



PSU'S THEIR SOCIAL CONCERN TOWARDS A WORLD OF EQUALS

Dr. R. Narsaiah* Kollipara. Dimple**

*Faculty in Management Studies, Department of Humanities and Social Sciences (H&SS), JNTUH College of Engineering, Hyderabad.

**Student Pursuing 4th Year in Integrated Dual Degree Programme (IDP), B.Tech & MBA with Bachelors in Electrical and Electronics Engineering (EEE), JNTUH College of Engineering, Hyderabad.

Abstract

Most of the companies have a strong belief that they have to give something back to the society. This may be in the form of time, money, environmentally friendly services or intention to improve the lives of individuals around the globe. These kind of activities can bring benefits in terms of innovation, long-term effectiveness, cost saving, customer and employee engagement.

Social responsibility is the duty of an organisation for contributing to the society by its activities, policies, programs and mainly ethical behaviour that contributes to development, health and the welfare of society, considering expectations of others into account and is integrated throughout the organization and practised in its company's relationships.

The main purpose of this paper is to show how companies increase their growth in market by contributing to society. Many consumers believe that while the company is achieving its targets, it should also contribute something to the society. Most of the consumers do believe companies doing charity earn a huge positive response from people in very short span of time.

In this paper social concern of NTPC Ltd is mainly focussed. NTPC Ltd (National Thermal Power Corporation Limited) is one of the public sector companies (a maharatna company) which focuses on social activities aligned to company's goals. The company is focussed in generating reliable power at competitive prices to the people in an efficient manner by increasing the use of many energy sources with innovative eco-friendly technologies thereby NTPC is contributing to the economic development of the nation and upliftment of the society. At NTPC, it focuses mainly on people. It starts and ends with people. The company is deeply committed about ensuring the proper development of all its employees as different individuals and good citizens. NTPC is a company where social responsibility is coupled with best strategies to improve goodwill in the society while making sustainable and impressive business. This company has advanced its efforts with increasing effectiveness and productivity. In the same way the growth of the company is also in increasing trend year by year. It successfully implemented many activities like Swachh vidyalaya abhiyan, health and Sanitation, Education and Development, Drinking water, Sports, Capacity Building etc. Based on the commitment to the cause since its initiation, NTPC has formulated an extensive Resettlement & Rehabilitation (R&R) policy including community development activities.

Introduction

Now-a-days Public Sector Units (PSU's) are showing more interest in contributing to the society and thus also increase its demand in the society. Twelve PSUs put together spent Rs 1,250.8 crores in FY15, which went up to Rs 1,842.9 crores in FY16. While 75 private companies spent Rs 3,509.7 crores in FY15, 79 such firms spent Rs 4,190.5 crores in FY16.

Considering the company's philosophy to the maximum extent, Social activities have been an improving part of NTPC's business of power generation, lighting up the lives of millions of people in India. NTPC's spirit of caring and sharing is included in its mission statement which gains huge round of applause from the people. It firmly believes that communities located in the surrounding areas of their projects as well as those displaced by them are important partners in India's growth story.

Based on the commitment to the cause since its initiation, NTPC has formulated an extensive Resettlement & Rehabilitation (R&R) policy including community development activities. The policy grows great response at the project sites the moment the project takes off. Thereafter extensive developmental activities are being taken up by the company along with the project development. There is a separate policy called Community Development Policy which covers a vast range of activities starting at the initial level right up to the regional and national level including execution of main programmes through newly established 'NTPC Foundation'.

It is proudly said by NTPC that their social initiatives and programmes are being benefitted over a millions of our people in over 500 villages in the neighbourhood of stations and plants thanks to a huge structure, excellently formulated policies and a streamlined process.

NTPC being a member of Global Compact Network, India confirms its commitment to involve in various social activities to improve the society with all the 10 Global Compact principles and it also shares its experiences with the world through a public disclosure called "Communication on Progress".



Amount Spent by NTPC Ltd. in Social Activities

S. No	Year	Allocation (in Rs. Crores)	Expenditure (in Rs. Crores)
1	2015-2016	349.65	491.80
2	2014-2015	283.48	205.18
3	2013-2014	126.12	128.35
4	2012-2013	56.37	79.42
5	2011-2012	45.51	49.44

The Allocated and Expenditure amount in social activities is increasing year by year in NTPC Ltd. indicating its increasing concern towards society. In Financial year 2016-2017 there is 11% increase in amount spent in improving society.

Objectives of Study

The main aim of the paper is to study,

- All the practices, policies and programs undertaken by NTPC Ltd for the growth and development of company.
- Allocated and expenditure amount on each of the social activity implemented by NTPC in the year 2015-2016.
- Importance of social activities in NTPC Ltd and how best it is doing, by analysing the data using SPSS (Statistical Package for Social Sciences) software.

Research Methodology

The study of social concern of NTPC Ltd. is mainly based on secondary sources of data. Secondary sources of data include both Internal sources of data like accounting records, internal experts reports, miscellaneous reports and External sources of data like government publications, previous articles, magazines, research papers, journals, official website of NTPC Ltd.

Social Activities in NTPC Expenses for the year 2015-2016

S. No	Activity Particulars	Expenditure Amount (in Rs. Crores)	Percentage (%)
1	Swachh vidyalaya abhiyan	278.70	56.66
2	Health and Sanitation	39.76	8.08
3	Education and Skill Development	54.49	11.08
4	Rural Development	44.21	8.98
5	Environment	33.85	6.88
6	Drinking water	9.27	1.88
7	Sports	1.89	0.38
8	Capacity Building	13.57	2.75
9	Protection of National Heritage and Structure	3.17	0.64
10	Other CSR Activities	12.89	2.62
	Total	491.80	100

The most important programs undertaken by NTPC Foundation for improving lives of the people are:-

TB Control Program

NTPC Foundation is running a programme called ‘DOTs cum DMC’ (Directly Observable Treatment cum Designated Microscopy Centre) in its hospitals at almost 11 NTPC Stations to take better care of patients suffering with Tuberculosis in the surroundings of 25-35 km radius of these Stations. It not only provides space and doctors services; it also gave mobile vans and diagnostic equipment to the newly formed Centers. Total 36027 persons have been examined for the disease of Tuberculosis, case is found to be positive for 4554 persons and the treatment for them is started and 3833 have completed the treatment till March 2016.

Disability Rehabilitation Centres (DRCs)

NTPC Foundation has established up DRCs at 5 places namely Rihand, Korba, Tanda, Dadri and Bongaigaon in collaboration with the National Institute for Orthopedically Handicapped (NIOH) under the Union Ministry of Social Justice and Empowerment. The centres provide rehabilitation / restorative surgery to physically challenged persons like medical interventions and surgical corrections, fitting of artificial aids and appliances and therapeutic services etc. About 38800 PwDs have been benefitted till the end of FY2015-16.



Distributed Generation

NTPC Foundation has also promoted the efforts of distributed generation for preparation of reliable reports, project insurance and for avoiding the gap for funding. 15 distributed generation projects with total capacity of 300 KW have been funded by NTPC Foundation in remote villages thus empowering the villages to be self-reliant in electricity.

‘NTPC Utkarsh’ - Merit Scholarship

In the aim of encouraging and motivating from children to youth from surrounding villages of NTPC Projects and Stations for higher studies, NTPC management has formed ‘NTPC Utkarsh’ - Merit Scholarship under “NTPC Foundation” for all the students from the surroundings of its projects and stations. The schemes will benefit about 7300 students every year from the surrounding communities pursuing 10th, intermediate, ITI, B.E / B.Tech and MBBS studies. The scheme will be implemented by NTPC Projects / Stations from FY 2016-17 and will spend an average expenditure of about Rs 4 Cr per year in the initial four years.”

Some of the other major social activities undertaken by NTPC Ltd. for 2015-2016 are:

Swachh Vidyalaya Abhiyan

In response to the loud and clear message given by Prime Minister in his Independence Day speech, 2014, NTPC limited, which is one of the largest power utilities in India had strongly committed to aim of constructing 24626 toilets in and around 16000 schools around 17 states and 80 districts across the country. NTPC has achieved its target by the completion of 24626 toilets under Swachh Vidyalaya Abhiyan programme. NTPC has taken this initiative for promoting and realizing the dream and goal of a clean India.

Education and Skill Development

Education is very important for the country to become developed. It helps in achieving nation’s mission and also provides better life for every individual. NTPC provides 15-20% of its budget for education. It started running 48 schools and also supports education of girl child. It also concentrates on developing infrastructure of school, adult education, coaching and personality development programs providing scholarships.

Health and Sanitation

NTPC also provides basic and quality infrastructure for health and sanitation in and around its plants. It also conducts medical camps and provides health related infrastructure in surrounding villages.

Capacity Building

Community empowerment is one of the important aspects and it is provided by NTPC by providing those trainings, confidence building workshops, career related counselling. Thus NTPC promotes all the events and programs related to enhancement of capability and improvement of equality.

Safe Drinking Water

Pure water for drinking is must and should and also it is the right for every common man living on the earth. So NTPC identified this basic need and constructed many sheds for housing RO plant and handed over the equipment to Village Development Committee who run the plants and provide drinking water to the villagers.

Conclusion

The Social activities act as a relationship between corporate companies, government institutions and citizens. NTPC Ltd. policies and procedures integrate social, environmental, ethical, human rights or consumer concerns in to business operation and strategy in collaboration with stake-holders. NTPC Ltd. contributed to growth and development of society by implementing many programs and policies. T-test in SPSS is applied for data of allocated and expenditure amounts spent in social activities by NTPC Ltd. It is proved that statistically there is no significant difference between allocated and expenditure amounts spent in social activities and thus contributes for the society to the maximum extent.

References

1. <http://www.ntpc.co.in/>
2. <http://www.adageindia.in/article/cmo-strategy/companies-social-responsibility-core/143323>
3. <https://www.ukessays.com/essays/management/csr-practices-in-maharatna-companies-of-india-management-essay.php>
4. <http://blog.movingworlds.org/5-reasons-your-business-should-be-socially-responsible/>



Data Analysis Using SPSS Software

Null Hypothesis: There is no significant difference between allocated and expenditure amounts.

Data view in SPSS

	S.No	Year	Type	Amount
1	1	2015-2016	1	349.65
2	2	2014-2015	1	283.48
3	3	2013-2014	1	126.12
4	4	2012-2013	1	55.37
5	5	2011-2012	1	45.51
6	6	2015-2016	2	491.80
7	7	2014-2015	2	205.18
8	8	2013-2014	2	128.35
9	9	2012-2013	2	79.42
10	10	2011-2012	2	49.44

1-Allocated 2-Expenditure

Variable view in SPSS

	Name	Type	Width	Decimals	Label	Values
1	S.No	Numeric	2	0	S.No.	None
2	Year	String	9	0	Year	None
3	Type	Numeric	11	0	Type	{1, Allocated...
4	Amount	Numeric	6	2	Amount	None

Level of significance-95%-0.05

Output in SPSS

T-Test					
Group Statistics					
	Type	N	Mean	Std. Deviation	Std. Error Mean
Amount	Allocated	5	172.0260	137.56322	61.52014
	Expenditure	5	190.8380	178.25258	70.71698

Group Statistics here gives the information about number of observations taken in allocated and expenditure, mean of those observations, standard deviation and standard error mean of those observations.

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means		t-test for Equality of Means		t-test for Equality of Means	
		F	Sig.	t	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Lower	95% Confidence Upper
Amount	Equal variances assumed	.039	.848	-.187	.856	-16.81200	100.69521	-251.01558	213.39156
	Equal variances not assumed			-.187	.857	-16.81200	100.69521	-253.63813	216.01413

- To know whether equal variances to be assumed or equal variances to be not assumed we make use of Levene's Test for Equality of variances.

As a rule of thumb, if Sig. > .05, we use the first line of t-test results.



Reversely, if its p-value Sig. < .05 we reject the null hypothesis of equal variances and thus use the second line of t-test results.

Here sig. Value is 0.848 which is greater than 0.05 so here we consider first line of T-test results.

- If the Sig. (2-Tailed) value is greater than 0.05 in the result...

We can conclude that there is no statistically significant difference between your two conditions allocated and expenditure amounts.

If the Sig. (2-Tailed) value is less than or equal to 0.05 in the result...

We can conclude that there is a statistically significant difference between your two conditions allocated and expenditure amounts.

Here Sig. (2-Tailed) value is 0.856 which is greater than 0.05 so there is no statistically significant difference between allocated and expenditure amounts.

Result

Here there by we can conclude by T-test that there is though the difference of 18.821 crores between allocated and expenditure amounts spent in social activities, there is no statistically significant difference between the two conditions

Theoretical Calculations

Null Hypothesis: There is no significant difference between allocated and expenditure amounts.

S. No	X ₁	X ₂	X ₁ -x ₁	X ₂ -x ₂	(X ₁ -x ₁) ²	(X ₂ -x ₂) ²
1	349.65	491.80	177.424	300.962	31479.2757	90578.1254
2	283.48	205.18	111.254	14.342	12377.4525	205.6929
3	126.12	128.35	-46.106	-62.488	2125.7632	3904.7501
4	56.37	79.42	-15.856	-111.418	251.4123	12413.97072
5	45.51	49.44	-26.716	-141.398	713.7446	19993.3944
Total	∑X ₁ =861.13	∑X ₂ =954.19			∑(X ₁ -x ₁) ² =46947.6483	∑(X ₂ -x ₂) ² =127095.9335

X₁= Allocated Amount; X₂=Expenditure Amount

$$x_1 = \frac{\sum X_1}{n_1} = 172.226$$

$$x_2 = \frac{\sum X_2}{n_2} = 190.838$$

Formulae for calculating the value of t is

$$t = \left(\frac{x_1 - x_2}{s} \right) \left(\frac{n_1 n_2}{n_1 + n_2} \right)$$

where x₁=Mean of first set of observations

x₂=Mean of second set of observations

n₁= No. of observations in first set

n₂=No. of observations in second set

$$s = \text{Combined Standard Deviation} = \sqrt{\left(\frac{\sum(X_1 - x_1)^2 + \sum(X_2 - x_2)^2}{n_1 + n_2 - 2} \right)}$$

$$s = \left(\frac{46947.6483 + 127095.9335}{5 + 5 - 2} \right)^{0.5} = 147.497$$

$$t = \left(\frac{172.226 - 190.838}{147.497} \right) \left(\frac{5 \cdot 5}{5 + 5} \right) = 0.1995$$

But table value of t at 95% level of significance and (n₁+n₂-2) i.e., 8 degrees of freedom is 1.86. As calculated value of t is less than table value of t accept the null hypothesis. So there is no significant difference between means of allocated and expenditure amounts.