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Role of CSR in Inclusive Development: A Study of Maharatna Companies in India

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ABSTRACT

Corporate Social Responsibility (CSR) is an emerging concept for Indian companies. It encompasses the principles of charity or philanthropy and the realisation that a company has social dependence and should give back to society in some form. On the other hand, corporate Sustainability refers to the attempt of companies to survive and succeed in a competitive environment while ensuring minimal or no destruction to the environment, in doing so, practising economic management at all levels of the organisation. The two may seem synonymous but vary greatly and yet can go hand in hand in the context of a business organisation. In the 21st century, the phrase "inclusive development" first appeared, and it has since been used in several academic and policy texts. However, its origins can be found in various ideas from several academic fields. We define inclusive development as focusing on social well-being and protecting the ecosystem services of nature through redefining political priorities, especially in the context of the Anthropocene. At the same time, some see inclusive development as only combining social aspects with economic growth through political approaches. This phrase might link various academic fields together. This article covers the scholarly and policy literature on the concept of "inclusive development" and provides a methodology for assessing how various academic fields approach the concept.

Keywords: Corporate Social Responsibility, Sustainability, Corporate Sustainability, Sec. 135 of the Companies Act, 2013, Maharatna Companies, Inclusive Development

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INTRODUCTION

Corporate Social Responsibility (CSR) is the responsibility of corporations towards society. The term has evolved from the social dependence on all companies or, in simple terms, the inability of a company to operate and succeed without being part of any society. The purpose of Corporate Social Responsibility is two-fold. First, it involves the need of the company to give back to society as it utilises resources that belong to the community, and such resources cannot be replenished quickly as well as the ethical mandating for the companies which have ample gains to use them for the betterment of society.

Sustainability in corporations refers to the role of companies in development using sustainable means. It ensures that story takes place while considering future generations' needs and ensuring sufficient resources are left to fulfilthem. Corporate Sustainability has three aspects social, economic and environmental. Social Corporate Sustainability will be aimed at providing social progress for the corporation as well as the society where it exists and operates; economic Corporate Sustainability is directed towards achieving economic progress for the corporation, and environmental Corporate Sustainability is done to promote environmental conservation and proper utilisation of resources and avoid wastage of limited resources.

The genesis of this convergence of CSR and Sustainability is noticeablein the preface to the recent amendments relating to the Corporate Social Responsibility clause within the Companies Act, 2013, which talks about stakeholders and integrating it with the social, environmental and economic objectives, all of which constitute the idea of a triple bottom line approach. It is also acknowledged in the Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises issued by the DPE (Department of Public Enterprises) in April 2013. The guidelines state:

"Since corporate social responsibility and sustainability are so closely entwined, it can be said that corporate social responsibility and sustainability is a company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical."

Purpose Of The Study: The objective of the study is to analyse the concepts of CSR and Inclusive Development and to understand the legislation governing CSR in India along with the amount of expenditure undertaken by the companies on CSR and the share spent on Inclusive Development from the total CSR spend and to suggest measures to improve and inculcate more expenditure on inclusive development in the country. Data has been collected from CSR reports submitted by companies for this study. The study relates to the five years from 2016-17 to 2020-21.

Inclusive Development: The phrases "inclusive development" and "development" have similar etymologies. Being inclusive entails experiencing a sense of belonging, being recognised and cherished for who you are, and receiving assistance from others to accomplish your best work. The inclusion process involves everyone—not only the individual but also their entire community of residence. Though it has become a popular word in current policy and political discourse worldwide, the idea of inclusive development has roots in practically all significant ancient civilisations in various regions of the globe.Vasudhaiva Kutumbakam, a Sanskrit expression that means "the world is one family," is derived from the words "vasudha," "eva," and "kutumbakam." Hindu philosophy is thought to be entirely based on the concept, which is thought to have its roots in ancient Indian writings known as the Upanishads. In this context, inclusion refers to broader ties between members of different social groups. The comparison to a family suggests closeness and all-encompassing interactions among people.Indian culture in antiquity practised inclusive growth. Evidence from the Indus Valley civilisation reveals that this civilisation covered hundreds of kilometres and offered services for everyone, such as roads, restrooms, transportation, and storage areas.

Similarly, India's long-standing gramme panchayat system, sometimes known as the village republic, is an example of inclusive development. Vasudhaiva Kutumbakam is comparable to traditional African ideas like Ubuntu. It is a humanist or ethical philosophy that emphasises interpersonal relationships and allegiances.

Adam Smith, a Scottish political economist and moral philosopher who lived in the eighteenth century, wrote in his work Wealth of Nations that "no society can be thriving and happy of which by far the greatest part of the numbers are destitute and wretched." Likewise, no culture can survive if it tries to be exclusive, according to Mahatma Gandhi, the Father of the Nation and a brilliant visionary of the twentieth century.

Additionally, there is a deeper and more comprehensive understanding of inclusive growth. Over the past few decades, a significant shift in the conceptual understanding of development has occurred. In the more recent school of global development thinking, interdisciplinary perspectives on anything from philosophy to spirituality are finding more and more room. Development as freedom (Amartya Sen), development in terms of Gross National Happiness (in Bhutan), Mahbub ul Haq, the founder of the Human Development Report, Muhammad Younus, who popularised the Gramin Bank in Bangladesh, Joseph Stieglitz, and others are just a few of the alternative ideas that have emerged in recent years and support the inclusive development philosophy.It is now well-recognised that if a significant portion of society is disenfranchised, genuine and long-lasting social and economic progress cannot occur. Because of this, inclusive development as an approach to overall development is popular with all parties involved, including the government, non-governmental organisations, academics, and civil society organisations.

Process of Inclusive Development: The inclusive development process is threefold: social, economic and political.

i) Social Inclusion: A broad social inclusion framework can address various social policy concerns, such as economic inequality, skill gaps, educational disparities, health disparities, housing affordability, and work-life balance. Social inclusion encourages residents of communities to participate more actively. Incorporating Amartya Sen's research, the Canadian Council on Social Development defines an inclusive society as one where everyone has access to an essential degree of well-being, participates actively in society, and has access to a wide range of options and opportunities in life. It is among the most crucial components of inclusive development.Governments have embraced the word "social" in the sense of social inclusion as a moral and even legal need to promote growth. However, it is one of the most complicated ideas, marked by a need for more agreement on what it means to be socially included and the prerequisites for achieving social inclusion. Policy fragmentation in many areas of inclusion and exclusion creates a significant obstacle to comprehension. As a result, issues such as race, ethnicity, gender, and disability are all dealt with in various ways, by various government agencies, with multiple solutions, and to differing degrees of efficacy. Despite being widely employed, joined-up working has yet to be followed by connected thinking about the various groups who run the danger of exclusion**.**

ii) Economic Inclusion: International literature and research on the relationships between economic development and social capacity and their effects on well-being have exploded recently. In recent years, scholars have realised the connection between a productive economy and a society that values relationship, participation, and cohesion, as well as the combined effects of these factors on people's well-being. According to them, an inclusive economy enhances people's well-being by influencing policy to guarantee numerous chances for participation in society and the economy.

iii) Political Inclusion: International literature and research on the relationships between economic development and social capacity and their effects on well-being have exploded recently. In recent years, scholars have come to understand the connection between a productive economy and a society that values connection, participation, and cohesion, as well as the combined effects of these factors on people's well-being. According to them, an inclusive economy enhances people's well-being by influencing policy to guarantee numerous chances for participation in society and the economy.

Quotas and caste bases in political parties are the two main channels for political inclusion. In 1950, these quotas had two categories, the Scheduled Castes (SCs) and the Scheduled Tribes (STs), and three fields, public employment, higher education institutions, and political representation. This made independent India a pioneer in affirmative action policies, or "compensatory discrimination." Seats in Parliament and State Assemblies were set aside in proportion to the percentages of SCs and STs in the population, which were 15% and 7.5%, respectively. Other Backward Classes (OBCs) have been subject to quotas over the years, but solely in public employment and higher education. Election quotas have recently been implemented for a fourth category: women.These two facets of democratic renewal include the ambitious (but unevenly implemented) decentralisation strategy established in 1992. On the one hand, it establishes significant quotas in local assemblies for women (33%) and SC, ST, and OBCs (in proportion to the weight of each category in the local population) at the village, block, and district levels (or municipality in urban areas). On the other side, it enables the formation of Wards Committees, where elected officials and civil society members can gather and collaborate on managing neighbourhood affairs.

History Of Corporate Social Responsibility In India: The concept of Corporate Social Responsibility in India has evolved along with the evolution of the Indian economy and the nature of activities carried out along with the structure of governance that ruled the country. From the 1850s, when the British ruled India, until 1914, India was in the infancy stage of Industrialisation. It wasgoverned by parts as princely states and hence, saw Corporate Social Responsibility asphilanthropy. Post-1914, the fight for independence gained importance, and significant corporations donated money to the freedom struggle till India became Independent in 1947. When the Indian government was formed, there was enormous scale destruction, and plans were made to aim at the growth of domestic industries and economic rehabilitation with the aid of the Five Year Plans. In this period, corporations helped by donating to the new states and launching initiatives to support the development and progress of rural areas. However, the economy drastically changed in the 1960s when the licensing system was established, and the government-mandated more state control. This led to the formation and promotion of Trusts by significant corporations to allow them to conduct Corporate Social Responsibility activities. In 1991, when the New Economic Policy was launched, popularly known as the LPG Policy, corporations received more freedom from the government and hence resorted to family-owned trusts; partnerships between private and public sectors rose for Corporate Social Responsibility, and NGOs flourished under the provisions of the erstwhile Companies Act, 1956 due to lack of mandatory provisions governing Corporate Social Responsibility activities. In 2013, when the new Companies Act came into force, a condition in the form of Section 135 required an expenditure of 2% of the average net profits of the immediate past three financial years by companies satisfying specific criteria. It was supported by the Companies (Corporate Social Responsibility Policy) Rule, 2014 and Schedule VII, which laid down the areas where a company could engage for compliance with Sec.135.

Corporate Social Responsibility Regulations In India: The first regulation in India for the implementation of Corporate Social Responsibility was introduced by the Department of Public Enterprises (DPE) in April 2010 to make it compulsory for all public enterprises to set aside a fixed percentage of their net profits for Corporate Social Responsibility activities. This basic guideline dealt only with setting aside the amount and itsutilisation for Corporate Social Responsibility activities. However, it did not deal with specifics, and the guidelines' depth was limited.

The second regulation on Corporate Social Responsibility in India was enacted in July 2011 by the Ministry of Corporate Affairs (MCA), Government of India, titled the “National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business”, which contained broad principles based on which the companies could frame guidelines for their conduct or alter their business practices to be in line with the directions given in the guidelines. The policies aimed to inculcate responsible behaviour in the business without making any compulsions on them or classes of them to oblige to these guidelines. In 2012, however, the Securities and Exchange Board of India (SEBI) mandated the implementation of Voluntary Guidelines by the top 500 listed companies to ensure uniformity in Business Responsibility Reporting (BRR). Other listed companies could voluntarily decide to adhere to these guidelines.In 2013, the Department of Public Enterprises (DPE) revised the guidelines for Central Public Sector Enterprises (CPSEs). It modified it to relate to global business reporting practices whilefocusing on domestic socio-economic issues. The policies focused on Corporate Social Responsibility and Sustainability and thereby increased the scope of the guidelines to help the inclusive growth of the CPSEs.

The **third and largest regulation** relating to Corporate Social Responsibility is the **Companies Act of 2013**. This can be considered the landmark legislation in India regarding many vital issues like Corporate Social Responsibility, Sustainability, transparency, good governance and other important issues which were not handled in any previous mandatory regulation at the time. Section 135 of the Companies Act dictates the rules for Corporate Social Responsibility expenditure of the companies. The details for Corporate Social Responsibility activities are given in Schedule VII of the Act. To support the Act's provisions, the Ministry of Corporate Affairs published the Corporate

Social Responsibility Rules, 2014, on 27th February 2014, which applied to all companies, including CPSEs, from 1st April 2014. As per provisions of the companies act and relevant rules, every company has:

- *A net worth of Rs. 500 Crore or more, or*
- *Turnover of Rs. 1000 crore or more, or*
- *Net Profit of Rs. 5 crores or more*

During the immediately preceding financial year is required to **set aside 2% of the average of the net profits of the three immediately preceding financial years** for Corporate Social Responsibility activities. The Act also makes it mandatory for such companies to set up a Corporate Social Responsibility Committee out of its Board to organise and control the Corporate Social Responsibility activities of the company and allow for greater transparency in the Corporate Social Responsibility process with the publication of the Corporate Social Responsibility Report. Meanwhile, some specific guidelines have come into force thatdeals with certain classes of companies which are: Corporate Social Responsibility in Banking companies as instructed by RBI [2005] and Guidelines on Corporate Governance for insurance companies issued by the Insurance Regulatory and Development Authority of India (IRDAI) [2016].The guidelines for CPSEs were again revised by the DPE yet again in 2018 to include the recommendations made by the CPSEs Conclave held in April 2018, which were directed at ensuring the utilisation of the Corporate Social Responsibility funds in a manner that it contributes maximum towards national priorities identified by various national bodies or agencies from time to time. This allowed the widening of the scope of the Corporate Social Responsibility guidelines and ensured the maximisation of the benefit of the Corporate Social Responsibility funds for national gain.

The fourth legislation regarding Corporate Social Responsibility is the **Companies Amendment Act 2019,**which contains provisions related to using Corporate Social Responsibility funds, rules on how unutilised funds are to be treated and a penalty for non-compliance. The said rules have been published but are yet to be notified. This new amendment attempts to put into practice the initial idea set forth by the companies act to comply or explain and, at the same time, ensures that an eligible company required to spend on Corporate Social Responsibility activities does not, in any case, get away without paying the amount on allowable Corporate Social Responsibility activities. The amendment act increases the necessity for compliance with the Corporate Social Responsibility provisions and mandates more responsibility on the part of the companies and their directors to comply with Corporate Social Responsibility rules.

Corporate Social Responsibility Activities: As per the provisions of the Companies Act 2013, CSR activities can be undertaken per the outline given in Schedule VII. However, the schedule is not exhaustive and hence cannot be limited and therefore leaves scope for the companies to spend on any other activities which may directly or indirectly satisfy the nature of the activities laid down. However, specificactionsother laws or legislations may mandate cannot be utilisedto comply with these provisions.As per Schedule VII, the following activities can be undertaken for CSR:

(i) eradicating extreme hunger and poverty;
(ii) promotion of education;
(iii) promoting gender equality and empowering women;
(iv) reducing child mortality and improving maternal health;
(v) combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
(vi) ensuring environmental Sustainability;
(vii) employment enhancing vocational skills;
(viii) social business projects;
(ix) 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
(x) such other matters as may be prescribed.
As can be seen that the point given above clearly spells inclusive development as a good activity for CSR expenditure under the provisions of the Companies Act 2013.

Analysis Of Csr Expenditure In India: As part of the CSR Reporting Framework established under the Companies Act 2013, the companies required to comply with the CSR provisions are mandated to report the areas in which expenditure is planned or incurred by the companies. During the five-year study, PSUs have spent Rs. 20,487.40 crores on CSR activities all over India.

Table 1: CSR Expenditure of all PSUs in India (in Rs. Crore)

Year	2016-17	2017-18	2018-19	2019-20	2020-21	TOTAL
CSR Spend	3,296.03	3,650.48	4,215.00	5,270.19	4,055.70	20,487.40

The Maharatna Companies have spent Rs. 10,815.07 crores on CSR projects during the same period starting from 2016-17 to 2020-21. This amounts to 52.79% of PSU spending during the five years. It shows that Maharatna companies constitute a majority of the PSUs accountable for contributing to CSR activities in India under the regulations of the Companies Act 2013.

Table 02: CSR spending of Maharatna companies during 2016-17 to 2020-21

	Name of the Maharatna Company	2020-21	2019-20	2018-19	2017-18	2016-17	TOTAL
1	National Thermal Power Corporation (NTPC)	418.87	304.92	285.46	241.54	277.81	**1528.6**
2	Oil and Natural Gas Corporation (ONGC)	538.77	582.35	586.85	503.44	535.67	**2747.08**
3	Steel Authority of India Limited (SAIL)	47.18	27.56	31.18	25.7	29.04	**160.66**
4	Bharat Heavy Electricals Limited (BHEL)	20.18	35.11	16.01	7.36	37.48	**116.14**
5	Indian Oil Corporation Limited (IOCL)	342	518.49	468.15	331.01	217.1	**1876.75**
6	Hindustan Petroleum Corporation Limited (HPCL)	129.97	182.24	159.81	156.87	107.9	**736.79**
7	Coal India Limited (CIL)	95.4	172.31	27.53	24.31	13.64	**333.19**
8	Gas Authority of India Limited (GAIL)	146.95	122.73	119.3	91.65	72.38	**553.01**
9	Bharat Petroleum Corporation Limited (BPCL)	136.25	345.55	178.19	165.98	77.44	**903.41**
10	Power Grid Corporation of India (POWERGRID)	240.48	346.21	195.51	157.99	147.27	**1087.46**
11	Power Finance Corporation	187.84	97.15	100.5	118.18	268.31	**771.98**
	TOTAL	**2303.89**	**2734.62**	**2168.49**	**1824.03**	**1784.04**	**10815.07**

As per the regulations, 2% of the average of the past three years' profits is prescribed as the CSR spending for the companies. Therefore, it is essential to identify the amount that the Maharatna companies successfully spend out of the prescribed amount to understand their ability to plan and manage CSR activities.The utilisation of the funds ranges from 48% to more than 2000% in the chosen sample of Maharatna companies during the five years. This is due to various factors, such as the occurrence of losses in a few corporations and the long-term belief of the corporations to engage in activities that will benefit society voluntarily, allowing them to plan and coordinate their CSR spending to be well-managed and independent of the CSR regulations.

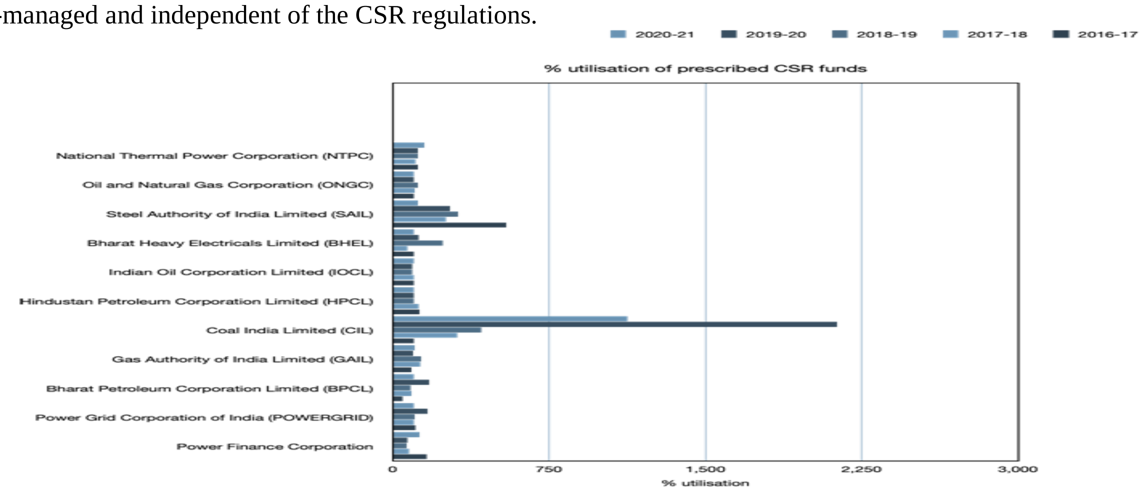

Figure 1: Utilisation of the prescribed CSR by the Maharatna companies

Maharatna companies being Public listed undertakings of the government have been the target of the voluntary CSR guidelines issued by the Department of Public Enterprises in 2009. Most of them even reported their CSR projects as part of the International reporting standard of giving a Sustainability Report before introducing any guidelines in India. This gave them more exposure to the various practices that could be undertaken and permitted them to take greater control of their management and approval of CSR projects.

Inclusive Development: The 17 Sustainable Development Goals (SDGs) adopted by the United Nations form the basis of the areas in which CSR activities are permitted to be undertaken as per the regulations of the Companies Act 2013. There are 10 SDGs aligned to achieve rural development. SDG 1 calls for no Poverty, SDG 2 for Zero Hunger, SDG 3 for Good Health and Well-being, SDG 4 calls for Quality Education, SDG 5 calls for Gender Equality, SDG 6 for Clean Water and Sanitation, SDG 7 for Affordable and Clean Energy, SDG 9 for Industry, Innovation and

Infrastructure, SDG 10 for Reduced Inequalities and SDG 15 for life on land. All these are part of the 2030 Agenda for Rural Development.

Table 3: CSR Expenditure of all PSUs in India on inclusive development (in Rs. Crore)

Year	2016-17	2017-18	2018-19	2019-20	2020-21	TOTAL
CSR Spend	3240.76	2874.98	3092.71	4397.83	3184.75	**16791.03**

Taking guidance from the SDGs mentioned above, Corporations in India have spent significantly on inclusive development.In the five years, Rs. 10,129.2 Crores was spent on this goal by the PSUs in India engaged in CSR activities. This accounted for nearly 60.33% of the total CSR expenditure incurred by the PSUs during the study period.

Table 04: CSR expenditure of Maharatna Companies on Inclusive Development (in Rs. Crore)

Name of the Maharatna Company	2020-21	2019-20	2018-19	2017-18	2016-17	TOTAL
National Thermal Power Corporation (NTPC)	418.84	302.56	284.61	226.97	276.99	1509.97
Oil and Natural Gas Corporation (ONGC)	531.46	582.04	586.85	482.07	504.91	2687.33
Steel Authority of India Limited (SAIL)	44.81	22.8	25.01	23.78	0	116.4
Bharat Heavy Electricals Limited (BHEL)	4.67	35.1	16.01	7.36	26.78	89.92
Indian Oil Corporation Limited (IOCL)	213.99	331.01	468.15	518.49	445.09	1976.73
Hindustan Petroleum Corporation Limited (HPCL)	141.69	182.24	159.81	156.87	108.11	748.72
Coal India Limited (CIL)	95.4	172.31	27.53	24.33	129.38	448.95
Gas Authority of India Limited (GAIL)	146.99	122.73	119.3	91.05	72.38	552.45
Bharat Petroleum Corporation Limited (BPCL)	59.02	345.55	178.19	165.98	77.44	826.18
Power Grid Corporation of India (POWERGRID)	0	0	195.47	157.97	147.33	500.77
Power Finance Corporation	187.84	97.15	100.5	118.18	168.11	671.78
TOTAL	1844.71	2193.49	2161.43	1973.05	1956.52	10129.2

The Maharatna Companies, on the other hand, have managed to spend Rs. 10,129.2 Crores during the five years of activities leading to inclusive development. This accounts for almost 86.53% of the total PSU spending on the same category of activities. This shows that the contribution of the Maharatna companies is significant and shows their recognition of the need to spend on development to remove the disparities in a developing economy like India.

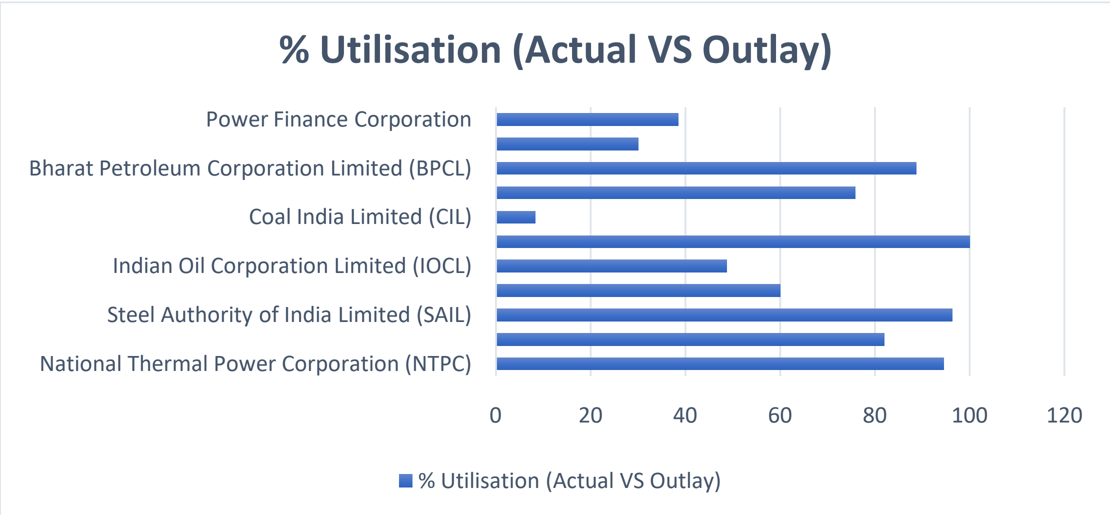

Figure 2: Comparison of Actual Expenditure with Projected outlays for CSR projects undertaken by Maharatna companies for Rural Development

As visible in the Figure above, in comparing the actual expenditure on inclusive development, Maharatna companies have been able to spend only 39.89% of the total projected outlay on these activities.

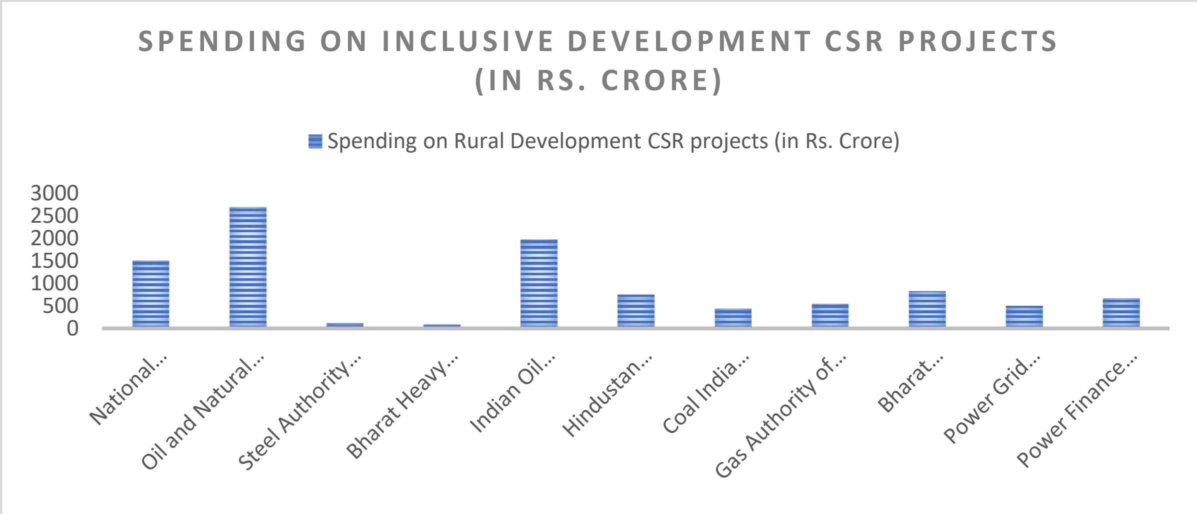

Figure 3: Actual aggregate spending on Inclusive Development projects

The contribution of the Maharatna companies is significant. It shows their recognition of the need to spend on development to remove the disparities in a developing economy like India.

MAJOR PROJECTS OF MAHARATNA COMPANIES FOR INCLUSIVE DEVELOPMENT AND THEIR IMPACT ASSESSMENT:

1. GAIL: 'Unnati' is a rural development initiative undertaken by GAIL focused on ensuring the availability of essential amenities to the rural population. They have another project called 'Neer Nidhi', integrated watershed management and livelihood projectin the Guna district of Madhya Pradesh with Infrastructure development activities affecting 1.5 lakh people.GAIL has also installed 750 solar streetlights in the country's remotest villages.In addition, GAIL has taken up a CSR project to ensure access to and knowledge of constitutional safeguards for scheduled tribes in the Chhindwara and Indore districts, Madhya Pradesh.

2. NTPC: Through the NTPC Foundation, NTPC has created Directly Observed Treatment cum Designated Microscopy Centre (DOTs cum DMC) with mobile ambulances operated in 11 hospitals under the Revised National Tuberculosis Control Programme (RNTCP) covering a 25-30km area of the villages around the NTPC stations. Around 4,000 cases are treated per year at these DOTs cum DMC.It has also established a Disability Rehabilitation Centre (DRC), which has helped around 2,900 people with approximately 9,300 surgical corrections and other aids in 2020-21.NTPC has also spent Rs. 28 lakhs to install solar lights in Uttar Pradesh.

3. IndianOil: A Unique initiative, zero energy-based vegetable cellars, will significantly improve the livelihood of farmers of Nang Village near Leh in Jammu & Kashmir. Twenty-three cellars were constructed, which do not require electricity and are based on simple technology, making them easy to maintain and low cost. As a result, the farmers' income has increased by 30% as these cellars prevent the deterioration of the vegetables allowing them to fetch better prices in the market.

4. ONGC: ONGC CSR Footprints in Villages of Arunachal Pradesh: For the development of the rural infrastructure of Arunachal Pradesh, ONGC intervened in the field of education, health care and community development. Funding was extended toconstruct a B Ed College at Nirjuliand a girls' hostel at Naharlagun. Financial assistance was provided for Ambulance and X-Ray machines to upgrade the healthcare infrastructure of two rural community health centres in the Papum Pare district. Two Ambulances were provided in two small blocks in the newly formed Lower Siang Districts. Solar Street Lights were installed at Upper Subansiri115, and support was extended for constructing ten community centres. At West Siang District, ONGC supported X-Ray Machines, Ultra Sound Machine, Dental X-Ray machines, Ambulances, and other equipment for the up-gradation of Aalo Govt. Hospital and Basar CHC, besides funding for school building construction, toilets, teachers' quarter and ten community centres. In Ziro, funding was provided for Ultrasound, X-Ray, and Ambulances for Ziro Govt. Hospital and construction of a school building.

An Organic Farming Training Centre was formulated to promote organic farming through training and capacity building at Tandur and Vikarabad Mandal of Telangana. The entire infrastructure facilities have been set up with funding from ONGC. The project will benefit about 3500 farmers, 200 students and consumers by promoting organic farming.

Solar Electrification of Rural Households: Narayanpur Rail Basti Village in Silchar District of Cachar District (Assam) has been facing hardship for decades because of the non-availability of electricity. Through this project, Two village women were trained under this project for six months on all components of solar electrification at BarefootCollege. Upon completing their training program, these two ladies have set up the complete solar electrification of every house in the village. Henceforth, the entire village will have solar-powered electricity with all the repair and maintenance work done by the two ladies.

Documentation Centre at Roing in Arunachal Pradesh: The state of Arunachal Pradesh is bestowed withabundant natural resources and biodiversity. The local tribal population, over the years, has developed various traditional ways of cultivation, handicraft, cooking recipes, etc., which are unique and precious. With a vision to preserve this rich heritage of the tribal lifestyle of the state, ONGC has funded the project toset up a documentation centre at Roing in the Lower Dibang Valley of Arunachal Pradesh.

5. Sail: Seventy-nine villages from 8 states across the country have been selected as 'Model Steel Villages' to provide comprehensive development. Activities undertaken include health & medical services, education, infrastructure, sanitation, livelihood generation etc.

6. Power grid: “Improving Rural Livelihoods through Integrated Watershed Management” project was completed at about 12,500 Hectares of arid land in two semi-arid Districts, namely Kurnool, AP & Vijayapura, Karnataka, at the cost of about ₹18 crores which created net water storage capacity of about 95,000 m3 resulting in conservation of about 1,45,000 m3 of surface runoff water. The groundwater table has also increased.Crop productivity has increased by 10-40%. This project has benefitted more than 10,000 farmers with an additional income ranging between ₹10,000 to ₹50,000 / year/household.This project bagged the "National CSR Award 2018" declared by the Ministry of Corporate Affairs, Govt of India in "Corporate Awards for Excellence in CSR". After the tremendous success of the above project, POWERGRID is replicating a similar project in five villages of Kalahandi District in Odisha (at the cost of ₹ four crores).Along with this, Rural Infrastructural projects like the Construction of Community Centres, open sheds, roads, culverts, drains, drinking water systems, the development of ponds, etc., in various parts of the country, primarily in and around POWERGRID's areas of operations, have been executed.

7. HPCL: Lighting a Billion Lives (LaBL) is an initiative of HPCL that aims to set up solar charging stations in 3 villages of Madhya Pradesh which does not have sufficient energy resources. The stations will include 50 solar lanterns and charging panels. In addition, it will lease the lanterns at an affordable fee by using a locally trained entrepreneur to run the station.

CONCLUSION

- The Maharatna companies account for more than half (around 52%) of the total CSR expenditure reported by the PSUs during the study period. While comparing the same with all the companies in the ambit of the CSR regulations, the spending of Maharatna companies is approximately 11% which is highly significant.
- The expenditure of the Maharatna companies on Inclusive Development amounts to Rs. 10,129.2 Crores. The trend, however, cannot be defined due to the change in the pattern of CSR expenditure as a direct result of the COVID-19 pandemic. Nevertheless, the aggregate spending on the activity amounts to 60.33% of the total expenditure by all PSUs on the said activity. At the same time, comparing the same with all the companies that have submitted the CSR reports, the expense forms approximately 20% of the aggregate—suggesting that Maharatna companies are at the forefront in engaging in activities directed towards inclusive development.
- It can be observed that the spending on inclusive development has dramatically declined in the year 2020-21 as a result of the COVID-19 pandemic, where CSR funds were redirected towards improving health care or providing medical and healthcareequipment to society. Another reason that can be pinpointed is the change in CSR regulations allowing a carry forward of excess expenditure as a set-off for future periods.
- Inclusive Development is an activity that comprises multiple aspects and subsumes the other permitted activities such as the alleviation of poverty, removal of hunger, development of sports, reduction of gender inequality, etc. This, at times, causes the non-reporting of the activity in the developmental activity section of the CSR Report in Annexure-VII. Hence it becomes difficult to identify whether a particular project has affected inclusive development.

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