, namely:

1) The production and supply of electricity at low cost with minimum impact on the environment.
2) The Peripheral/Community Development by regular extra-business contributions to the society. The thrust areas identified and documented in NLC’s CSR Policy also reflect this.

4.5 Impact of NLC Innovative CSR Practices on People, Planet and Profit

4.5.1 Impact on People

Quick Settlement of Land Compensation Disputes: Land Acquisition for NLC’s mine expansions is a continuing process. In this socially sensitive front, NLC is quickly resolving the compensation disputes by settling the claims for enhanced compensation - Land Acquisition Original Petitions (LAOPs) through Lok-Adalat, instead of contesting them legally. NLC has been making a Regular Annual Fund Allocation exclusively for PDS works. This allocation has been enhanced from Rs. 1 Crore to Rs. 2 crores per annum (100% increase) from March 2008. The neighborhood covered within 10 KM radius from the core project area is taken for development. To commemorate the occasion of Golden Jubilee of NLC in 2006, a special fund of Rs. 10 crores was sanctioned for PDS as a goodwill gesture and a token of expressing NLC’s concern for the surrounding community.

Support Services to the Vulnerable: NLC patronises “Neyveli Health Promotion and Social Welfare Society” which serves by training the physically challenged, widows and destitute and manufacturing and providing artificial limbs/calipers to the needy. SHRAVANEE, a special school for the hearing impaired and a computer training institute are run by this society. NLC provides all assistance including infrastructure and grant for running the SNEHA Opportunity School, a day care centre for the mentally disabled children which adopts a holistic approach to make them self-reliant and fit to earn their livelihood by training them in various crafts, arts, weaving, carpentry, gardening screen printing, doll making etc. A Garden restaurant SNEHA Poushtika at Neyveli Main Bazar is patronized for the benefit of these children by gainfully employing the alumnus of this School.

Relief Operations: (i) Tsunami: When the administration of the worst affected District Nagappatinam was finding it difficult to cope up with the situation after the Tsunami, NLC deputed a strong team of 193 members of various disciplines led by a General Manager to clear debris and dispose off the dead bodies. The team was very well equipped with lorries, jeeps, trench cutters, hydraulic shovels, water lorries, food material. NLC employees contributed 4 crores to the Tsunami relief fund. (ii) Flood:
In times of heavy floods, food from NLC Canteen is supplied to the victims and NLC schools provide temporary shelter to the needy. (iii) Drought: NLC supplied a billion liters of water by Rail and Road to Chennai City, 200 kms away.

Access to Facilities of Neyveli Township: NLC provides subsidised transport services to provide common access to all the township facilities to the Public, along with its employees. The service connects State Highways Roads and covers the residential area, NLC offices, schools/college, Training Complex, parks, places of worships, banks, bazaar, daily market, Post Offices, BSNL Office/Exchange, Tuesday, Thursday and Sunday Shandies, LIC, Court, Police Stations, Government Offices etc in Neyveli Township. Special Bus service is being arranged on the occasion of Local Festivals and Neyveli Book Fair. NLC’s bus service transports a minimum of 20,000 everyday, out of which at-least 50% are public.

4.5.2 Impact on Planet

NLC is adopting a holistic approach to the environmental management relating to its mining and thermal power production operations. NLC’s Environmental Management Plans are comprehensive.

Energy Conservation: NLC’s measures for energy conservation include the following:

- Conducting detailed energy audit
- 1000 LPD solar water heater in TPS II expansion canteen.
- Programmable logic control systems, variable frequency/speed control systems for energy-intensive operations.
- Ceramic heater plates for vulcanizing conveyor belt joints.
- Stage reduction of condensate extraction pumps in TPS II
- Installation of timer switches –saves 87 KW per pump and generates additional revenue of Rs.40 lakh/year
- Replacement of conventional lamps with CFL fittings in plants and township.
- Replacement of conventional energy meters with electronic energy meters.
- Additional investment of Rs.300.63 lakhs for energy conservation proposals for 2010-11.
- Electricity saved by mines in 2009-10 is 44.32 lakh units and auxiliary power consumption of power stations reduced from 10.08% to 9.93%.

Mine Spoil Reclamation: Continuous mine closure and reclamation of mined-out lands and mine spoil slopes are concurrently planned and executed with the respective mine
plans. So far, 2500 hectares of mined out lands have been reclaimed by nourishing the backfilled soil. Paddy, coconut trees, fruit bearing trees and vegetables are grown on the reclaimed land. An artificial lake in Mine I reclaimed area and the surrounding afforestation have become perfect setting for a bird sanctuary and a deer park. Stabilization of slopes of over burden dumps through cultivation of appropriate crops/plantation at an outlay of Rs.540 Lakhs is in progress. More than 18 million trees have been grown in township, mining and reclaimed areas are safeguarding the ecological balance in the region.

Ash Pond Reclamation: Abandoned ash ponds of Thermal Power Stations are being reclaimed miraculously and variety of field crops, vegetables, fruits and 3500 trees of different species are now growing in the reclaimed area of 11.50 acres. NLC’s Centre for Applied Research and Development (CARD) has developed a process for producing potassium humate – Humigold from lignite, a novel and promising organic fertilizer which could be applied in growing a variety of plants and crops and has obtained patent for the same. Commercial production is processed through National Research and Development Corporation. For this, NLC has been selected as winner of the Eco Innovation Golden Peacock Award – 2008 by World Environment Foundation from more than 200 participants. The sale of 101.6 Kilo Litres of Humigold has fetched revenue of Rs. 18.60 Lakhs. NLC has made its township a “Plastic Free Zone”.

Surface and Ground Water Management: Mine water is continuously supplied for irrigating 23,000 acres of lands in the surrounding villages. A unique proactive study on Infiltration Measures into ground water through injection wells with technical expertise from Germany has been taken up. IIT, Chennai is also an associate of NLC in the Artificial Recharge of Ground into the Neyveli deep-seated aquifer. Wide spread rain water harvesting contributes to the effectiveness of total water management. 8000 GPM of Mine-I sump water is being treated in the water treatment plant (cost of Rs.1489.30 Lakhs) and supplied to the residents of NLC Township for drinking purpose from May 2005 onwards to reduce ground water consumption. 15000 GPM of treated storm water from Mine-II sump will soon be catering to needs of Power stations. Arrangements made in the Neyveli Township is harvesting the hefty storm water run-off from over 35 sq. km. 12 check dams, 12 soak pits and one pond of 34000 M3 capacity with 3 infiltration wells built at a total cost of Rs.25 Lakhs aids in elevating the water table. This project benefits the nearby villagers who source the water for irrigation and domestic needs by means of bore wells and open wells. 5 nos. of observation wells along the drains, 2 nos. of dug
wells near pond area and 1 no. of dug well at a downstream location of a drain are there to monitor subsurface water table.

*Air Conservation:* Control of dust, emissions, noise/vibration etc., is achieved by continuous monitoring with the support of CARD. The ambient air, CO2 level in and around Neyveli is being recorded in 33 locations and the trend in CO2 values studied in relation to parameters like temperature, humidity and photo synthetically active radiation. A vegetation map for Neyveli area has been prepared in association with M/s. SACON, Hyderabad. Tolerant tree species have been identified for inclusion in NLC’s afforestation programme.

*Biodiversity in afforestation:* The integrated farming system developed in reclaimed and afforested area include flowering and fruit bearing trees, various agricultural and horticultural plants and crops, animal component, aquaculture and biogas.

### 4.5.3 Impact on Profit

NLC is well aware that no business can thrive in a failing society and a failing business is of no use to the society. NLC has been a reliable source of power to the industries and households in many parts of the country. In the past 10 years NLC’s net profit has grown by 71.85% to the present Rs. 1247.46 crores. State of the art technologies are employed with global partnership for set up, production and productivity. Prestigious Quality Certifications have been obtained for many segments of NLC. The kaleidoscope of socially oriented activities undertaken by NLC include the following: (i) Patronising social welfare societies/opportunity schools for special children; (ii) grant and infrastructure to such institutions and other educational societies; (iii) Community health screening camps; (iv) medical support to the elderly; (v) mosquito control programme; (vi) plastic menace control programme; (vii) immunisation programmes; (viii) epidemics-control programmes; (ix) supplying water to the surrounding villages for irrigation; (x) sinking of drinking water bore wells in the surrounding villages; (xi) construction of overhead tanks in the surrounding villages; (xii) bridges/culverts and public toilets in the nearby villages; (xiii) laying roads in the surrounding villages; (xiv) construction of school buildings, library buildings, laboratory buildings in the surrounding villages; (xv) de-silting of tanks and strengthening of tank bunds in the surrounding villages; (xvi) providing street lights to the surrounding villages; and (xvii) facilitating in-plant training and project work for students of various disciplines. Tables 2 and 3 give the list of social infrastructure projects completed by NLC Ltd. in 2014, and committed by NLC in 2014 respectively.
Table 2: List of social infrastructure works completed in the year 2014

<table>
<thead>
<tr>
<th>Name of work</th>
<th>Finalized Value (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cement Road at Melkankeyankuppam</td>
<td>479163</td>
</tr>
<tr>
<td>Construction of library building at Seplanatham village</td>
<td>386853</td>
</tr>
<tr>
<td>Formation of BT road from Kurinjipadi by pass to Ku.Nellikuppam</td>
<td>1170286</td>
</tr>
<tr>
<td>Construction of laboratory building at Venkatampettai village</td>
<td>1410910</td>
</tr>
<tr>
<td>Improvement of works Anganwadi building at Kammappuram</td>
<td>1177272</td>
</tr>
<tr>
<td>Construction of water tank at Edaikkal 1,00,000 litre capacity</td>
<td>882356</td>
</tr>
<tr>
<td>Construction of class room at Keelakuppam</td>
<td>1507587</td>
</tr>
<tr>
<td>Providing drainage facilities and construction of RCC bus shelter at</td>
<td>1791223</td>
</tr>
<tr>
<td>Kattukudalare village</td>
<td></td>
</tr>
<tr>
<td>Construction of lab building at Seplanatham village</td>
<td>1403121</td>
</tr>
<tr>
<td>Formation of CC road at Nadukuppam village</td>
<td>628416</td>
</tr>
<tr>
<td>Formation of CC road at Meenakshippeti</td>
<td>658178</td>
</tr>
<tr>
<td>Formation of CC road at Periyakurich</td>
<td>855130</td>
</tr>
<tr>
<td>Construction of water tank at Vijayamanagaram</td>
<td>590131</td>
</tr>
<tr>
<td>Construction of meeting hall at Mudhanai</td>
<td>1081990</td>
</tr>
<tr>
<td>Construction of lab building at Vadalur</td>
<td>1468857</td>
</tr>
<tr>
<td>Formation of CC road at Melpathy</td>
<td>252547</td>
</tr>
<tr>
<td>Improvement works for children welfare centre in 17 villages of Panruti union</td>
<td>1108618</td>
</tr>
<tr>
<td>Formation of CC road at Kottagam village</td>
<td>946796</td>
</tr>
<tr>
<td>Providing fencing work at sericulture farm near Indira Nagar</td>
<td>486849</td>
</tr>
<tr>
<td>Formation of BT road at Seplanatham (South) Adi-dravadar Colony</td>
<td>619888</td>
</tr>
<tr>
<td>Construction of lab building at Perperiyankuppam</td>
<td>1470547</td>
</tr>
<tr>
<td>Providing concrete pavement with drain near panchayat office at Vadalur</td>
<td>1255194</td>
</tr>
<tr>
<td>Providing cement concrete road at Veerasingankuppam colony</td>
<td>209624</td>
</tr>
<tr>
<td>Construction of RCC water tank of capacity 30,000 litre at Kathalai village</td>
<td>323740</td>
</tr>
<tr>
<td>Construction of six class rooms to the Govt. High School at Kammappuram</td>
<td>3278314</td>
</tr>
<tr>
<td>Construction of library building at Venkatampettai</td>
<td>416310</td>
</tr>
<tr>
<td>Widening and desilting of surplus weir canal from Thatchan eri (Oonankuppam) to Paravar</td>
<td>646708</td>
</tr>
<tr>
<td>Construction of compound wall for Gangaikondan Elementary school</td>
<td>165760</td>
</tr>
<tr>
<td>Construction of library building at Erumbur village</td>
<td>417195</td>
</tr>
<tr>
<td>Construction of RCC bridge in lieu of piped cause way at Mangalam village</td>
<td>2254371</td>
</tr>
<tr>
<td>Construction of OHT 60,000 litre capacity at Sorathur village</td>
<td>551344</td>
</tr>
<tr>
<td>Providing laterite, WBM and BT road for Pillaiyar koil street and CC road at Murugan koil street at Seplanatham village (Kamaraj Nagar)</td>
<td>1497948</td>
</tr>
<tr>
<td>Formation of BT road from Sedunthakuppam to Nandukuzhi</td>
<td>483404</td>
</tr>
<tr>
<td>Construction of compound wall for Venkatankuppam Elementary school</td>
<td>670172</td>
</tr>
<tr>
<td>Providing cement concrete road for various streets at Periyakurichi village</td>
<td>1267791</td>
</tr>
<tr>
<td>Providing CC road for Kuravankuppam village</td>
<td>700893</td>
</tr>
<tr>
<td>Borewells drilled by GWC, Mine II in Mummidicholagan, Gangaikondan, Iruppu, Kotteri villages</td>
<td>1844167</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>36359253</strong></td>
</tr>
</tbody>
</table>

Source: www.nlcindia.com/navaratna.journal.
Table 3: Social Infrastructure works in Progress/committed as at the end of the year 2014

<table>
<thead>
<tr>
<th>Name of work</th>
<th>Finalized Value (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction of Primary Heath Centre at Perperiankuppam</td>
<td>2460689</td>
</tr>
<tr>
<td>Construction of PHC at Vadalur</td>
<td>3665769</td>
</tr>
<tr>
<td>Construction of compound wall for Vadalur Sabai</td>
<td>1127037</td>
</tr>
<tr>
<td>Construction of Library building at Gangaikondan village</td>
<td>407882</td>
</tr>
<tr>
<td>Construction of OHT 3,00,000 liters capacity at Gangaikondan village</td>
<td>3187633</td>
</tr>
<tr>
<td>Construction of additional building and improvement works for Neyveli PHC</td>
<td>2408206</td>
</tr>
<tr>
<td>Construction of 5 class room building for Govt. Higher Secondary School at Iruppu village</td>
<td>2702668</td>
</tr>
<tr>
<td>Combined water supply scheme, Periyakurichi</td>
<td>11000000</td>
</tr>
<tr>
<td>Deepening of chettieri near Ayyankurunjipadi</td>
<td>1730988</td>
</tr>
<tr>
<td>Deepening and desilting of Thatchan eri at onnankuppam village</td>
<td>2988843</td>
</tr>
<tr>
<td>Providing CC road at sivaprkasam swamigal mutt street at Karunkuzhi</td>
<td>435860</td>
</tr>
<tr>
<td>Construction of compound wall for Govt. Hr. Secondary school at Pathirakottai village</td>
<td>1700000</td>
</tr>
<tr>
<td>Construction of Lab building at Iruppu Govt. Hr. Sec. School</td>
<td>1500000</td>
</tr>
<tr>
<td>Deepening of Kulam and providing steps for Veludayanpattu koil kulam</td>
<td>2500000</td>
</tr>
</tbody>
</table>

Source: www.nlcindia.com/navaratna.journal.

5.0 CSR and Sustainability 2014: Glimpses of community assets/social infrastructure works

a) NLC launched a scheme ‘JEEVIKA’ in the year 2012-13 for conducting self employment training programme at a cost of Rs.2.25 lakh. (07.01.2013:)
b) As a CSR initiative, NLC laid foundation stone to construct a meeting Hall at Alambadi - Mettur village, an agricultural hamlet of Trichy District on 10.01.2013. the first time NLC is extending its CSR initiative to the place other than the peripheral villages of Neyveli.
c) As part of “JEEVIKA” Scheme, training programme on manufacturing pre-cast building materials using cement and fly ash was organised. Pre-casting Yard was conducted between 21.01.2013 and 01.02.2013.
d) The impact assessment study of CSR Projects undertaken by NLC in Iruppu village was conducted from 23.01.2013 by Engaging M/s. Madras School of Social Work. The Impact Assessment Report was submitted by them on 01.02.2013. They have observed that NLC need to be highly complemented for the various initiatives and comprehensive measures under their CSR with holistic approaches for inclusive socio-economic development.

e) As part of “JEEVIKA” scheme, self-employment training programmes in vocational trades like electrician, welding, tailoring, catering and computer education to the youth of peripheral villages were inaugurated by NLC officials at a function held a NLC Employee Development Centre on 20.02.2013. at a cost of Rs.8 lakh.

f) 4th March 2013 was a day of events in the history of NLC’s CSR. NLC inaugurated the building of 5 New Class Rooms constructed by NLC at a cost of Rs.30 lakhs for the G. H. S. School Building in Iruppu Village of Cuddalore District on 04.03.2013.

g) “AROGYAA”, is a Health Care System initiated by NLC under corporate social responsibility scheme. A free medical camp under this scheme was organised by NLC at Sorathur Village on 04-03-2013, 500 people in different age groups. Till 04.03.2013, around 11,500 people belonging to 23 neighboring villages have been benefitted. Of which, 133 beneficiaries were referred to PIMS for follow up treatment at subsidized cost with accommodation and food, free of cost.

h) NLC has initiated a Sustainable Development project on “Sequestration of Carbon di-oxide (CO2) and Production of Bio-fuel from Flue Gas of Thermal Power Plants”. To effect the effort, NLC entered into an MOU with the Pondicherry Engineering College for a R & D Project on 13.03.2013 at Neyveli. Rs. 89 Lakh. This event places a milestone on the sustainable development strategies of NLC, towards attaining National goal on removal of CO2 from flue gas by algal cultivation.

i) A New Maternity Block at Primary Health Centre (PHC) Vadalur on 22.03.2013 was constructed by NLC at a cost of 48 lakh. The Maternity Block would serve the health care needs of about 30,000 people of Vadalur Town and people from the surrounding villages. On the same occasion, CMD launched the newly formulated CSR Project “POSHAK”, a scheme which feeds specially prepared nutritious food items to HIV affected children of Cuddalore District. This scheme would be provided by NLC with an expenditure of 11 lakh per year. About 270 HIV affected children of Cuddalore District will be benefited by this project.

j) The entire gamut of community development initiatives of NLC under CSR is named as “Maanav Vikas” scheme, with “Buniyadh” and “Jala Paryaptha” – the capital component for building and improving Sustainable Community Assets and Common Resource Properties for Irrigation and “Samooh Unnathi” – the service
component for Community Development Initiatives. From the year 1998, the system of executing capital works for the development of Social Infrastructure in the surrounding villages has been streamlined and a structured Peripheral Development Scheme has been installed for the benefit of the villages surrounding Neyveli with the active participation of all the stakeholders.

k) Apart from the direct execution of capital works by NLC, a comprehensive plan for the improvement of the water supply scheme of Gangaikondan town Panchayat was formulated at an estimated cost of Rs.64.60 lakhs for execution by Tamil Nadu Water Supply and drainage board, with 100% financial assistance from NLC.

l) NLC observed World Environment Day on 05.06.2013 at Yegneswaran Auditorium of NLC’s Employee Development Centre, with the theme “Think-Eat-Save” which is an anti-food-waste and anti-food-loss campaign that influences mankind to reduce their food print.

m) Poshak: The supply of nutritious food supplement for the months of May and June was delivered by the NLC CSR Team to the Cuddalore District HIV Positive Society (CDS+) for distribution to 272 HIV +ve Children belonging to the CDS+.

n) The CSR activity of NLC, “Mouka” is aimed at coordinating programmes for livelihood. It is being carried on under the “Jeevika” Scheme - a CSR initiative of NLC formulated to address the livelihood-needs of the surrounding population.

o) NLC extended financial assistance for the relief and rehabilitation works, by contributing Rs.2.5 crore from CSR fund. The employees also voluntarily contributed Rs.2.73 crores for the same cause. The past contributions by NLC and its employees to relief funds in the past years have been given in Table 4.

Table 4: Contributions by NLC and its Employees to Relief Funds in the past

<table>
<thead>
<tr>
<th>Month/Year</th>
<th>Reason</th>
<th>NLC's Contribution under CSR</th>
<th>Employees Voluntary Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1999</td>
<td>Kargil War</td>
<td>Rs. 2 crore</td>
<td>Rs.48,91,256/-</td>
</tr>
<tr>
<td>November 1999</td>
<td>Orissa Cyclone</td>
<td>Rs. 1 crore</td>
<td>Rs.54,07,260/-</td>
</tr>
<tr>
<td>January 2001</td>
<td>Gujarat Earthquake</td>
<td>NLC’s contribution over and above 1 day wages of employees to make Rs.2 crore</td>
<td></td>
</tr>
<tr>
<td>July 2005</td>
<td>Tsunami</td>
<td>Rs. 2 crore</td>
<td>Rs.4 crore.</td>
</tr>
</tbody>
</table>

*Source: www.nlcindia.com/csr.*

p) NLC is taking steps to enter into Green Power Generation in a big way, our Engineers of TPS-I Expansion installed a 2KW Solar Power Panel and successfully
NLC commissioned the Mini Power Plant recently. NLC recently placed an order for Rs.332.52 crore for setting up of a 51MW Wind Power Farm at Kaluneerkulam in Thirunelveli District of Tamil Nadu. In addition, NLC proposed to set up a 25 MW Solar Photo Voltaic Project at Neyveli in two Phases. Similarly the company has prepared to setup 10 MW Solar Power Project in Barsingsar, Rajasthan.

q) NLC Launched the “Arogyaa Camps” Project for the year 2013-14 on 09.10.2013. Three camps were conducted during the month of October 2013 in which 1029 patients were screened and benefited.

6.0 Conclusion

Companies have enormous potential to affect change in their communities and the environment by investing in CSR initiatives. While mining companies may regard CSR as good for business, from the communities’ perspective CSR is a mechanism of compensation for the social and environmental costs associated with mining. These community costs often relate to environmental impacts, surrounding villages and the welfare of the neighbouring society. While CSR programs benefit both mining companies and local communities, it is important to clarify that mining companies are not obliged to compensate communities. NLC CSR programs are increasingly recognized for delivering sustainable benefits and improving the well-being of the communities in which mining companies operate. The purpose of this study was to analyse impact and benefits to the surrounding villages and the neighbouring society. The company was chosen because it has developed a comprehensive policy framework on CSR and the company is also recognised for its CSR record.

Finally, it has been observed that NLC highly complemented for the various initiatives and comprehensive measures under their CSR with holistic approaches for inclusive socio-economic development. The commitment of NLC’s top management and the collaborative efforts of their project monitoring team in translating NLC’s socially oriented plan objectives into desired and expected outcomes in the immediate run and measurable impacts in the long run are noteworthy.

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