

Conclusion and Recommendations

7.1 Conclusion

In discharge of their corporate social responsibilities, SAIL and RINL were contributing to social development by various community welfare programme, medical facilities, free education, adopting villages for development as model steel villages etc. Though SAIL was providing sufficient funds and was having proper implementation set up, the company was not having detailed CSR policy for execution of CSR activities effectively. While RINL had a detailed CSR policy it did not utilize earmarked budget fully. The companies were not transferring the budget provided for CSR activities to a separate fund due to which the unspent amount lapsed. The companies were not doing any need assessment survey in the periphery of their plants to assess the requirements of the society and were also not assessing the impact of their CSR activities on the society.



Steel manufacturing has various impacts on the environment. The main impact comes from the use of energy and raw materials, which result in the emission of carbon dioxide. Energy and raw material consumption in both the Companies was significantly higher than the average global consumption per tonne of crude steel. SAIL has not set any target for reduction in energy consumption whereas the RINL could not meet the targets set by it for reduction in consumption of energy resultantly the average CO₂ emission in both the Companies was also higher as compared to Tata steel and global average CO₂ emission by steel plants. Further, the tree plantation by the Companies was also not commensurate with the amount of CO₂ emitted by these companies which underscores the need to step up the tree plantation and to take the concrete measures for reduction of CO₂ emission.



The companies were having safety policy and were providing sufficient funds for safety of their employees. Though there was decreasing trend in total number of accidents, the companies did not achieve the target of 'zero accidents' fixed by them due to inadequate house-keeping and safety equipments.

Recommendations

Some of the important recommendations are summarized below:

- i. A dedicated CSR fund, separate from the mainline budget, may be created by SAIL and RINL so as to avoid lapse of fund and ensure full utilisation of dedicated funds.
- ii. The Companies should fix specific targets for reduction of CO₂ emission as also for tree plantation.
- iii. The possibility of slag transportation to the abandoned mines to fill up the cavities may be examined.
- iv. Awareness should be created among employees about safety and medical examination through trainings, hoardings and showing films etc.
- v. The companies should evolve a system of need assessment and impact assessment while undertaking CSR activities in a particular area.

New Delhi
Dated :

(SUNIL VERMA)
Deputy Comptroller and Auditor General
and Chairman, Audit Board

Countersigned

New Delhi
Dated :

(VINOD RAI)
Comptroller and Auditor General of India