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CORPORATE SOCIAL RESPONSIVENESS OF HYDRO POWER PROJECTS IN HIMACHAL PRADESH: A STUDY OF RAMPUR HYDRO POWER PROJECT.

Dinesh Singh

Abstract

Hydro Power is considered as one of the cleanest source of energy, which contributes significantly in the economic well being of the people and industry. Our country is tapping these hydro resources in order to get the electricity and so is the state of Himachal Pradesh. There are various Public and Private sector corporations and individuals working in the generation, transmission and distribution of electricity in India. There are certain advantages and disadvantages associated with these power producers. On the one hand these individuals and organizations are providing energy to the people and giving employment to hundreds of thousand people in various stages, on the other they are displacing the people, shrinking agricultural lands, submerging the historical monuments and sites and causing climatic and ecological imbalances. They should not limit their role to make profit only but also to redress the issues of the people by way of corporate social responsiveness. Besides producing hydro-electricity, these projects may also provide other services, such as flood control, water supply, irrigation, and river navigability .

Keywords :*Social Responsiveness , Hydro Power Projects , transmission and distribution of electricity.*

Short Profile

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INTRODUCTION :

Power is one of the most important inputs for economic development. In addition to its widely recognized role as a catalyst to economic activity in different sectors of economy, the power sector makes a direct and significant contribution to economy in terms of revenue generation, employment opportunities and enhancing the quality of life. Power in form of electricity is a critical infrastructure for socio economic development of the country. The history of hydro power generation goes back to September,1882 when the first hydro electric plant located in Appleton , Wisconsin, in U.S.A. began its operation. It was built on the Fox River. The technique and the concept of hydropower generation has transgressed the national boundaries and spread today all over the world. Today it is considered as one of the best mode of power generation in the world. India, which is today the world's 7th largest producer of hydroelectricity, has installed its first hydro power station in Sidrapong in Darjeeling, with 2 x 65 kW capacity was commissioned on 10 November 1897 by Sir C.C.Stevens, the then Acting Lieutenant Governor of Bengal. It was followed by many of the projects in number and magnitude by Mysore, Chamba, Mandi and other parts.

Hydropower implies clean and affordable energy and can contribute significantly to the electrification of areas without access to electricity. It is the main renewable electricity source at global level and contributes to sustainable development. Hydropower is able to supply clean and affordable energy in its most valuable form, electricity. It is an advanced and flexible source of renewable energy and can contribute significantly in the economic prosperity of the country.

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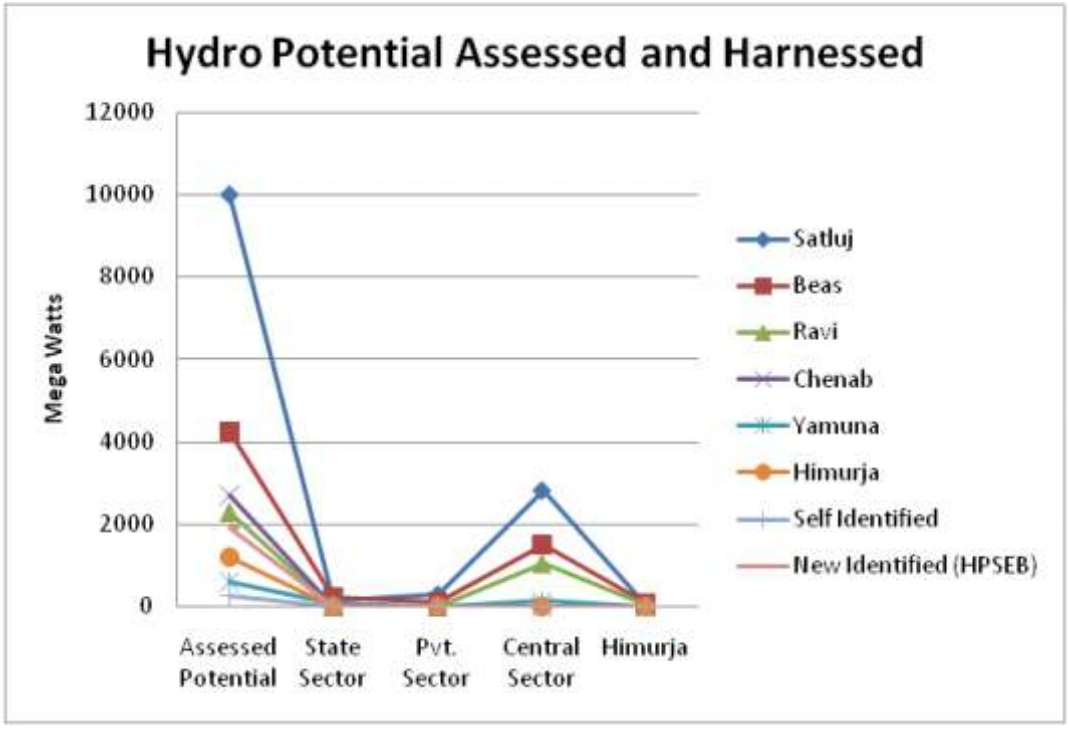
Hydropower Production in Himachal Pradesh

The nature has provided Himachal Pradesh enough water, which flows through its rivers. It provides the passage to the five major perennial rivers, besides many rivulets. The rivers flowing through it are Beas, Sutlej, Ravi, Chenab and Yamuna. It has vast potential for the Hydro-Electric production which has been estimated approximately 23,194.95 MW. If it has been taped, it would have met a major chunk of the power requirements of the country. The electricity here can't only be produced through major rivers but also in small rivulets. The state government has been giving highest priority to its development as it can not only meet for the growing need of the power for industry, agriculture and rural electrification but also become the biggest source of revenue generation by sale of electricity to neighbouring states and national grid. Himachal Pradesh is having good record of rural electrification keeping in view the distant location of villages.

The Basin-wise details of the assessed potential and the potential actualized are as under:

Assessed Potential and Potential Installed

S.No.	Basin	Total Assessed Potential (MW)	Potential Installed (MW)				
			State Sector (HPSEB)	Pvt. Sector	Central / Joint Sector	Himurja	Total (4 to 7)
1	2	3	4	5	6	7	8
1.	Satluj	9,995.8	150	300	2,825	4	3,279
2.	Beas	4,252	227	102	1,496	59	1,884
3.	Ravi	2,284.85	10	-	1,038	26	1,074
4.	Chenab	2,703.8	-	-	-	0.2	0.2
5.	Yamuna	598.5	80	-	132	12	224
6.	Himurja	1,197	-	-	-	-	-
7.	Self Identified	268	-	-	-	-	-
8.	New Identified (by HPSEB)	1895	-	-	-	-	-
	Total	23,194.95	467	402	5,491	101.2	6,461.2



Source: Economic Survey of Himachal Pradesh

The State Govt. has adopted multi pronged strategy for power development through State Sector, Central Sector, Joint Venture and Independent Power Producers.

In order to give a boost to Hydro Power Generation, Himachal Pradesh has formulated Hydro Power Policy, 2006. The main feature being that, the company, which is willing to run a project here, shall have to provide employment to Bonafide Himachalis, in respect of all the unskilled/skilled staff and other non-executives as may be required for execution, operation and maintenance of the Project. If it is not possible to recruit 100% staff from Himachalis for justifiable reasons, only then the Company shall maintain not less than 70% of the total employees / officers / executives from Bonafide Himachali persons. In New Hydro Policy, 2008 of the Govt. of India, the state Govt. has issued a notification on 30-11-2009, imposing an additional free power of 1 percent (beyond 12 percent) from hydro power projects to be provided and earmarked for a Local Area Development Fund (LADF) aimed at providing regular stream of revenue for income generation and welfare schemes, creation of additional infrastructure and common facilities etc. on a sustained and continued basis over the life of a project.

Corporate social responsiveness (CSR)

The concept of CSR is gaining much of the importance nowadays across the globe. Today it is becoming increasingly popular and being practised by many of the reputed companies of the world.CSR means the responsibilities of corporations towards the society within which they are based and operate. The concept of CSR is not limited up to this, but its purview goes much beyond. It is concerned with treating the stakeholders of the firm ethically or in a responsible manner. 'Ethically responsible' means treating stakeholders in a manner deemed acceptable in civilized societies. Stakeholders exist both within a firm and outside. The society is one of the most important external components of business. It is beyond the control of individual business unit. Business has to live in the society, as it is the offspring of it. All the progress of business depends upon the response given by this society. A business has to follow ethical principle and has to act in socially responsible way. It has to follow ethical standards so that it can get the support of the society. Certainly it is the responsibility of business to make good quality products, protecting environment, not indulge in deceptive advertising and other deceptive trade practices. If it works in unethical and irresponsive manner, then society may boycott its products, which may result in the collapse of business unit. The obligation is upon the management to look after the well being of each of the interest group varying from shareholders to society and the government in itself.

Rampur Hydro Electric Project (412MW)

The 412 MW Rampur hydropower project is a run of the river project on river satluj, Near Rampur Tehsil in Shimla district of Himachal Pradesh. It is being implemented by Satluj Jal Vidyut Ltd. (SJVNL). SJVN Limited, a Mini Ratna & Schedule 'A' CPSU under the Ministry of Power, Govt. of India, is a joint venture between the Govt. of India & Govt. of Himachal Pradesh. Incorporated in the year 1988, the Company is fast emerging as a major power player in the country. The surface powerhouse of the project is constructed on the right bank of river Satluj at village Bayal, which is about 15 km downstream of Rampur town.

Methodology

The study is based upon primary data, captured through questionnaire in which about 12 percent of the project affected people were taken into consideration. The total number of respondents was seventy six. After the collection of data the tabulation was made, followed with the application of some statistical tools. In order to test the corporate social responsiveness of the power project a total number of thirteen indicators were developed and devised and the opinion of the affected peoples were sought on those. The indicators were, Medical facilities provided to the people, Technical education, General Infrastructure, Skill Development, Drinking Water, Environment, Culture, Dumping and sanitation, Roads and infrastructure, playground and parks, Scholarship and donations, Impact on culture, behaviour of the project officials and adherence to the law of land and hydro policy. At the end only the relevant results were noted down and reflected in the study.

OBJECTIVES OF THE STUDY

1. To know the impact of the project on the socio-economic activities in and around the vicinity of the project area.
2. To know the extent of corporate social responsiveness process initiated by the project authorities and the people satisfaction thereof.

Socio-Economic Profile of Project Affected People

Most of the respondents are farmers dealing in agrarian practices. Most of them are living in the villages and in joint family system

Table No 1
Category Wise Distribution of the Respondents

Category	Frequency	Percent	Cumulative Percentage
General	69	90.8	90.8
Schedule Caste	7	9.2	100.0
Total	76	100.0	

Table No. 1 describes the category wise distribution of the project affected people. Most of the affected people in Rampur Hydro Power Project were of general category; their percentage was as high as 90.8 percent. The other affected people were belonging to schedule caste category, their percentage was 9.2 percent. It means that most of the affected people were general and schedule caste. Although there are other categories like schedule tribes and OBC etc. but they are very sparsely distributed and are mostly away from the affected zone.

Table No. 2
Family Wise Distribution of the Respondents

Family Type	Frequency	Percent	Cumulative Percentage
Joint	68	89.5	89.5
Nuclear	8	10.5	100.0
Total	76	100.0	

The Table No. 2 describes about the family wise distribution of the respondents. Most of the people in the state of Himachal Pradesh live in joint family system. This is also evident in project affected area of Rampur Hydro Power Project. 89.5 percent of the affected people were living in joint family system, while only 10.5 percent were living in nuclear family system.

Table No 3
Occupation Wise Distribution of the Respondents

Occupation	Frequency	Percent	Cumulative Percentage
Agriculture & Allied	46	60.5	60.5
Labourer	21	27.6	88.1
Business	5	6.6	94.7
Services	4	5.3	100.0
Total	76	100.0	

Table No. 3 describe about the occupation of the project affected people of Rampur Hydro Power Project. It is evident from the table that a majority of 60.5 percent of the people were engaged in agricultural and allied activities, followed by 27.6 percent in labour related work, 6.6 percent in business activities and 5.3 percent in service sector.

Table No 4
Type of Property Lost

Category	Frequency	Percent	Cumulative Percentage
Both Land & House	21	27.6	27.6
Only Agricultural Land	55	72.4	100.0
Total	76	100.0	

The Table No. 4 describes about the type of property lost by the people under Rampur Hydro Power Project. A majority of 72.4 percent of the people have lost only agricultural land whereas remaining 27.6 percent have lost both land and houses. Those who have lost their houses, a colony have also been built for their living, along with other financial aid.

Table No 5
Satisfaction From Compensation

Are you satisfied with the amount of compensation	Frequency	Percent	Cumulative Percentage
Yes	9	11.8	11.8
No	67	88.2	100.0
Total	76	100.0	

The Table No 5 describes about the satisfaction of the people from the compensation they have received. Only 11.8 percent of the respondents/project affected people were satisfied of the compensation while a whopping 88.2 percent were dissatisfied of it. The project authorities are required to undertake some measures in this regard.

Table No. 6
Job to the Affected people

Did you Got a Job	Frequency	Percent	Cumulative Percentage
No Job	58	80.6	80.6
Manual/Semi Manual	14	19.4	100
Total	76	100.0	

Table No. 6 describes about the job provided to the project affected people in the 412 MW Rampur hydro Power project. Only 19.4 percent of the affected (mostly landless and houseless) were given the job which is clerical and manual in nature. 80.6 percent of the respondent who have applied for the job, didn't get it.

Table No 7
Impact on the General Economic Activities

Category	Responses			Total
	Increase	Decrease	No Change	
Local Job Opportunities	72(94.7)	4(5.3)	00(0)	76(100.0)
Manual Labour Instances	76(100.0)	00(0)	00(0)	76(100.0)
Renting out of the houses	76(100.0)	00(0)	00(0)	76(100.0)
Lease of Land	54(71.1)	00(0)	22(28.9)	76(100.0)
Number of visitors	49(64.5)	5(6.6)	22(28.9)	76(100.0)
Inflow of the Money	76(100.0)	00(0)	00(0)	76(100.0)
Standard of Living	57(75.0)	10(13.2)	9(11.8)	76(100.0)

Source: Data Compiled through Questionnaire.

The Table No.7 describes about the impact of Hydro Power Project in the general economic activities in and around project affected areas. It is considered that the hydro power project boosts the economy of the affected area by siphoning a lot of fund and creating job opportunities for the concerned affected peoples. 94.7 percent of the respondents were agreed that there was an increase in local job opportunities after the inception of the project, while only 5.3 percent have noticed a decrease. On the issue of manual labour instances, all the 100.0 percent have noticed an increase. All of the respondents were agreed that there was an increase in the renting out of the houses. On the issue of lease of land 71.1 percent have noticed an increase while 28.9 percent didn't see any change. 64.5 percent of the respondents have noticed an increase in the number of visitors after the inception of the project, whereas 6.6 percent and 28.9 percent of the people have noticed, decrease and no change respectively. All the 100.0 percent of the respondents were agreed that there was an increase in the inflow of the money after the introduction of the project in their area. Lastly, on the issue of standard of living, a majority of 75.0 percent have noticed an improvement, followed by 13.2 percent a decline and 11.8 percent as no change. In general there was an increase in economic activities in and around the vicinity of the project affected area.

Table No. 8
General Welfare Activities

Category	Responses			Total
	Good	Bad	Average	
Medical Facilities	45(59.2)	0(00)	31(40.8)	76(100)
Technical Education	76(100.0)	0(00)	0(00)	76(100)
General Infrastructure	56(73.7)	0(00)	20(26.3)	76(100)
Skill Development	66(86.8)	10(13.2)	0(00)	76(100)
Drinking Water Facility	23(30.2)	31(40.8)	22(29.0)	76(100)
Environment	5(6.6)	5(6.6)	66(86.8)	76(100)
Dumping and Sanitation	9(11.8)	62(81.6)	5(6.6)	76(100)
Roads and infrastructure	61(80.3)	15(19.7)	0(00)	76(100)
Playground and children Parks	5(6.6)	71(93.4)	0(00)	76(100)
Scholarship and donation	72(94.7)	4(5.3)	0(00)	76(100)
Impact on Culture	5(6.6)	27(35.5)	44(57.9)	76(100)
Officials behaviour	0(00)	5(6.6)	71(93.4)	76(100)
Adherence to the law	0(00)	49(64.5)	27(35.5)	76(100)

Source: Data Compiled through Questionnaire.

The Table No 8 describes about the corporate social responsive initiatives and general welfare activities undertaken by the project and its rating through the experiences of the respondents/affected people. As far as medical facilities were concerned 59.2 percent have rated it good, and 40.8 percent as an average, while no one have rated it bad. In terms of technical education all of the 100.0 percent have rated it good. In general infrastructure, 73.7 percent have rated it as good, and 26.3 percent as an average. As far as skill development initiative of the project is concerned 86.8 percent have rated it as good and 13.2 percent as bad. As far as drinking water facility is concerned, only 30.2 percent have rated it as good, 40.8 percent as bad and 29.0 percent as an average. As far as dumping and sanitation are concerned, 11.8 percent has rated it good, 81.6 percent as bad and 6.6 percent as average. As far as roads, pathways and related infrastructure is concerned 80.3 percent has rated it good and 19.7 percent as bad. In terms of the facilities like parks and playgrounds only 6.6 percent has rated it good while 93.4 percent as bad, which implies that the contribution of project authorities were not satisfactory. In terms of scholarship and donations are concerned 94.7 percent of the respondents has rated it good and only 5.3 percent as bad. The projects attract a lot of peoples from outsides in terms of officials and workers, which tends to affect the local culture. Sometimes it has very negative impacts upon the local population. In this 6.6 percent of the people has noted down the positive impact on the culture after inception of the project, 57.9 percent, an average and 35.5 percent has noticed bad impact on culture. As far as behaviour of the officials is concerned no one has rated it good, while 6.6 percent has rated it bad and a majority of 93.4 percent as an average. The project performs bad in the eyes of the people in terms of adherence to the law, as 35.5 percent has rated it average while 64.5 percent has rated as bad.

FINDINGS:

Most of the Project affected peoples were living in joint family system. Further, of all the affected people a majority of them were belonging to general category.

A majority of the people were engaged in agricultural and allied activities, followed with manual labour, business and services.

Most of the affected people have lost their agricultural land, while some has lost both land and house. The affected people have also received the compensation for the property they have lost, though, majority of them were not satisfied of the compensation they have received. But still they think that they were economically better position than before the inception of the project.

The job provided by the project authority is not worth satisfactory, as most of this is manual and semi manual in nature.

A majority of the affected people of the Rampur Hydro Power believes that after the inception of the project there was an increase in the general and overall economic activities an and around the vicinity of the project. An increase was noticed in the local job opportunities, chances of manual labour, renting out of the houses, and lease of land, influx of the visitors, standard of living and inflow of the money.

As far as the corporate social responsiveness initiative is concerned an improvement was noticed in the general welfare activities like medical facilities, general infrastructure, and technical education. Some beautification initiatives were also initiated. Mobile van in form of an ambulance was provided for dual purpose i.e. for the general public and employees. A dispensary was also started to meet out the issues of health and nutrition. Skill development initiative and scholarship programmes were highly encouraged by the concerned people. Besides theses positive outcomes the gray side remains in form of apathetic behaviour of the project authorities, environmental degradation, poor adherence to the law, lack of playing and recreational facilities to the children cultural degradation, drinking water problem and dumping and sanitation. A positive impact was also noticed in development related activities after the inception of the project.Need of the hour is to redress these negative issues and make these hydro projects as the temples of modern time. They have the capability to improve the quality of life of the people by providing clean energy.

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