About the Jasani Center for Social Entrepreneurship and Sustainability Management

The Jasani Center for Social Entrepreneurship and Sustainability Management, NMIMS, has been established to execute social commitments of NMIMS University. The center addresses social concerns through its comprehensive academic, training, research, and field interventions. Its interventions include contributions to the professional development of executives working for the social sector, capacity building for the resource poor and social entrepreneurship development. The center supports a variety of curricular, extracurricular and career programs to provide MBA students as well as corporate executives with the tools and opportunities to engage effectively with the social sector. The center offers a uniquely architected MBA programme in Social Entrepreneurship which aims at developing a new generation of change makers/leaders who can create global social impact by combining passion of a social mission along with a business-like discipline, innovation, and determination.

As a catalyst and innovator, the center’s mission is to create a new generation of business leaders and social entrepreneurs who are knowledgeable about and are committed to create a sustainable society. The center’s objectives serve as a bridge between academia, the corporate world and the civil society organizations. The research, as well as the teaching strengths combined with the experiential learning approach and guiding principles of the center, connect sustainability focused knowledge and research to students, businesses and the civil society organizations. The center has increasingly been involved in research and providing consultancy in areas of management of social enterprises, CSR, micro-enterprise management, disaster management, impact assessment and conducting social audits.
BUSINESS THAT CARES

A presentation
by
Jasani Center
for
Social Entrepreneurship
&
Sustainability Management
School of Business Management, NMIMS

SVKM’s NMIMS, V.L. Mehta Road, Vile Parle (West), Mumbai – 400 056 (India)
Debates around obligations of ‘Corporations’ and their environmental and social impacts have been around for a very long time. In practice, much of the social responsibility activism is driven by the concerns of investors, campaign groups, and consumers based in the world’s richest countries. Consequentially, CSR practices that are largely framed in rich countries are then internationalized and transferred through businesses and social systems by way of international trade, investment, and development assistance.

With more ‘Transnational Corporations’ (TNCs) resorting to global sourcing, India has become an attractive and important production and manufacturing site. As Western consumer markets are becoming more responsive to labour and environmental standards in developing countries, Indian companies producing for the global market need to comply with international standards.

The process of globalization and India’s new position as a significant economic and political actor in the new world order has led to the need for change in the Indian CSR agenda. The enactment of Section 135 on CSR, Companies Act, 2013 has thrown open new opportunities for nation building. The CSR discourse appears to signal a new form of cooperation between the government, business, and civil society in the promotion of social objectives.

Through the We Care: Civic Engagement internship, an opportunity was provided to a few of our MBA students to explore and examine strategies adopted by companies to minimize their negative externalities and create shared value. I gather from the deliberations and discussions with the students that they had an enriching experience in exploring the challenges of managing business competition and social cohesion.

The ten articles in this Anthology are an outcome of experience gained by the students in the areas of CSR/sustainability. The articles map the efforts taken by corporations to integrate and institutionalize the CSR/sustainability function as part of the management function. They further make an attempt to highlight that successful CSR/sustainability activities are outcomes of designing appropriate management systems and decision-making processes.

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I am optimistic that the seeds of social sensitivity sown through our social internship programme will enable our B-School students to develop sustainable business models that
Business that Cares

care to address the world’s most compelling social, environmental and economic challenges. I am sure that our students will leverage their strengths and resources for optimal benefit to both society and the corporations they serve. I visualize them as creative capitalists who believe that, 'businesses are not merely artificial entities created by law but are managed by people who have a soul that cares...'

Dr. Rajan Saxena
Vice-Chancellor,
NMIMS
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The Jasani Center for Social Entrepreneurship & Sustainability Management has been executing We Care: Civic Engagement internship for the last five years. This initiative has been actively supported by Shri Amrish Patel, Chancellor, NMIMS, Dr. Rajan Saxena, Vice-Chancellor, NMIMS, Dr. M.N. Welling, Pro Vice-Chancellor and Dr. Debashis Sanyal, Pro-Vost, Management Education & Dean, School of Business Management.

We would like to acknowledge the support extended by the office bearers of Shri Vile-Parle Kelvani Mandal (SVKM) and Ms. Nimisha Dalal, Executive Assistant to the Chancellor, who have always supported the We Care initiative. I sincerely thank them and look forward to their continuous support.

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We thank all the student contributors for sharing their We Care experiences for the publication of this volume.

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Last but not the very least, we have to thank our families, without whose constant support it would have been impossible to bring forth this publication.

Dr. Meena Galliara,
Director,
Jasani Center for Social Entrepreneurship & Sustainability Management, NMIMS
School of Business Management, NMIMS has a vision of sensitising our students to continuously respond to the changing social realities for creating a sustainable society that protects and promotes the dignity and equality of all. It is in this context the We Care: Civic Engagement programme has been institutionalised.

The present publication Business that Cares is an outcome of the experiences gained by our students through the We Care: Civic Engagement Internship. It provides a snapshot of corporate social responsibility (CSR) as well as sustainability practices adopted by corporations operating in India.

The publication consists of three sections. Section I presents, Business that Cares: Mapping the CSR Landscape. The article maps CSR trends at the global level and its implication on India. In the context of the regulatory regime mandating corporations to spend two per cent of their profit, it makes an attempt to present the scope and limitations of compliance-driven CSR in India.

Section II consists of eight articles which highlight the efforts of public and private sector companies to enhance their social outreach programmes. The first article, Neyveli Lignite Corporation’s Community Development Interventions at Cuddalore, studies the efforts taken by the company to enhance the social and economic life of the communities around its project areas at Cuddalore.

The second article, Impact Assessment Study of ADAPT-HPCL Project assesses the CSR partnership impact on key stakeholders. The article also collates recommendations from the stakeholders to address the gaps in the ADAPT-HPCL project.

The third article, Economic Empowerment of Women: Case of Hindalco Industries Limited examines the company's efforts at strengthening the working of Self-Help Groups (SHGs) at Renukoot. An attempt has been made to describe the nature of activities undertaken by SHGs and their struggles to market their products.

Addressing the Issue of Sanitation: Case of Associated Cement Companies Limited is the fourth article. The article describes the initiatives undertaken by the company in assisting the community to tackle the issues of sanitation and hygiene near its project area. Further the
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The fifth article, Assessment of Community Needs and Satisfaction (With Specific Reference to THDC's Project Sites in Himachal Pradesh) studies stakeholder satisfaction in relation to the community development interventions executed by THDC at Kasauli. The findings of the need assessment survey and recommendations to enhance the well-being of the community are also discussed in the article.

Assessment of Project Satisfaction and Needs (With Specific Reference to THDC’s Project Sites in Tamil Nadu) is the sixth article. This article highlights the satisfaction level of the community members with regards to the community development interventions executed at its project sites at Mambakkam and Kuthambakkam, Tamil Nadu. Further the article makes an attempt to map the community development needs of villages around its project sites.

Developing Education Infrastructure (With Specific Reference to THDC's Project Sites in Mumbai) is the seventh article. The article elaborates on the educational activities implemented by THDC and the satisfaction level expressed by key stakeholders. The article also presents unmet educational needs expressed by them.

The eighth article, Systematizing Employee Engagement at Mahindra & Mahindra Financial Services Limited discusses systems and processes adopted by the company to organise and scale up employee engagement in CSR/sustainability programmes.

Section III comprises of two articles which highlight the sustainability efforts undertaken by private sector companies. The first article in this section is Creating Shared Value through CSR: Case Study of Jain Irrigation Systems Limited (JISL). This article describes how JISL has integrated CSR in its business strategy to create shared value.

The second article is Benchmarking Sustainability Practices, which is an outcome of Mahindra & Mahindra Limited to benchmark their own sustainability performance against other companies. The article examines the sustainability policies and strategies adopted by companies across IT, Finance, Real Estates and Automotive sectors.
It has taken six months to enable students to draft their articles and subsequently edit them. Despite observing due diligence in correcting the document, there is a possibility of grammatical/typographical errors in the publication. Readers are requested to kindly excuse us for the same.

Dr. Meena Galliara,
Director,
Jasani Center for Social Entrepreneurship & Sustainability Management, NMIMS
Prologue

Twenty first century has bound countries, economies and businesses firmly together through better infrastructure, faster and efficient communication systems and greater trade and investment links. Economic progress has increased the demand on energy, water and sanitation, aggravating socio-economic disparities. In the context of India, it is seen that one third of its population still lives in extreme poverty and lacks access to basic services and opportunities. Consequently, India’s rank on 'Basic Requirements' index of the Global Competitiveness Report 2015-16 is 80th out of 144 countries.

With more 'Transnational Corporations' resorting to global sourcing, India has become an attractive and important production and manufacturing site. Due to globalisation, Indian businesses are compelled to change their systems and processes to meet the legal and regulatory requirements of international stock exchanges. Business performance is no longer measured in terms of its financial profitability. In accordance to the global requirement, companies in India have redesigned their business models which incorporate sustainability practices for creating both shareholder and societal value (shared value).

Visionary global business leaders have also taken cognizance of the fact that the global society is increasingly vexed by income inequality, conflict and environmental challenges. They believe that the only smart long-term business move is to demonstrate a tangible commitment to the larger good. In this context, India is the first country to have levied corporate social responsibility (CSR) legislation from April 1, 2014 mandating companies to allot two percent of their net profits for social development. It is anticipated that judicious application and implementation of CSR provisions of Section 135 under the Companies Act, 2013 can go a long way in promoting partnerships, resource sharing and meaningful collaborative work between the Government, Corporates, NGOs and beneficiary communities for effective nation building through need based development projects and programmes.

Through the We Care: Civic Engagement internship, a few MBA students got an opportunity to intern with the CSR/Sustainability Departments of public and private sector companies in February 2015. In this duration, students got an opportunity to examine strategies adopted by corporations to address internal and external externalities through CSR/Sustainability route. The students have gained first-hand experience in exploring the transformational actions taken by corporations to address stakeholder expectations and create shared value. The current publication Business that Cares is an outcome of their experiences.
The articles in the publication emphasise the fact that businesses exist in a larger societal context and there is mutual interdependence between business and society. To ensure their long term sustainability they have to develop appropriate policies, processes and structures to ensure that they get both financial and social returns on its investment.

I am sure that this comprehensive publication will contribute to the CSR/Sustainability literature and will trigger interest among practitioners and researchers to strengthen CSR as a distinct field of management practice.

Prof. Debashis Sanyal,
Vice-Provost - Management Education &
Dean, School of Business Management
Section I

The present paper discusses CSR trends at the global level and its implication on India. This paper analyses the impact of the new regulatory regime for mandating companies in India to spend two percent of its profit for community development.
Abstract:
Corporate Social Responsibility (CSR) has attracted immense attention from the business world, activists, politicians, and researchers. The role of business in society and the associated responsibilities that emerge from that role is a highly controversial and debated topic. Business leaders and Governments across the world have taken cognizance of the fact that the global society is increasingly vexed by income inequality, conflict, and environmental challenges. The only smart long-term business move is to demonstrate a tangible commitment to the larger good. Sustainability is no longer just something for making a company beer.

The current paper maps CSR trends at the global level and its implications on businesses in India. The paper analyses the context and impact of the new regulatory regime for mandating companies in India to spend two per cent of their profit for community development.

¹Prof. Meena Galliara, Director, Jasani Center for Social Entrepreneurship & Sustainability Management, SBM, NMIMS, Mumbai, India

Based on corporate sales and country GDPs, 51 of the world’s 100 largest economic engines are corporations.

Correspondingly, the striking achievements of business have been confronted with its great failures by the growth of civil society organizations, environmentalists, and human right activists. According to UNDP (2002), global disparities are growing with industrially and technologically more advanced countries progressing well and others falling further behind. In this context, the subject of corporate responsibilities has acquired a new resonance in the global economy.

I. Introduction
Business and its place in society has been a topic of considerable importance for centuries. The reach of Western capitalist organizations has penetrated Asian economies as well. Business as a topic has considerable importance in society for centuries. Research carried out by Anderson & Cavanagh in 2000 (cited in Brenkert, 2004) highlights that "Based on corporate sales and country GDPs, 51 of the world’s 100 largest economic engines are corporations."
Business that Cares: Mapping the CSR Landscape¹

Abstract: Corporate Social Responsibility (CSR) has attracted immense attention from the business world, activists, politicians and researchers. The role of business in society and the associated responsibilities that emerge from that role is a highly controversial and debated topic. Business leaders and Governments across the world have taken cognizance of the fact that the global society is increasingly vexed by income inequality, conflict and environmental challenges. The only smart long-term business move is to demonstrate a tangible commitment to the larger good. Sustainability is no longer just something for making a company better. The current paper maps CSR trends at the global level and its implication on businesses in India. The paper analyses the context and impact of the new regulatory regime for mandating companies in India to spend two per cent of their profit for community development.

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¹Prof. Meena Galliara, Director, Jasani Center for Social Entrepreneurship & Sustainability Management, SBM, NMIMS, Mumbai, India
II. CSR: Paradigm Shift

The idea of business being responsible or corporate social responsibility (CSR) is not new in our society. It was born when corporations came into existence and societies accommodated them. Explaining this Bitcha (2003) states, “The 'soul' of corporate social responsibility is what the French philosopher Rousseau referred to as 'the social contract' between business and society”. The concept of corporate social responsibility is constantly changing as public concern evolves.

The emergence of the labour movement in the nineteenth century triggered by the industrial revolution witnessed businesses offering a few social welfare measures to their employees. Adolf Berle and Gardiner Means (1932) examined the concept of corporate social responsibility in their book “The Modern Corporation and Private Property” arguing that the interests of society must play a role in managerial decision making. In the same period, individual business philanthropists like Rockefeller, Carnegie and others became active in the United States to address social inequities (Sharfman, 1994). The Great Depression in 1929 further strengthened this trend with the introduction of public trusteeship management to address social issues (Hay & Gray, 1974). Carroll (2008) highlights business philanthropy in this period as spearheading the development of the CSR concept.

The 1950s marked the modern era of CSR. In 1953, “Social Responsibilities of the Businessman” was published by Harold Bowen, who defined social responsibilities as “the obligations of businessmen to pursue policies and decisions or to follow those lines of action which are desirable in terms of the objectives and values of our society”.

Rapid growth of social movements advocating labour rights, consumer protection and environmental preservation were evident in the nineteen sixties and seventies. During this period,
labour issues underwent a transition from special interest status to the subject of formal government regulations. One of the notable contributions to the development of CSR at that time was made by the Committee for Economic Development (CED) of the United States, which defined CSR in 1971 as, “Business function to serve constructively the needs of society” (Carroll, 2008). The CED expressed that as the social milieu changes, the social contract between business and society also undergoes changes as the expectations of the society from businesses are not static. In the same duration one of the most radical views against CSR was proposed by Friedman (1962). He claimed that corporate managers' primary responsibility was profit maximisation and create value for shareholders. Corporates being artificial entities have no role in executing social responsibilities towards the communities. However, he did state that managers in their personal capacities can execute their citizenship responsibilities privately.

The ozone depletion aroused global public concern for the natural environment. An attempt to discuss environmental problems created by corporations was first echoed in the United Nations Conference on the Human Environment, held in Stockholm in 1972. The conference underscored a new relationship between the environment and development, which laid the basis for the concept of sustainable development and urged corporations and governments to develop mechanisms to take care of the environment (Henriques, 2011).

Based on the changing social contracts between business and society, an inclusive framework of CSR was developed by Carroll (1979). He offered a conceptual three-dimensional pyramid highlighting the economic, legal, ethical and philanthropic responsibilities of business. The arrangement of the four types of responsibilities in the pyramid suggested the relative importance of each type of responsibility. Jones (1980) and Wartick & Cochran (1985) extended Carroll’s three-dimensional CSR model by proposing that CSR is not a set of outcomes, but is an evolving process regulated by formally embedded principles and policies. Wood (1981) & Freeman (1984) through their research emphasized that business prosperity depends upon the relationship businesses have with their stakeholders. The extent to which the stakeholder is important for business depends upon the stakeholder’s legitimate rights, power to influence and their sense of urgency. Managerial discretion to satisfy stakeholders’ expectation is based on the type of stake they have in business.

In the 1990s, responsibility became closely linked with public concern about globalization and the rise of 'Transnational Corporations'. Reports about the alleged involvement of corporations in environmental and human rights violations were published. Retailers were accused for labour practices in countries such as El Salvador, Pakistan and Indonesia. Media made
revelations about exploitative practices carried out by many transnational corporations in Nigeria, Burma and Colombia. Public outcry and backlashes resulted as people called for boycotts and sanctions. Consumers used their wallets to express dissatisfaction by avoiding brands with tainted reputations. Many corporations were blindsided by the public's reaction, in large part because the activities for which they were condemned were not new (Mel, Rosie & Rosie, 2001). Despite the public outcry corporate operations and practices continued.

The rise in global communications since 1995 enabled more scrutiny and reporting of business allegations and misconduct. This gave rise to a new form of civil regulation. Consequentially international organisations like OECD, UN, WBCSD* and other global organisations were instrumental in placing demands on companies to execute their stakeholder responsibilities by issuing voluntary guidelines, agreements, directives, conventions and declarations in the nature of a soft law evolving around the issue of corporate social responsibility² (Abe & Ruanglikhitkul, n.d).

The International Labour Organization (ILO) (2007) redefined CSR as a way in which enterprises consider the impact of their operations on society and CSR principles are integrated in the internal processes based on the interactions with stakeholders.

The growing realization that social and environmental risks cannot be mitigated by philanthropy or strategic philanthropy has altered the intellectual thinking of corporate leaders. Perhaps the most important idea regarding modern conceptions of CSR is that socially responsible activities can and should be used to enhance the bottom-line. The proposition is based on the assumption that companies that successfully pursue a strategy of seeking profits while addressing social and environmental consequences can earn better reputations with their employees, customers, government, media and other stakeholders. This in turn, can lead to higher profits for companies' shareholders.

At the global level, the United Nations made efforts to facilitate trade by urging business participation to address issues of poverty, education, environment, health and so on by developing global partnerships. It emphasized that development of a care economy is a pre-requisite to develop a business economy. As these issues posed substantial business risks,

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²Eight main initiatives have been identified in the area i.e OECD guidelines for Multinational Enterprises, ILO Conventions on Workplace Practice, UN Global Compact, Global Reporting Initiative (GRI), ISO standards, including ISO 14001 and ISO 26000, AccountAbility 1000 (AA1000) and Social Accountability 8000 (SA8000). These agreements are premised on the voluntary collaboration of corporations in developing softer forms of self-regulation and self-monitoring.

corporations were co-opted by states to build a global welfare state. For instance, pharmaceutical corporations developed the 'Global Alliance for Vaccine and Immunization' (GAVI) project. The vaccine industry was mobilized to address the issue of infant and child mortality through extending their support for supplying vaccines to children in the world's poorest countries (Galliara, Bahadur & Punekar, 2010). Similarly the Kimberly Process adopted by the Diamond industry is a collaborative effort of the governments, industry and civil society to stem the flow of conflict diamonds and protect the human rights of the labourers. It can thus be inferred from the above instances that corporations were made part of the solution to facilitate larger transformation by synergizing the relations between government, business and civil society to reduce social inequities as well as contribute to sustainable development.

Thus, contemporary CSR at the global level has evolved into a mainstream management function as a result of transformed boundaries and relations across societal sectors – business, state and civil society.

III. Indian Scenario
The concept of a corporation or an entrepreneur having a social responsibility towards his community has come a long way since the days of mercantilism in India. Enlightened Indian businesses have played a significant role in the socio-economic development of India by voluntarily executing their social responsibilities.

3.1 CSR as Social Good
In the pre-industrial era, mercantile traders were expected to take care of members of their guild, the poor, and other needy communities for the benefit of society at large. Support to the resource poor was introduced not as a duty or a responsibility but as a form of charity that was supposed to be a reflection of the virtues of merchant families (Sundar, 2000). The single most important factor influencing business philanthropy in the pre-
independence period was the emergence of Mahatma Gandhi as a political and social leader. He reinterpreted the traditional concept of "charity" (dana) in his theory of trusteeship, which he held up as an ideal to be adopted by business. Merchant charity began to change from being largely religious, ameliorative in nature and confined to members of one's own community, caste or religion, towards being more secular, inclusive and more oriented towards bringing progress to society (Sundar, 2000; Galliara, 2011).

3.2 CSR as a Welfare Measure

After independence, the need for rapid progress on the part of the government, people and business, propelled businesses to contribute more towards nation-building programmes (Sundar, 2000). In 1965, the Prime Minister of India presided over a national meeting that issued the following declaration on social responsibilities of business: “...Business has responsibility to itself, to its customers, workers, shareholders, and the community... every enterprise, no matter how large or small, must, if it is to enjoy confidence, and respect, seek actively to discharge its responsibilities in all directions and not to one or two groups, such as shareholders or workers, at the expense of community and consumer. Business must be just and humane as well as efficient and dynamic” (Brown, 2001). Correspondingly, companies continued engaging themselves and their businesses in social welfare and reform to accelerate social development.

With a plethora of developmental challenges and particularly with the state retreating from economic activity, the last decade of the twentieth century witnessed a swing away from mere charity and traditional philanthropy. Businesses got directly engaged through strategic as well as non-strategic philanthropic interventions to address the agenda of social development (Galliara, 2011).
3.3 CSR as a Shared Value
The concept of 'shared wealth' through the Trusteeship model post liberalization made way to 'shared value' through empowering the poor. For instance, companies like Indian Tobacco Company (ITC) through its 'E-choupal' project and Hindustan Unilever (HUL) through its 'Shakti' project developed capacities of the poor as producers and consumers. This enabled companies to develop their own competitiveness as well as promoted inclusive growth (Patel, Astha & Jaishankar, 2014).

3.4 CSR: A Business Necessity
The nineties saw increased presence of large transnational corporations in India. These corporations had highly developed CSR initiatives based on a multi-stakeholder participation model. The success and effectiveness of these programmes in their host countries had a 'rub-off' effect on Indian enterprises, which were also operating in the same market. As Indian industry started competing in the developed markets of Europe, America and the Far East, they had to comply with entry level norms such as certifications for responsible corporate practices like ISO 14000, SA 8000, AA 1000 as well as compliance codes formulated by OECD and UN Global Compact. This meant that corporations in India had to adopt new CSR standards to address the sustainability agenda (Galliara, 2011).

In the new paradigm, besides financial performance companies had to take pro-active measures in protecting people and the planet both through their business strategies and community development actions. In the above context businesses were expected to be accountable and report their 'triple bottom line' or social, environmental and financial performance.

To cope with the challenges arising from globalisation and to address the issues of environmental degradation and social inequities, Government of India issued various guidelines. Notable among those are the issuance of 'CSR Voluntary Guidelines' in 2009 by Ministry of Corporate Affairs (MCA) which was in 2011 reviewed, revised and renamed as “National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business” (NVGs). The Department of Public Enterprises too issued similar guidelines and mandated companies to follow the same. The Securities and Exchange Board of India made Business Responsibility Report mandatory in 2013 (Hussain, 2015).
IV. Mandatory CSR

4.1 Context
Corporate India has, over the years played an important role in the socio-economic development of the country. Using innovative approaches, technological interventions, investments in the development of skilled manpower, enabling geographical spread and capacity to compete with the best in the world, the Indian corporate sector has contributed significantly in building the expectation and hope that India is well on its way to becoming a global super-power. Economic liberalization initiated at the start of the decade of the nineties has given much momentum to this process. Despite India emerging as a most powerful economy, even today a large section of the population continues to remain below poverty line. Sharma (2015) through his study on agriculture and allied sectors highlights that around 58 per cent of workers in India are engaged in agriculture and the contribution of agriculture and allied sectors to the GDP is only about 14 per cent. Agriculture suffers from fragmented land holding, water scarcity, poor procurement prices and weather uncertainties. Access to basic services including healthcare and electricity is lacking. There has been growing disparity between states, reflecting the differences in product and labour market regulations across states, not to mention political will to implement better policies that contribute to overall development. Women, labourers, tribals and other backward castes and communities lag behind in job opportunities, earnings and human development and are caught in a perpetual poverty trap.

It is not a secret that India is a developing nation-state. It has been observed that the government machinery has often been unable to reach all those who require its assistance. Further, there are limitations on the activities that the government can indulge in. The private sector is viewed by many circles, sadly, as lacking in its participation in activities that go beyond its balance sheets.

For a country like India with the world's second largest population and widespread urban and rural poverty, the challenge is to design strategies to promote inclusive growth to reduce social inequities and regional disparities (Baranwal, 2012). It was in this context to promote India’s growth story and to reduce the social welfare gap, that the New Companies Act 2013 incorporated one of the revolutionary provisions of mandating CSR activities in India. The enforcement of the legal provision for CSR was from April 1, 2014. The vision behind this move is that a Corporation must not only achieve its economic goal but also adopt the principles of corporate social responsibility; not just its financial contributions but also through its innovative approaches to facilitate inclusion and reduce social inequities.
4.2 Statutory Compliance

4.2a Applicability
Section 135 of the Act has mandated companies having an annual turnover of Rs 10,000 million or more, or a net worth of Rs 5,000 million or more, or a net profit of Rs 50 million or more to spend at least two per cent of the average net profits of the company made during the three immediately preceding financial years on CSR activities (“Section 135, Corporate Social Responsibility”, n.d.).

4.2b CSR Governance
The Act directs companies to constitute a CSR committee consisting of at least three directors, one of whom must be independent. The CSR committee is expected to design a CSR policy and oversee appropriate planning and execution of community development activities in alignment with the spirit of law. The Act mandates the company to display its CSR policy in public domain. If the company has a website, the CSR policy of the company would need to be disclosed on such a website.

4.2c CSR Activity
The activities that can be undertaken by a company to fulfil its CSR obligations have to be in project mode and are listed in Schedule VII (“The Gazette of India”, 2014). These include eradicating hunger, poverty & malnutrition, promoting preventive healthcare, education & gender equality, setting up homes for women, orphans & senior citizens, measures for reducing inequalities faced by socially & economically backward groups, ensuring environmental sustainability & ecological balance, animal welfare, protection of national heritage, art & culture, measures for the benefit of armed forces veterans, war widows & their dependents, training to promote rural, nationally recognised Paralympic or Olympic sports, contribution to the prime minister’s national relief fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of schedule caste (SC), schedule tribe (ST), other
backward communities (OBCs), minorities and women, contributions or funds provided to technology incubators located within academic institutions approved by the Central Government and rural development projects.

In determining CSR activities to be undertaken, preference would need to be given to local areas and the areas around where the company operates.

4.2d CSR Execution
A company can undertake its CSR activities through its CSR Department, employee engagement or through its Foundation. The company can also partner with a registered trust or society, or 'Section VIII' company. The CSR rules issued by MCA specify that any activity performed by the company in the normal course of its business shall not be considered as eligible expenditure for CSR. The rules also provide that any schemes instituted for the benefit of the employees of the company or for the benefit of their families shall not be included in the total eligible spend. Further, any expenses undertaken by the company to build the CSR capabilities either in its own staff or staff engaged by a third party, must be capped at five per cent of the total CSR spend for a single year. The CSR policy therefore is ideally a list of projects that the company wants to undertake to fulfil its obligations under these rules and lays down the parameters for monitoring such projects. The rules also specify that donations/contributions to political parties shall not be part of CSR expense (Vaidyanathan & Thacker, 2014; “Corporate Social Responsibility (CSR)”, 2013).

4.2e CSR Reporting
The Act mandates the Board of Directors to include CSR report along with the CSR expenditure in its annual report as per the format prescribed in the CSR Rules. If the company is unable to spend the minimum required expenditure on its CSR initiatives, the reasons for not doing so are to be specified in the Board Report (“Section 135, Corporate Social Responsibility”, n.d.).

I. Critique: Voluntary to Mandatory
Prior to the enforcement of the Companies Act, 2015 it was estimated that under the provisions of Section 135, about Rs 2,00,000 million per annum would be available for CSR activities through more than 16,000 qualifying companies. Opponents of the mandatory CSR policy strongly opine that this constitutes a minuscule amount when compared to the government expenditure on social and community development through sectors like education, health & family welfare, livelihoods and so on. However proponents of the provisions feel that if effectively channelized, CSR efforts can firstly play a catalytic role leading...
to better utilization and impact of government efforts and secondly, can create strong synergies with civil society organisations. If this were to happen in a sustained manner, the end benefits would be much more than the sum of the contributions from all players. Also, re-invention of the wheel is likely to be avoided as partnerships would lead to sharing of resources. The Ministry of Corporate Affairs also felt that as India is the only country in the world to legally mandate companies to execute CSR towards communities through 'Comply or Explain' mode, it could indeed provide leadership on how the corporate sector can integrate its efforts with the developmental processes in the country in a seamless manner. Demonstrating this synergy both internally and at the global level was critical.

5.1 The Reality

Financial year 2014-15 was the first year of compliance of CSR. The Ministry of Corporate Affairs was suppose to reveal by end of October 2015 the exact amount of CSR spending incurred by Corporate India. There have been various agencies which have undertaken secondary studies to estimate the amount of CSR spending. Media reports indicate that India Inc has been slow to warm up to the new CSR rules. According to NextGen, a CSR management firm’s study of the top 85 NSE listed companies indicate that public sector companies have spent only 66.7 per cent of their CSR allocation in comparison to private companies which spent 82 per cent of the prescribed spend (as cited in Ramanathan, 2015).

An analysis of CSR reports of BSE-listed 100 companies carried out by NGOBOX (2015) highlights that 27 per cent companies have spent more than prescribed CSR spend and 64 per cent companies have spent less than the prescribed CSR. The country’s top 75 companies spent more than Rs 40,000 million (Arora 2015).
A study of the annual reports of Nifty companies by ET Intelligence Group (2015) reveals that 48 companies spent a combined Rs 42,520 million during FY15. This is 1.6 per cent of the standalone net profit earned by Nifty companies for FY15 (Somvanshi, 2015). A similar study undertaken by Indian Express shows that 50 companies (except for HCL Technologies) managed to spend Rs 46,090 million, or over 80 per cent of the total outlay of Rs 57,310 million mandated to be spent in 2014-15 (Singh & Srivastava, 2015). Secondary data reveals that big CSR spenders include Reliance Industries with Rs 7,600 million, ONGC with Rs 49,50 million, Infosys with Rs 2,390 million, NTPC with Rs 2,050 million and TCS with Rs 220 million.

It is indeed a disappointing start to the much-touted CSR regime. Consumer goods companies were the only companies that exceeded the mandatory spending limit of two per cent of annual profits. The technology sector fared better than energy and financial services industries when it came to meeting the two per cent spend. They spent Rs 6,560 million, which is 91 per cent of their allocation. TCS having spent Rs 2,190 million last financial year missed meeting the two per cent target by Rs 660 million. Bharti Airtel Ltd had as much as Rs 990 million unspent of the Rs 1400 million budget (Ramnathan, 2015).

A vast majority of the country’s top blue-chip companies have failed to spend the minimum 2 per cent of profits on social responsibility activities in the first year by missing the target by one-third on an average. Collectively, the 30 Sensex companies have spent about Rs 35,000 million on CSR initiatives during the 2014-15 fiscal, when they were required to spend nearly Rs 50,000 million on such activities under the new Companies Act (“Sensex rebounds by 140 points on value buying”, 2015).

The energy sector did not spend the entire two per cent of their combined net profits. It met only up to 89 per cent of what it was supposed to spend. The financial services sector, even though it was the sector that spent the second highest on CSR with Rs 7,369 million, fulfilled only 54 per cent of what it was supposed to spend. The telecom sector spent only Rs 510 million, while it was expected to spend Rs 1,940 crore (Ramnathan, 2015).

5.2 Intervention Areas
Singh & Srivastava (2015) report that most of the companies spent CSR money on education, vocational training to unemployed youth, health, environment, sanitation, drinking water, agriculture support to farmers, rural infrastructure like all-weather roads, sustainable livelihood and women empowerment initiatives. There were some other initiatives too. For instance, Bajaj Auto Ltd spent on Vedanta Cultural Foundation for teaching and propagating...
Vedanta philosophy. HDFC Ltd contributed towards strengthening the infrastructure for tiger reserves. A few companies also focussed on sports.

Financial services companies have spent the most on rural development, where they are mostly carrying out financial inclusion. According to Ramkumar, President, ICICI Foundation, “The banks view financial inclusion as a social initiative and not a business initiative. Since the objective is to provide benefits without leakage and also provide banking benefits to the unbanked, without putting viability as the filter, banks view their financial inclusion initiatives as a social spend”.

The energy sector focussed on initiatives around hunger, poverty, preventive health care, sanitation and safe drinking water, spending Rs 9,130 million on these areas. Of that RIL’s spending on healthcare accounted for Rs 6,080 million. For the rest, much of it went toward Swachh Bharat Abhiyaan as most state-run firms were directed to spend on toilets by the Ministry of Public Enterprises.

The IT sector focussed on education and skill building initiatives, as nearly half the money was spent in this area. Joy Deshmukh, global head of CSR at Tata Consultancy Services (TCS), attributes this to the fact that IT companies recruit a large number of engineering graduates every year. The company relies on this talent pool for growing its business. TCS’s employees developed software in nine Indian languages for adult literacy programmes and gave it free of cost to organizations such as the Lucknow District Jail, HELP NGO in Hiriyur Karnataka and Tata Power Delhi Distribution Ltd, reaching out to as many as 2,31,178 adults.

NextGen’s study (as cited in Ramnathan, 2015) indicates that the public sector spent Rs 3,913 million on environment, which is 23 per cent of its total spending, while private companies spent Rs 2,917 million or 8.8 per cent. This is because many public sector undertakings (PSUs) are natural resource companies and since they have a direct impact on environment, they have taken it up as a cause. The report further highlights these companies’ investment in environment was largely confined to undertaking tree plantation and water conservation activities.

A large number of corporations who have carried out CSR activities in FY2014-15 have used their own foundations to carry out CSR (NextGen as cited in Ramnathan, 2015). Companies prefer this route as it aligns CSR initiatives with the ideology of the firm and minimises transaction costs. Additionally corporations can have better control over their funds.
Corporates like Infosys, Bajaj, Mahindra, Wipro, Reliance, Tata, Airtel and couple of others already have foundations which are responsible for executing CSR activities.

5.3 CSR Spend: Geographies
Reports generated by NGOBOX (2015); Singh & Srivastava (2015) indicate that most companies routed their CSR spends in the area of their business operation. Only a handful of them such as Axis Bank spent the money across the country including all North-Eastern states. Axis Bank spent Rs 1,232.2 million of the allocated Rs 1,337.7 million towards education, livelihood enhancement, skill development, rural development, healthcare, environmental sustainability and sanitation among others in Andhra Pradesh, Arunachal Pradesh, Manipur, Meghalaya, Gujarat, Bihar, Chhattisgarh, Nagaland and Mizoram among others.

The reports further reveal that the biggest beneficiaries of CSR funds were the states that already have a sizeable corporate presence such as Maharashtra, Gujarat, Delhi, Tamil Nadu, Karnataka and Andhra Pradesh. On the other hand, North-Eastern and others states such as Bihar, Uttar Pradesh, Jharkhand that have low industrial and business activity, saw little CSR spend going their way.

VI. Analysis
It is important to recognize that globalisation has further marginalized the poorer sections of the society. The extent of negative externalities created by business is rising at a much faster pace and is creating liabilities for the larger society. The corporation’s audited statements do not recognize the cost of negative externalities created by the organisation. Neither can they forecast future liabilities it causes on the larger society. In fact it is observed that due to lack of enforcement of regulation the corporation gets rewarded with greater returns when it externalizes its true operating costs by pushing its negative impacts on the society. If governments have endorsed the
liberalization process then it is the government's responsibility to regulate business behaviour and act as an arbitrator on behalf of the larger society to protect its interests. It is evident through the secondary literature that at different periods of the industrial society's history, social movements have questioned business social responsibility and governments have responded with legal measures.

In the context of India the enormity of socio-economic challenges which act as an impediment to business growth cannot be dealt by inefficient government measures or through voluntary CSR acts. In this context the CSR provision in the Companies Act, 2013 definitely has the potential to usher in a revolutionary change provided the corporations decide to create a robust care economy. A section of thinkers also feel that though traditionally provision of welfare has been the responsibility of the government, but due to corrupt and inefficient public service delivery mechanisms, CSR is being seen as an alternative and cost effective mode to the provision of merit goods. Therefore, the clause on CSR is a step towards achieving social and environmental sustainability, which will benefit society in the future.

Interestingly post liberalization and specifically before the revolutionary Section 135 was incorporated there seems to be a paradigm shift in the motives of companies executing their social responsibilities towards communities. The altruistic motive is seen getting replaced by business motives. CSR having a 'business case' is gaining immediate acceptance. CSR is construed to be a good risk management strategy. This thought is further confirmed by the latest study conducted by Rai & Bansal in 2014. One of the major finding of the study states, “The last couple of years have seen a significant increase in CSR expenditure by firms. The CSR expenditure by firms is affected by the industry to which they belong. Firms in polluting industries spend more on activities related to the environment, while firms in the iron and steel and power sector spend more on local community development, as their projects cause large-scale displacement. They also do it in the hope that it might prevent future boycott and protest movements” (Rai & Bansal, 2014).

Proponents of mandatory CSR feel that regulatory CSR will push corporations to increase their CSR spend. For instance Chandra & Kaur (2015) in their study based on a sample of 50 CNX Nifty companies highlight that in FY2013-14 prior to the mandated CSR regime the CSR spend of about 75 per cent of the sampled companies was less than the mandatory CSR spend. This resulted in a total deficit Rs 20,300 million. This supports the relevance of introduction of mandatory provision in the New Companies Act, 2013. The results of the study show that the activities that form the part of the companies’ CSR domain are education, healthcare, women
empowerment, environment sustainability, infrastructure development and disaster relief. Further the study highlights that on the basis of market capitalization, large cap companies are spending more on CSR. On the basis of ownership structure, private companies are spending more than the PSUs, and on the basis of industry classification, energy and power sector is spending the most on CSR (Chandra & Kaur, 2015).

The moot point of debate is whether compliance or responsibility driven CSR will transform India? It was observed that in FY 2014-15, despite tall claims made by the Ministry of Corporate Affairs to ensure that companies abide by the law and spend two per cent of their profits only few companies managed to complete their prescribed spending. As of now there is no discussion on the quality of deliverables through CSR projects. Nevertheless there was considerable awareness about CSR which was generated among the corporate fraternity. At various CSR forums companies shared that it being the first year for adhering to the legal mandate companies took time to set up administrative structures to undertake CSR initiatives. Similarly, several companies were engaged in the process of evaluating the focus areas and locations for intervention through CSR activities to ensure optimal impact (Singh & Srivastava, 2015).

It is interesting to note that according to Next Gen's study (cited in Ramnathan, 2015) highlights that women-led companies had a better rate of meeting the two per cent spending target. This could be because women leaders are more mindful of corporate governance and compliance matters. The study further highlights that the most common reason that companies cited for not meeting the target was that they had undertaken long-term projects. A couple of CSR professionals expressed that projects were being executed in a dynamic environment, encompassing various stakeholders. In this context projects do tend to get delayed, sometimes even stalled. In such cases, companies refrain from merely spending the funds.

Somvanshi (2015) in her article, 'Corporate Shirking Responsibility' highlights that companies expressed their concerns with regard to lack of prior expertise and delay in project identification as reasons for not spending. Explaining this idea further in the article, Mr. Vineet Nayar, Chairman of Sampark Foundation and former chief executive of HCL Technologies opines that, “There is no readiness among companies to spend on CSR and there is no readiness among NGOs to help corporates spend the money. There is also ongoing tension between companies and NGOs. The former has always worked on shorter cycles of performance and the social sector is used to longer cycles to produce impact”.

The Report of the High Level Commiee (HLC) on CSR Provisions (2015) further confirms the above concerns expressed by Corporate India. The Report states, “Many quesons are being raised by various stakeholders including professionals, industry representaves, media, policy makers, civil society and people's representaves. The queries range from quality and efficacy of CSR expenditure by companies to instuional mechanism for monitoring implementaon of CSR by the Companies” (p. 3-4).

The Commiee has reiterated that CSR is not about the spending money alone. Companies should deploy their innovave mechanisms to address the social agenda. The onus of effecvely and efficiently execung the social agenda is on the Board of Directors of the company. The commiee observes that the government should have no role in engaging experts for monitoring the quality and effecveness of CSR expenditure of companies.

It can thus be construed from the Commiee’s observaon that personal, legal and moral responsibilies of directors and employees are of prime importance in enabling companies to uphold the spirit of law and play an important role in naon building. Further it is important to note that companies have the autonomy to develop CSR as a full-fledged management funcon to deliver results. Companies have an opportunity now to use CSR funds to create and run high-impact social projects. It is anticipated that corporates will have potenals to design highly innovave and efficient technology-driven projects in collaboraon with other corporates, NGOs, and governments. Well-managed collecve CSR efforts will effecvely create an elaborate, market-led NGO performance measurement standard, without any added government regulaon or cost. Such projects can create shared value in the long run. For instance collaborave efforts can help NGOs to create social impact; companies branding will improve; the government will receive help in development work and most importantly, the served communes will benefit tremendously (Narain, 2015).
The Report of the High Level Committee (HLC) on CSR Provisions (2015) further confirms the above concerns expressed by Corporate India. The Report states, “Many questions are being raised by various stakeholders including professionals, industry representatives, media, policy makers, civil society and people’s representatives. The queries range from quality and efficacy of CSR expenditure by companies to institutional mechanism for monitoring implementation of CSR by the Companies” (p. 3-4). The Committee has reiterated that CSR is not about the spending money alone. Companies should deploy their innovative mechanisms to address the social agenda. The onus of effectively and efficiently executing the social agenda is on the Board of Directors of the company. The committee observes that the government should have no role in engaging experts for monitoring the quality and effectiveness of CSR expenditure of companies.

It can thus be construed from the Committee's observation that personal, legal and moral responsibilities of directors and employees are of prime importance in enabling companies to uphold the spirit of law and play an important role in nation building. Further it is important to note that companies have the autonomy to develop CSR as a full-fledged management function to deliver results. Companies have an opportunity now to use CSR funds to create and run high-impact social projects. It is anticipated that corporates will have potentials to design highly innovative and efficient technology-driven projects in collaboration with other corporates, NGOs, and governments. Well-managed collective CSR efforts will effectively create an elaborate, market-led NGO performance measurement standard, without any added government regulation or cost. Such projects can create shared value in the long run. For instance collaborative efforts can help NGOs to create social impact; companies branding will improve; the government will receive help in development work and most importantly, the served communities will benefit tremendously (Narain, 2015).
It was observed by the HLC Committee that companies need time to adapt to the evolving CSR lexicon in the country. They need appropriate and consistent information on the CSR rules, accounting standards and database of potential implementation partners that comply with the legal requirements. In response to this the Committee while being in agreement with the former request, is not in support of government maintaining a data bank of CSR implementing agencies. The Committee has stated that government may recommend names of a few organisations after their due diligence, but it should not be mandated for the companies to implement projects with only listed organisations (with IICA or any government-affiliated body). As of now, the companies have freedom to forge partnerships with any organisation that has been operational for at least three years and has not been blacklisted (“Baijal Report on CSR. Neither music nor cacophony”, 2015).

On the above aspects the corporate world stands divided. A section of corporates feels that since the government has mandated CSR, they should also suggest partners to implement the social agenda. Companies which have implementing partners in place do not want government recommended NGOs for the fear of possibility of corruption in the government system whereby NGOs with political affiliations may be recommended and the ones at the grassroots are left out.

By mandating companies to execute social responsibilities in a project mode it encourages companies to follow a practice, coined by Bill Gates, as “creative capitalism”. This implies that businesses can use their specialized skillsets and resources to produce a greater social impact. It is contended that the private sector may be more efficient in implementing poverty alleviation programmes than the government as it is neither constrained by bureaucratic inefficiency or by public policy decisions. For some companies, their internal knowledge and expertise may allow them to create innovative products/services or mechanisms to
reduce social inequities at the Bottom of the Pyramid (BOP) through CSR as well through business route.

It is presumed that companies in India over a period of two to three years may be in a position to develop the CSR function. In this context the High Level CSR Committee (2015) in its report has stated that, “The Committee is of the view that the leniency may be shown against the companies for non-compliance in the initial two/three years to enable them to graduate to a culture of compliance. This is being recommended because the initial three years will be a period of learning for all the stakeholders. This liberal view can at least be taken for smaller companies, which become eligible at the margin to take up CSR programmes under Section 135(1) of the Act”.

Any regulation is useful only if it is enforced. Issues occur when corporations defy the statutory provisions or go beyond the reach of the law. In the said case of Section 135, companies are officially allowed to either explain non-compliance or donate the entire CSR spend to the Prime Minister’s fund. It would not be surprising if corporations adopt this route, as people who drafted the Law must have been pragmatic enough to know that corporations are managed by corporate leaders who always work on specific 'agendas'. Only time will give us the results of the mandatory CSR landscape.

In the above context the potential areas of future research can be towards examining the extent to which compliance-driven CSR creates social impact. It is presumed at this point that social responsibilities delivered by the corporations in India now will be an outcome of three major influencing factors: a) The regulatory frameworks that lead to changes in corporate practices, b) Corporate leadership and c) Mobilisation of corporate resources to assist the process of sustainable development. It will be worthwhile to examine which factor is more influential in delivering the quality of CSR.
VII. Final Remarks

Social responsibility derives from the notion that businesses should bring benefits to all its stakeholders. Responsible businesses do not limit themselves to using resources to engage in activities that increase only increase their profits. They use CSR to integrate economic, environmental and social objectives with the company’s operations and growth. Over the last two decades there has been the emergence and organic evolution of a sustainability agenda across the globe in the domain of responsible business and corporate functioning. Contemporary theoretical & political debates and activities conducted at the global level suggest a widespread interest shared by governments, industries, civil society and non-governmental organisations (NGOs) regarding the role of government and businesses for environmental and social inclusion.

Globalization has compelled corporations in India to adopt a much wider range of responsibilities to improve companies’ economic, social and environmental performance popularly known as triple bottom line (TBL) performance. In India too, there has been a steady and significant movement in this direction. The pluralism of sectors, standards and stakeholder expectations makes the nascent TBL-based Indian corporate social responsibility scenario complex. While corporations in India are struggling to address the social and environmental risks through their business models, they are finding it equally difficult to address the same beyond their normal course of business action mandated through Section 135 of the Companies Act, 2013.

Academically, mandatory CSR interfaces with ideas of self-regulation and co-regulation, while at another, it challenges the basis of the modern liberal market economy. Nevertheless, it is widely upheld that governments have to take overall responsibility for ensuring that market or non-market failures are regulated appropriately in the interest of the larger social good.
Potential areas for future research in this direction would be to examine the effectiveness of the regulatory mode of CSR in delivering social impact.

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Section II

This section consists of eight articles highlighting the CSR efforts of public and private companies to reduce social inequities.
Business that Cares

Abstract: The incorporation of Section 135 in the new Companies Act 2013 mandates corporates to spend two percent of their three-year average annual net profit on CSR activities. Public sector companies like Neyveli Lignite Corporation (NLC) have been consistently carrying out CSR activities even before the legal mandate. In 2014-15, NLC spent Rs. 474.90 million on its CSR interventions. The current paper examines the impact of the developmental activities undertaken by NLC with specific reference to the educational and medical interventions at Koagam village, Cuddalore District. The paper also provides few recommendations to enhance community well-being. This paper is the outcome of Mr. Arjun KV's 'We Care: A Civic Engagement' internship with NLC, Neyveli in February, 2015.

I. Company Profile

Neyveli Lignite Corporation Limited (NLC), set up in 1956, is a public-sector company located in Neyveli, a small town in Cuddalore district of Tamil Nadu. NLC has a pan-India presence and has become a part of the elite 'Navaratna' group of public sector enterprises (NLC, 2011). The company upholds Corporate Social Responsibility (CSR) as one of its core values, also reflected in the company's vision and mission statements. True to its reputation, NLC has been working for the welfare of the villages in its project areas. The company has actively contributed to community development much before CSR activities became mandatory. Table 1 below displays allocations made by NLC in the last five years.

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<table>
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<th>Year</th>
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<th>CSR Contribution (in INR million)</th>
<th>CSR Contribution as a percentage of Net Profit</th>
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</table>


¹Mr. Arjun KV, MBA batch 2014-2016. He was placed as an intern with Neyveli Lignite Corporation (NLC), Neyveli, Tamil Nadu for the 'We Care: Civic Engagement' internship between February 2-21, 2015.
Neyveli Lignite Corporation's Community Development Interventions at Cuddalore¹

Abstract: The incorporation of Section 135 in the new Companies Act 2013 mandates corporates to spend two percent of their three-year average annual net profit on CSR activities. Public sector companies like Neyveli Lignite Corporation (NLC) have been consistently carrying out CSR activities even before the legal mandate. In 2014-15, NLC spent Rs. 474.90 million on its CSR interventions. The current paper examines the impact of the developmental activities undertaken by NLC with specific reference to the educational and medical interventions at Kottagam village, Cuddalore District. The paper also provides few recommendations to enhance community well-being. This paper is the outcome of Mr. Arjun KV's 'We Care: A Civic Engagement' internship with NLC, Neyveli in February, 2015.

I. Company Profile

Neyveli Lignite Corporation Limited (NLC), set up in 1956, is a public-sector company located in Neyveli, a small town in Cuddalore district of Tamil Nadu. NLC has a pan-India presence and has become a part of the elite 'Navaratna' group of public sector enterprises (NLC, 2011).

The company upholds Corporate Social Responsibility (CSR) as one of its core values, also reflected in the company's vision and mission statements. True to its reputation, NLC has been working for the betterment of the villages in its project areas. The company has actively contributed to community development much before CSR activities became mandatory. Table 1 below displays allocations made by NLC in the last five years.

Table 1

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Profit (in INR million)</th>
<th>CSR Contribution (in INR million)</th>
<th>CSR Contribution (as a percentage of Net Profit)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010-11</td>
<td>12,983.30</td>
<td>130.00</td>
<td>1.00</td>
</tr>
<tr>
<td>2011-12</td>
<td>14,113.30</td>
<td>161.40</td>
<td>1.14</td>
</tr>
<tr>
<td>2012-13</td>
<td>14,597.50</td>
<td>142.60</td>
<td>0.98</td>
</tr>
<tr>
<td>2013-14</td>
<td>15,018.80</td>
<td>263.00</td>
<td>1.75</td>
</tr>
<tr>
<td>2014-15</td>
<td>15,796.80</td>
<td>474.90</td>
<td>3.00</td>
</tr>
</tbody>
</table>


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NLC has been focusing on social, economic and environmental development, in line with its vision and mission statement.

II. CSR: Vision, Mission and Goals
The CSR policy of NLC is reflected in its vision, which is “To emerge as a leading Mining and Power Company, to be socially responsible, and to strive for operational excellence in Mining & Exploration”. The elements of the vision aim to co-create wealth and in the process contribute to the sustainable development of society.

The CSR policy highlights that it has aligned its goals with the Millennium Development Goals (MDGs) to address issues of income poverty, hunger, disease, lack of adequate shelter and financial exclusion, along with promoting gender equality, education and environmental sustainability. Being one of the few major industries in the district, it strives to play an active role in society and be sensitive to emerging environmental issues. Through its CSR goals, NLC aspires to establish a harmonious relationship with the local population, facilitate growth of all the stakeholders and protect the environment through sustainable practices (NLC, 2014).

III. CSR Policy
According to the company's CSR Policy, NLC shall give preference to the local areas in selecting the location of CSR activities and shall earmark an investment of at least 75 per cent of the CSR fund for local area development. The company will invest 25 per cent of the CSR fund in other localities for addressing national agendas like sanitation, disaster management, water conservation and so on. The policy specifies that the main focus of its CSR activities will be on sustainable development, inclusive growth and on addressing the basic needs of the deprived in surrounding communities (“NLC-CSR”, 2014).

IV. CSR: Organisational Arrangements
In order to execute its social responsibilities, NLC has a dedicated cell to carry out its CSR activities (Refer Figure 1 below). A corporate level CSR coordination committee, consisting of a board of directors including an independent director has been constituted. This committee is responsible for the planning and execution of CSR activities in consultation with the heads of various units. Its role is to channelize and professionalise the CSR work, document the programmes being implemented, generate CSR reports and introduce best practices for the benefit of all stakeholders. Refer Figure 1 for the hierarchy in the CSR cell.
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V. CSR: Approach

NLC uses the triple bottom line concept for executing its CSR activities as a best practice for excellence in economic, environment and social performance. Figure 2 illustrates the benefits of the triple bottom line approach.

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NLC is committed to delivering the best physical and financial performance which adheres to the ethical values of corporate governance. It aims to enhance customer delight by generating power through a reliable method at the most competitive cost and at the same time focusing on surpassing all standards of performance.

NLC strives to improve its environmental performance in a consistent manner. The thrust areas are land reclamation, afforestation, elimination of land and water pollution, water table management, rain water harvesting and oil & energy conservation.

Along with economic and environmental performance, the corporate values of NLC drive to improve the social indicators of the target population. Some of NLC’s focus areas of social performance are education, resettlement and rehabilitation, quick resolution of compensation disputes, employability for engineering and management students, health and entrepreneurship development.

VI. Project Focus
The We Care intern from NMIMS was assigned to study NLC’s CSR approach, typology of projects and assess the impact of educational and medical interventions developed by the company at Cuddalore district. The specific objectives of the project were:

1) Study NLC’s CSR investments and allocations for various community development projects
2) Study various community development programmes executed by NLC
3) Study the educational and medical interventions developed by the company at Kottagam, Cuddalore district
4) Assess the impact of the educational and medical interventions
5) Recommend alternative strategies for creating a larger impact

6.1 Methodology
In the current study, data was collected from primary and secondary sources. Data for examining CSR investments and allocations was collated from the annual and CSR reports of NLC. Data pertaining to Kottagam, Cuddalore District was collected from the district census report.

Primary data was collected through field work and interviews. The We Care intern visited medical camps and centres where educational activities were being carried out. Senior
executives of the CSR cell of NLC were also interviewed to explore the rationale, challenges and concerns raised by the various stakeholders.

The field work and interviews of CSR cell executives were aimed at collecting information on the demographic profile of the community in the NLC’s project area. The discussions with the respondents/villagers were restricted to gathering information on the different educational and medical interventions available prior to, and post the intervention by NLC in the village. The time spent on the field was beneficial in understanding and assessing the needs of the community.

VII. Major Findings
Secondary data reveals that the philosophy and spirit of NLC's CSR are consistent with the provisions of the Companies Act 2013, Schedule VII of the Act and CSR Rules. NLC has systematic procedures in place to ensure that financial assistance is given for social, economic and environmental development. Hence, NLC focuses on developing the local communities in various areas. The subsequent paragraphs discuss the extent and type of investments made by NLC in CSR (NLC-CSR, 2014).

7.1 CSR Investment
NLC has invested in creating infrastructure for facilitating access to education, health, irrigation, roads and drinking water. Table 2 below displays investments made by NLC towards building infrastructure for achieving sustainable development between 2011-2015.

<table>
<thead>
<tr>
<th>Period</th>
<th>School</th>
<th>Health</th>
<th>Community</th>
<th>Road</th>
<th>Water</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-12</td>
<td>17.64</td>
<td>29.30</td>
<td>0.49</td>
<td>36.40</td>
<td>-</td>
<td>77.57</td>
<td>161.40</td>
</tr>
<tr>
<td>2012-13</td>
<td>30.70</td>
<td>47.60</td>
<td>2.20</td>
<td>10.50</td>
<td>17.50</td>
<td>34.10</td>
<td>142.60</td>
</tr>
<tr>
<td>2013-14</td>
<td>97.89</td>
<td>61.40</td>
<td>22.99</td>
<td>3.50</td>
<td>28.30</td>
<td>48.92</td>
<td>263.00</td>
</tr>
<tr>
<td>2014-15</td>
<td>111.23</td>
<td>67.26</td>
<td>2.38</td>
<td>117.82</td>
<td>118.65</td>
<td>57.56</td>
<td>474.90</td>
</tr>
</tbody>
</table>


As highlighted in Table 2, NLC has contributed towards developing the local community's infrastructure and thus enabling the local residents to improve their educational, health, economical and occupational status. A brief description of the typology of community development interventions carried out by NLC are discussed below.
7.2a Education and Vocational Interventions
To develop the intellectual capabilities of students in the local community, NLC offers quality education through 10 schools – three higher secondary schools, two high schools, three middle schools and two elementary schools. The total strength of enrolled students in 2014-15 was 6,515 (NLC, 2015, p. 2).

i. Special Courses/Training
Additionally, courses in the areas of motivation and techniques to handle examinations are designed by the schools with the support of NLC to enhance other skill areas of the students. Special training programmes are designed to develop exam writing skills/techniques for class X and XII students. Student guidance programmes that motivate students to excel in academics such as 'Jaithu Kattuvom' (meaning 'we will show success') are regularly conducted.

A total of 2,184 girls and 1,541 boys have been benefitted from these courses in 2014-15 (NLC, 2015, p. 2).

ii. Teachers Training and Development
NLC also engages in training teachers, including special training in the areas of counselling techniques, total quality teaching, innovative teaching techniques and so on.

Teachers are provided with additional benefits such as conveyance expenses, medical reimbursement and medical facilities (NLC, 2014, p. 16).

iii. Financial and Material Support
As students come from economically constrained families, scholarships and basic financial assistance are extended to students to facilitate completion of their education. Study materials like books, stationery, uniforms and shoes are also provided to the students to curtail the drop-out rate (NLC, 2014, p. 20). To ensure that students can commute over long distances to attend school, they are provided with a monthly bus pass at a highly subsided rate of Rs 15 per month. In 2014-15, Rs 111.23 million was spent on financial and material support for the education of students (NLC, 2015). (See photograph)
iv. Extra-Curricular Activities
To sustain the interest of students in academics and to ensure holistic development, educational excursions to annual book fairs and places of scientific exploration are organised (NLC, 2014, p. 20). These trips/excursions further the interest of students in academics, increase their interactive skills and expose them to various opportunities for their future careers. In 2014-15, Rs 0.226 million was spent on extracurricular activities (NLC, 2015).

v. Sports
In an effort to contribute to development of sports, NLC conducts a number of tournaments in badminton, football, athletics, chess, tug–of-war, cricket and so on. The tournaments are conducted for the able and differently abled at school, inter-school, inter-state, national and international levels. Students who show an interest and commitment to sports are offered free accommodation and education in NLC schools up to XII standard. 100 students per year are selected and trained under the Sports Control Board of NLC by experts (NLC, 2014, p. 20). In 2014-15, NLC spent Rs 3.7 million on developing sports in the project area (NLC, 2015). (See photograph)

vi. Infrastructure
To enhance scientific interest among students, libraries and laboratories have been established. To provide a conducive learning environment for students, schools are provided with additional space. This also aligns with long term capacity increase plans through the construction of additional blocks (NLC, 2015, p. 1). In 2014-15, Rs 12.02 million was spent on educational infrastructural development in village schools (NLC, 2015). (See photograph)
vii. Vocational Courses
NLC has rolled out vocational courses approved by the National Council for Vocational Training (NCVT) in various trades such as horticulture, electrical works, fitter and welder trades, among others to enhance the employability of the youth. In 2014-15, 166 students were imparted industrial/technical training. Vocational training in operating/maintaining light motor vehicles, heavy transport vehicles, earth moving equipment and vulcanizing works was offered to 165 women and 290 men from the nearby communities (NLC, 2015, p. 2). An amount of Rs 3.80 million was spent on academic and vocational support initiatives in 2014-15 (NLC, 2015).

7.2b Medical Interventions
In the absence of proper health care clinics and medical facilities in the village, NLC has designed and implemented provisions for providing emergency services and medical consultation to the villagers. A total of 86,921 out-patients were extended medical consultation in 2014-15. In all, 32,574 emergency cases and 12,473 cases of community health screening for diabetes, hypertension and HIV were handled in 2014-15. Through medical camps conducted in the same time period, 713 random sugar tests were done, 239 electro cardio grams were undertaken and 439 patients were provided with reading glasses. Advanced cases that required follow-up treatment were forwarded to the Pondicherry Institute of Medical Science (PIMS) hospital. In all, 933 patients were referred for inpatient treatment of which 428 persons underwent the treatment. All treatment is provided at subsidised rates with free food and accommodation. Nutritious food supplements were provided to 285 HIV positive children belonging to the Cuddalore District HIV Positive Society. In 2014-15, Rs 0.67 million was spent on health care facilities (NLC, 2015). (See photograph)
Support to Disabled
NLC extends financial assistance and infrastructure support to Sneha Opportunity Services, a day care, education and training centre for special children of the region. A computer centre is operated to impart training to the physically challenged, widows and destitute to aid their gainful employment. Artificial limbs/calipers are supplied to the differently abled to ensure that they have better facilities and can strive for equal opportunity. To ensure community development for the under-privileged, NLC spent Rs 40.5 million in 2014-15 (NLC, 2015).

7.2c Community Infrastructure
As NLC’s project sites are located in backward regions which are devoid of appropriate community infrastructure, NLC has intervened to create social infrastructure and sustainable community assets. Investments are made in constructing and retrofitting bore-wells, reinforced cement concrete (RCC) water tanks and de-silting of lakes. The company has constructed several roads and bridges to facilitate better transportation in these areas. To improve access to healthcare for the local communities, NLC has constructed primary health centres and equipped them with appropriate medical facilities in all its project locations. Additional investments are made to create customised community infrastructure as and when required, based on the needs of the communities. (See photograph)

RCC Foot-Bridge Across Sengal Odai Stream Near Kalukanam Village

7.3 Interventions at Cuddalore
As part of the internship assignment, the intern studied the contribution made by NLC at Cuddalore and subsequently undertook a rapid appraisal study at Kottagam village of Cuddalore district. As per the secondary report, NLC had made investments in the areas of education, health, sanitation, community development, disaster management, heritage and culture. Table 3 describes the areas of investments and its subsequent impacts.
**Table 3**
CSR Projects/Activities in Cuddalore

<table>
<thead>
<tr>
<th>Areas of Intervention</th>
<th>CSR Projects/Activities</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Education</strong></td>
<td>Construction of laboratories, additional classrooms / buildings. Provision of desks and benches. Financial support for rural students through 'Sahayatha', a scholarship for students from SC/ST/OBC communities was provided. Rural students attending remedial classes were provided with nutritious snacks</td>
<td>Financial and non-financial investments in creating physical infrastructure, ensured school attendance and conducive learning environment. This in turn assisted in preventing dropouts and increasing the academic involvement</td>
</tr>
<tr>
<td><strong>Extra and Co-Curricular Activities</strong></td>
<td>To improve academic performance of students of classes X, XI and XII, motivational classes were conducted under the name “Vetrikkani Kittum” (fruitful future). Board exam preparatory courses like 'Vetrippadi' (step to victory) were conducted for class X and XII students to increase their confidence levels. In all, students from 215 schools were benefitted from this activity. Construction of indoor playground/stadium for the students was undertaken</td>
<td>Participation in extra and co-curricular activities increased the academic performance level and thereby influenced the confidence levels in handling academic stress. Participation in sports catered to the holistic development of students</td>
</tr>
<tr>
<td><strong>Vocational Courses / Training</strong></td>
<td>To enhance entrepreneurial skills among students, courses like 'Koussal Vridhi', 'Pravin Sthree' were organised. Training in various vocations like tailoring, beautician, website designing, driving and maintenance of light motor vehicles, heavy transport vehicles, earth moving equipment and vulcanizing works were conducted to create alternative job opportunities. In all 25 beneficiaries in and around villages of Neyveli are benefited by vocational training every year</td>
<td>Completion of these courses enhanced the employability of youth, men and women by increasing their knowledge and technical skills</td>
</tr>
<tr>
<td><strong>Medical and Health</strong></td>
<td>To cater to remedial health, medical camps like 'Arogyaa' and provision of emergency medical services through 'Ilaj' were undertaken in 10 villages. Additional food supplements (Poshak) were provided to 285 HIV positive children. Construction of additional hospital buildings equipped with the latest technology was undertaken</td>
<td>Health interventions assisted in early detection of illnesses and ensured timely treatment and care for approximately 9000 people residing in 10 villages of Cuddalore district</td>
</tr>
<tr>
<td>Areas of Intervention</td>
<td>CSR Projects/Activities</td>
<td>Impact</td>
</tr>
<tr>
<td>-----------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Sanitation and Water</td>
<td>Community sanitation was undertaken through construction of toilets and cleaning up of drainages. To provide potable drinking water, retrofitting of wells, bore wells and other water structures was undertaken. Additionally de-silting of lakes / dams and construction of RCC overhead tanks were carried out in 4 villages</td>
<td>Provision of toilets curtailed open defecation. Access to potable water and community sanitation decreased the incidence of water and air related medical ailments</td>
</tr>
<tr>
<td>Senior Citizens</td>
<td>‘Vridhashram’ an old age home was constructed to take care of orphans/retired employees and destitute senior citizens of the locality</td>
<td>The old age home provides safety and security to the elderly, destitute as well as orphans by providing a place of residence and alternative livelihood options</td>
</tr>
<tr>
<td>Animal Husbandry</td>
<td>To cater to the needs of the livestock in villages, animal welfare camps were organised to create awareness on animal nurturing</td>
<td>Livestock management is essential and beneficial to the villagers to ensure healthy livestock and enhance livelihood</td>
</tr>
<tr>
<td>Community Infrastructure</td>
<td>Construction and maintenance of bus stop sheds and roads were undertaken in villages of Cuddalore district. Under the project titled “Jala Paryaptha” conceived by NLC, initiatives for the augmentation of water resources for irrigation, for the benefit of agrarian communities and for ensuring food-security have been undertaken. Rain-water harvesting and continuous supply of mine water to the villages irrigates about 23,000 acres of land</td>
<td>Construction and maintenance of roads eased the commuting ordeal, saved time and effort for local communities. Irrigation enhanced agricultural productivity</td>
</tr>
<tr>
<td>Disaster Management</td>
<td>Contribution was made towards the relief and rehabilitation of local communities during disasters</td>
<td>The 'Relief Fund' helped in addressing immediate concerns of people impacted by disasters</td>
</tr>
<tr>
<td>Heritage and Culture</td>
<td>Renovation of heritage and old district board buildings was undertaken at Cuddalore</td>
<td>Conservation of heritage structures preserves cultural history and adds value to local tourism</td>
</tr>
</tbody>
</table>

In order to study the educational and medical interventions developed by the company at Kottagam, Cuddalore district and assess its impact, the intern through his interactions with the villagers conducted a rapid appraisal study. The findings of the same are discussed below.
7.4 Kottagam: Demographic Profile

The population in the village of Kottagam, Cuddalore district has limited access to education. Through field work it was found that the only school in the village is a government school which provides primary education. For higher education, students have to travel a minimum distance of ten kilometres (kms) from the village. The literacy rate of the village is 67.1 per cent which is lower than the state and national average (District Census Handbook, 2011).

Despite technological advancements in the medical field, healthcare facilities in the village are very poor. The nearest hospital with basic amenities is seven kms from the village. The closest government hospital is at Kurinjipadi, eleven kms from the village. In case of medical emergencies, the state-run ambulance service reaches the village within 15 minutes. This service is equipped to handle serious cases. NLC conducts regular medical camps in Mettukuppam for the villagers of Kottagam. Mettukuppam is a village near Kottagam and is 25 kilometres away from the Neyveli Township (District Census Handbook, 2011).

The village of Kottagam, Cuddalore district, has a population of 1,320 with an average household size of 3.8. The sex ratio in the village is 1024 females to every 1000 males, which is much higher than the national average. The total working population of the village is 748, of which 41 per cent are marginal workers employed for not more than six months in a year. Agricultural labourers constitute 42 per cent, cultivators five per cent and household workers 0.53 per cent of the employed population (District Census Handbook, 2011).

Interactions with the villagers revealed that only the elderly and young population reside in the village. Most of the middle-aged population migrate to nearby towns for employment. Discussions with the villagers revealed that majority of the villagers are daily-wage labourers belonging to the low income group who are barely able to meet their monthly expenses (District Census Handbook, 2011).

7.4a Village Development

It emerged through the discussion with the villagers that the villages lacked economic resources and hence NLC has taken keen interest in the development of the village of Kottagam. NLC focuses on the development of the village through its initiatives like development of schools, health, sanitation and water facilities and community infrastructure. NLC conducts medical camps every year in Mettukuppam.
Expertise of educated and qualified villagers and financial assistance from NLC ensures positive development of the village. The villagers work with NLC as contract workmen or occasionally on a full-time basis serving the CSR department to identify needs of the villages that NLC can support. The CSR cell of NLC considers the suggestions of such qualified and trusted villagers before deciding on any initiative.

**7.4b Education**
Students have access to primary education in the village. Those wanting to pursue higher education have to travel eight kms from the village. Schools run by NLC, Neyvile Township provide free education, books, uniforms, stationery and shoes to students from economically weaker families.

To promote education and reduce the drop-out rate, motivational classes are conducted for students. Additionally, summer coaching classes are conducted for class X and XII students to enhance their academic performance and expose them to various career options. To overcome the hurdle of transportation students are provided with bus passes at nominal rates. Co-curricular and extra-curricular activities are organised to ensure the holistic development of students. One of the initiatives reported by villagers was that NLC had provided students with free bus service to attend the Annual Book Fair held in Neyveli Township.

**7.4c Healthcare**
The villagers reported that NLC in collaboration with PIMS organises health camps for the villagers. Due to the limited access to healthcare facilities, villagers are eager and actively participate in these camps. Interactions with the villagers revealed that as non-government medical facilities are expensive and unaffordable, camps are the best alternative to address their health issues. At the medical camps, villagers get free medical check-up and medicines. In the process, if patients need advanced medical care, they are referred for further treatment to PIMS. The cost of the treatment is borne by NLC.

**7.5 Impact of the Educational and Medical interventions**
School students of the village have also benefitted from the interventions by NLC. Though very few students attend the summer coaching classes organised for NLC school students, some of them have managed to secure admission in engineering and science colleges. Interaction with the locals of the village showed that NLC has a very positive image among the villagers.
The medical camp conducted at the village every year attracts a huge turnout from the localities. Volunteers at the camp take great care to ensure that every villager receives medical attention. Some of the volunteers mentioned that, “Large number of villagers come to the medical camps and it is satisfying and challenging to service them”. At the camp, diagnosis of various illnesses is done. One of the villagers said, “I would have never known I had diabetes, if I had not come for a medical check-up”. He was advised on the proper diet and the required medication. He was also given free referral to the hospital for further tests. This villager might have spent the rest of his life without knowing about his condition if not for the intervention of NLC. Cases like these and the huge turnout, amply support the need and relevance of medical intervention initiatives undertaken by NLC in these villages. At the camp, majority of the villagers had a basic health check-up done at the very least, using modern equipment with the help of trained physicians and doctors from PIMS.

VIII. Analysis
Mining is an important industry for economic development, but faulty operation of mines can harm the surrounding environment and population. There is an implicit social contract between business and society. However the nature of this contract is rapidly changing. Today, the contract embraces not just direct stakeholders such as consumers, employees, regulators and shareholders but also increasingly the local communities where companies operate. Part of this contract is formalised in laws and regulations – whose violation leads to heavy consequences – while part of it is semiformal. The changing scenario is due to various contextual issues such as the increasing trust deficit between business and society, new expectations and risks that businesses face in a global economy and increasingly, the governance gap. Against this backdrop, it can be inferred from the available literature and primary research that NLC through its CSR actions provides a mechanism of compensation for the social and environmental costs associated with mining. Besides, NLC is located in Cuddalore district of Tamil Nadu which is one of the most backward districts of India (Backward Regions Grant Fund Programme, 2009). The company has mining operations over a large area of land which has displaced the local community. By engaging in rehabilitation and community development activities NLC builds better relations with the local communities in which it operates.

The economic risks of not having good community relations can result in project delays and even mine closure. As the mining industry has become a technologically complex sector that employs considerably fewer people than in the past, it needs to provide other benefits to local communities in order to obtain a ‘social license’ to operate. CSR programmes are a means
through which a company can be seen as actively giving back to the community.

A closer examination of NLC’s CSR activities reveal that development projects undertaken by NLC are aimed at meeting the basic needs of people. However, most of these activities do not necessarily make communities self-reliant. As the famous Chinese proverb goes, “Give a man a fish and he will eat for a day; Teach a man to fish and he will eat for a lifetime”. NLC gives fish to economically disadvantaged sections of the society, but it teaches fishing only to a select few. For example, NLC provides rudimentary education through its schools, yet, steps towards building a model to improve the quality of education remain to be explored; it still remains at the discretion of the teachers. Additionally, a backward district like Cuddalore requires many sustainable projects that impart quality training to rural people in such a way that it empowers them to make a living on their own. For example, there can be a lot of support programmes to encourage entrepreneurship among the rural people.

It is significant to note that rural areas around NLC get water supply and free electricity from both the State as well as NLC. The demand for electricity will only increase in the coming years, however, there are no schemes or programmes in the pipe-line like solar energy utilisation to ensure self-sustainability of the villages. In the context of water scarcity, community sanitation needs substantial attention. Very few projects of NLC focus on developing self-sufficiency among villagers despite substantial increase in CSR spending.

**IX. Conclusion and Recommendations**

It can be summarised from the above research and study that NLC has a structured CSR intervention programme to develop local communities near its project areas. Primary research shows that Kottagam, Cuddalore District has benefitted from the CSR activities of NLC. The development initiatives have enabled the villagers to have access to health care services and improved the educational and infrastructural facilities in the project area.

Though the developmental activities of NLC are appreciated and well accepted by the villagers, there is room for improvement, especially in the area of provision of school infrastructure and quality of education. NLC should scale up its CSR investments and develop SMART Schools through the setting up of digital libraries having internet access. This access will facilitate students to reach out to the world outside their villages.

To develop self-reliance and accelerate employment, additional courses in vocational training, especially in the area of new technologies should be implemented. To promote
entrepreneurship amongst local residents, NLC should mediate with banks, appropriate government departments and micro finance institutions to enable access to loan facilities.

To address the issue of health and community sanitation, NLC should partner with appropriate government departments and NGOs to design and implement innovative interventions. For instance, in view of the water scarcity in the region and the situation of open defecation, construction of bio-toilets can be undertaken. Similarly, to reduce the villagers' dependency on NLC as well as the State for availing free electricity, villagers can be educated to use renewable sources of energy.

If NLC considers CSR as one of its core values, then it needs to move from its present stance of being a mere provider of community services, to developing capacities and competencies of the local communities and helping them to be self-reliant. This calls for active participation of the local communities, local administration and civil society organisations to plan, manage and sustain community development interventions.

References


Business that Cares


Impact Assessment Study of ADAPT-HPCL Project¹

Abstract: At the turn of the century, about 21 million people in India were found to have a disability. People with disabilities are further weakened through unequal treatment and denial of basic rights by the broader society. Since 1972, ADAPT has been a pioneer in combating such marginalisation by providing integrated services of high quality treatment and education to children with disability (CWD). Since 2011, HPCL has been extending its financial and non-financial support to ADAPT to improve its efficiency, effectiveness and reach. The paper assesses the CSR partnership impact on key stakeholders and collates recommendations to strengthen the project. This paper is the outcome of Mr. Pawan Pandey, Mr. Faizan Ali, Mr. Chintan Kakadiya and Mr. Sanchit Jhunjhunwala’s 'We Care: Civic Engagement' internship with HPCL in February, 2015.

I. Company Profile
Hindustan Petroleum Corporation Limited (HPCL) is one of India’s largest public sector undertakings (PSUs), engaged in the business of refining crude oil and marketing various petroleum products such as petrol, diesel, liquefied petroleum gas (LPG), kerosene and the like. HPCL has been accorded the ‘Navratna’ status by Government of India and the company is also a part of the prestigious Fortune 500 and Forbes business listings (HPCL, 2014). In 2014-15, the company recorded a profit of Rs 27,332.6 million and the investment in corporate social responsibility (CSR) was reported to be Rs 340.7 million (HPCL, p. 24 & 38).

II. CSR: Vision, Mission and Goals
The vision of HPCL as stated in its Corporate Sustainability Report 2013-14 is, “To be a World Class Energy Company known for caring and delighting the customers with high quality products and innovative services across domestic and international markets with aggressive growth and delivering superior financial performance. The Company will be a model of excellence in meeting social commitment, environment, health and safety norms and in employee welfare and relations”.

¹Mr. Pawan Pandey, Mr. Faizan Ali, Mr. Chintan Kakadiya and Mr. Sanchit Jhunjhunwala, MBA Batch 2014-2016. The Students were placed as interns with HPCL at Mumbai for the 'We Care: Civic Engagement' internship between February 2-21, 2015.
In accordance with the vision of the company, HPCL's mission is to enhance its productivity, quality, profitability and to be considerate to its customers, employees, environment, communities and cultural heritage. The goal of the company is to create welfare for both the community in which it operates and also for itself through its CSR activities (HPCL, 2014, p. 11 & 18). The focus area of the CSR interventions are inspired from the national developmental policies as well as international commitments made by India for development of children, women and weaker sections. Accordingly, HPCL's CSR programmes are focussed on child care, education, health care, skill development, sports, pollution free environment, community development and care of the disabled.

Speaking at length about the CSR investment with ADAPT (Able Disabled All People Together), a leading NGO which works for the disabled, Ms. Sonal Desai, General Manager CSR, said, “The need to focus on disability arises from the basic concern that disability is least understood and accepted in the society. The fact that over 28.5 million people in India are suffering from one or the other kind of disability which is equivalent to 2.21 per cent of the entire population is a matter of concern. Unfortunately we have not been able to address the needs of the disabled. In this context we at HPCL have decided to support a credible organisation like ADAPT, to scale up their services and address the needs of the disabled”.

III. About ADAPT
ADAPT, registered in 1972, has been a pioneer in providing integrated services to 'Children with Disability' (CWD). ADAPT provides a range of services including assessment, infant stimulation therapy, counselling, inclusive education, skill training, job placement, continuum of support services and home management programmes for children and young adults with disability. ADAPT believes that both the 'able' and 'disabled' can work together to create an inclusive society. In this endeavour,
ADAPT offers a number of services which include assessment, infant stimulation, therapy, counselling, inclusive education, skills training and job placement, continuum of support services and home management programmes for children and young adults with disability (ADAPT, n.d.).

IV. Project Focus
HPCL has been partnering with ADAPT in its endeavours from 2011. In order to review and revise the scope of HPCL's investments in ADAPT, the NMIMS We Care interns were assigned to the task of conducting a social audit for mapping stakeholder impact.

4.1 Objectives of the Study
1. To study and analyse the impact of ADAPT-HPCL project from a stakeholder perspective
2. To identify challenges faced by key stakeholders in addressing the needs of the disabled population
3. To collate recommendations made by key stakeholders to address the gaps in ADAPT-HPCL project
4. To recommend areas of intervention to scale up the impact of the project

4.2 Research Methodology
The study being exploratory in nature has used both qualitative and quantitative data which was collected from both primary and secondary sources. The secondary sources of data included studying internal narrative reports for the past three years, log books and official communications.

To understand the stakeholder perspective, primary data was collected from key stakeholders with the help of structured and semi-structured interviews. In all, a total of 122 respondents were part of this in-depth study including sixty parents, five therapists, twenty educators, eight vocational training instructors, nine management staff members, fourteen volunteers, six ADAPT Rights Group (ARG) members and social workers.

The parameters of the study were to assess the availability, access and satisfaction level of ADAPT services, perception of the overall development of the child, challenges faced by the stakeholders and recommendations for improvement. The impact of the ADAPT interventions, challenges faced and recommendations were assessed through focussed group discussions (FGD) and in-depth interviews.
Satisfaction level of parents about ADAPT services and their level of involvement with ADAPT was measured with the help of a five point scale (1 being the least satisfied and 5 being highly satisfied). The parameters on the scale were a) availability and access to ADAPT services, b) improvement in the skills and abilities of the child, c) social and emotional development of child, d) satisfaction with vocational training and e) perception about overall development of their child.

The parameters to measure the level of involvement of parents were; a) involvement in designing the developmental plan, modified academic input, b) continuity and quality of therapy, c) access to various types of extracurricular activities, d) participation in special events and e) the level of support provided to parents to handle his/her child.

Content analysis techniques were used to infer data from secondary and primary sources. Data pertaining to parent's perspective of the project was analysed with the help of descriptive statistics. The responses from FGDs were sequentially and logically arranged in terms of 'input-process-outputs, outcomes and impact'. Additionally, inference techniques were used to segregate data pertaining to project benefits, challenges and recommendations.

V. Major Findings and Discussions

5.1 ADAPT Beneficiaries

The data reveals that a total of 300 disabled children and their families, 359 able children and their families, 650 professionals in the field of disability are direct beneficiaries and 79 staff members of ADAPT are indirect beneficiaries.

To enhance the cognitive development of the child a multi-level, individualised teaching plan is adopted. Social and emotional development of the disabled is facilitated through various cultural events. Various academic and extra-curricular activities like music, dance and swimming cater to the holistic development of the child.

In the context of inclusion it was observed that in the last three years, a total of 34 students out of 230 (around 15 per cent) have been included in the mainstream schools. This is a huge contribution to the implementation of Sarva Shiksha Abhiyaan (SSA), to ensure free and compulsory education for all children between the age group of six to fourteen years (National Informatics Centre (NIC), 2007). Higher level of inclusion has been facilitated through sensitisation seminars at various colleges.
5.2 Management of ADAPT

The interactions with ADAPT executives revealed that the ADAPT management team is making meticulous efforts to advocate the cause of social inclusion by sensitising the larger society through its workshops and orientation programmes. The partnership with HPCL has helped in increasing their operational efficiency and has facilitated greater accountability and transparency in handling the various projects systematically. The documentation of various processes has been streamlined through the development of various tools like child profile sheets, weekly log book, special log book, attendance register for the children, progress report/check list, 'Tell Book' (communication with parents on homework, therapy and meetings) and so on. This has enabled ADAPT to maintain progress data of all the 300 students. Consequentially, the team is now able to generate midterm progress report, pre-end term report and cumulative annual narrative report. The child's progress is now communicated to parents through fortnightly meetings. The efforts of the ADAPT team has resulted in 170 children acquiring 'Aadhar' cards and twenty disabled children being able to procure the new online disability certificate. (See photograph)
5.3 Educators
Special educators provide special needs education to the disabled. Currently there are twenty special educators and seven care givers at ADAPT. Interactions with the educators revealed that at ADAPT they design customised educational plans based on the students’ learning needs and abilities. This facilitates development of cognitive, language and comprehension ability of each child. Innovative teaching pedagogy using assistive technology is used to ensure a conducive learning environment. Further discussions revealed that educators are responsible for employing a multi-pronged approach to make learning a fun activity and engage students in a constant learning process. Extracurricular activities like drama, music, dance and sporting events are organised to facilitate social and emotional development. The educators expressed the need to increase the cooperation of parents for reinforcing learning inputs so that the students develop coping mechanisms. Teachers/educators expressed concern due to the shortage of manpower especially the ancillary staff which leads to avoidable latencies.

5.4 Therapists
Therapists form an important part of the eco-system created by ADAPT as they provide different types of therapies. These also include allied services like psychological counselling, swimming, usage of various creative and game techniques to ensure the holistic development of children. There are eleven therapists working in ADAPT. It was found that the current overall ratio of therapists to children is 1:30 which is an area of concern as there is a lot of pressure on each therapist. Each therapy session is conducted either individually or in a group for a duration of 45 minutes per session and is provided free of cost to the students.

Discussions with the therapists revealed that development of the child was dependant on the regularity of the therapy sessions, involvement of parents and the child’s medical condition. Therapist shared that due to unavailability of transport, weather conditions and health of the child, children would miss therapy sessions. Consequentially, the impact of therapy was not visible within the scheduled timelines. Additionally, unrealistic expectations set by parents about the outcome of the therapy led to dissatisfaction with the quality of services being provided to the children.

5.5 Volunteers
Volunteers play a crucial role in executing the mission of ADAPT and enjoy the flexibility to contribute as per their strengths and interests. Currently, seventeen volunteers are working with ADAPT at their various centres. Interactions with the volunteers revealed that various academic and extracurricular activities are conducted for the disabled. Volunteering has
enabled them to develop qualities such as patience, perseverance and better observational skills while dealing with the disabled. Volunteers shared that, “There has been an increase in the participation of children in extracurricular activities like dancing, music, yoga and swimming. Children have become more expressive in their own ways after being involved in these activities”. Observations revealed that the volunteers' experience with ADAPT was rewarding. In turn, the volunteers brought with them the enthusiasm and skills to strengthen the project. (See photograph)

FDG with Volunteers at ADAPT

5.6 Vocational Training and Employment
To enhance the employability of the disabled, ADAPT provides vocational training at all its centres and has set up a separate Skill Development Centre (SDC), operational since 1989. Vocational training programmes provide avenues for self-employment, employment at cooperative stores, NGOs and restaurants. The centre focuses on vocational training and offers non-academic/vocational courses. Students are trained in office work, horticulture, catering, handicrafts, pottery, bead and doormat making, embroidery and packaging food items like pickles and lemonade. In 2013-14, 129 children received vocational training across all the ADAPT centres. (See photograph)

Vocational Training Observation
At the SDC eighteen students were trained in automobile repair, electrical circuit repair and culinary skills. It was reported that in the last three years, seventy students were trained in work skills of which 10 per cent (seven students) have been included in the mainstream workforce. Students were placed with for profit organisations such as Lifestyle, Landmark, Out of the Blue Restaurant and Sujaya Foundation (NGO). It was observed that the vocational training has also provided avenues for self-employment for the disabled.

5.7 Employers Perspective
Interactions with parents and teachers revealed that employability becomes easier for disabled students who are trained through vocational courses. Students are able to perform better at work with the skills and knowledge acquired through training. Interactions with the employers revealed that they have been providing employment opportunities for the disabled since the last few years. It was interesting to note that the employers were pleased and happy to accommodate the disabled as they were satisfied with the efforts of the ADAPT students and their willingness to learn new skills. The employers also provided on-the-job training which further enhanced the performance of these students at work. However, ignorance and incapability to work with the disabled was a challenge. In this context, the employers shared that, “Initial period of two to three months with ADAPT trainees were challenging and they expected ADAPT to maintain constant contact with them to ensure smooth transition of students after placement”. The felt-need was to increase the awareness level and adaptability of existing employees with the disabled to ensure a conducive environment at work.

5.8 Parents Perspective
In the absence of quality services for disabled children in Mumbai, it was observed that disabled children across all economic segments avail services of ADAPT. In order to build the parent’s capabilities and ensure well-being of the disabled child, bi-weekly meetings, counselling sessions, therapy and trainings are organised. ADAPT also has a parent support group to create a parental network. (See photograph)
Secondary data reveals that two thirds of the total beneficiary parents of the disabled belong to the middle income group (Between Rs 45,000 to Rs 1.80 lakh per annum) and lower income group (Less than Rs 40,000 per annum). Interactions with the parents revealed that the cost of rearing a child with disabilities is so high that it takes a considerable toll on the family’s finances and reduces the residual income left for spending on the family. Besides this, approximately 40 per cent belong to joint families where the parents have to contribute to the family finances as well.

i. Satisfaction Level
The satisfaction level of parents with regards to ADAPT services was measured with the help of a five point Likert scale. The items on the scale included a) positive experience for the child through customised design of a development plan, b) modified academic input, c) continuity and quality of therapy, d) access to various types of extracurricular activities, e) participation in special events celebrated to enhance the socialisation of children and e) level of support provided to parents to handle his/her child. Based on these scores the responses were categorised as high, moderate and low. The satisfaction level of the parents with the services provided at ADAPT is given in Figure 1.

Data reveals that sixty per cent of the parents were highly satisfied with the services provided at ADAPT. Those having moderate level of satisfaction felt that more inputs should be given to parents with regards to academic, behavioural and vocational courses. They felt that developing daily living skills like dressing, eating, toileting and related aspects should also be given priority in the school. Seven per cent of the respondents expressed low levels of satisfaction. These respondents felt that teachers needed better awareness and training in handling their child. Factors like shortage of teaching and ancillary staff members, less number of therapy sessions per week and hygiene were prime reasons for their low satisfaction level.
Continued interactions with the parents revealed that the extracurricular activities had contributed to the holistic development of the child by increasing their confidence and social skills. Parents expressed that, “ADAPT is an ideal place for the growth of our child and we are highly satisfied with the improvement in the development of our child”. The support provided by ADAPT was highly appreciated by the parents.

Most of the parents shared that they are able to see a noticeable positive academic and behavioural progress in their child. In this context, one of the parent stated, “Every day when we take our daughter to school and pick her up, she is glowing. At home, she has been demonstrating so much personal initiative, commitment, and enthusiasm to the work that it inspires and excites us. She is now more happy and confident.” Parents also mentioned that they were able to see a visible improvement in the skills and abilities of their children. Refer Figure 2

Data shows that there is a high to moderate level of improvement in the skills and abilities of children. Respondents shared that the extra-curricular activities like festival celebration, Mumbai Marathon, competitions, awards and so on acted as a positive contributor to the improvement of skills and abilities of the children. Parents shared that these activities created excitement and eagerness in the children to participate and enhance their skills. Parents were of the opinion that the extra-curricular activities contributed to the holistic development of their children and were eager to have such activities in the future as well to ensure a conducive learning environment. The compassionate and energetic atmosphere of ADAPT was well appreciated by the parents. It can be inferred from the discussion that ADAPT was contributing to the positive development of the child.
ii. **Level of Involvement**

Further discussions with the parents revealed that ADAPT conducts meetings at regular intervals with parents which make them feel equipped and informed. These meetings were extremely useful as the ADAPT staff members ensure that the progress and educational needs of the child are communicated and parents are involved in formulating the academic or individualised development plan (IDP) for their child.

The level of involvement of parents was measured with the help of a five point Likert scale. The items included on the scale; a) inclusiveness of parents in discussion around child, b) extent of input taken and implemented during and after discussion with parents, c) level of support provided to parents to handle his/her child, d) level of contact between parent and teacher in order to share their concern with each other and e) contribution of parents in designing academic or IDP. Refer Figure 3 for the satisfaction level of parents with their involvement at ADAPT.

Data shows that parents were highly satisfied with the set of procedures and information shared with them during the biweekly meetings. Majority of the parents were satisfied with the level of contact maintained by them by the teachers. Parents shared their appreciation on communication channels especially the ‘Tell Book’, where the communication between parents-teachers and the therapist is recorded. One of the respondents, whose child is associated with ADAPT for the last three years stated, “ADAPT’s well-defined customized child development plan helped in evolving a totally new standard for the learning deficiencies of my son. It far exceeds any expectations and hopefully will continue to do so. More importantly, we receive regular updates on his progress from his teachers which gives us a more comfortable feeling assuring us that a personal interest is taken in his progress”. Twenty five per cent of respondents who experienced a moderate level of involvement felt that additional inputs should be taken from parents in designing academic or IDP for their child. Three per cent
expressed low levels of involvement, they felt that inputs taken from parents during discussions were not getting implemented and inputs were provided to parents only when they asked for it.

iii. Vocational Training

Children who are unable to cope with the academic curriculum are offered vocational training with an objective of providing skills development and capacity building to enhance their employability. Discussions with the parents showed that majority of the parents were satisfied with the efforts taken by ADAPT with regards to vocational training. Refer Figure 4

The data observes that 84 per cent parents are highly satisfied with the vocational training being provided to the disabled. Parents who are highly satisfied with vocational training reported that the school has taken special effort to ensure that the skills and abilities of the CWD matched their current/future job opportunities. Those with moderate level of satisfaction reported that while designing IDP, no inputs were taken from the parents. Interactions with the parents indicated that ADAPT should provide additional avenues for employment with the introduction of new technologies and vocational courses.

5.9 HPCL Employee Engagement

To ensure that the employees get involved in the ADAPT-HPCL project and make a difference, HPCL facilitates employee engagement. Participation of the employees also ensures that the mission of ADAPT-HPCL is transcended across the project. Interactions with the CSR executives revealed that, in 2014, eighty to hundred employees volunteered to enable the disabled children to participate in the Standard Charted Marathon and forty women employees participated in Women’s Day celebration. Employee engagement activities conducted by ADAPT attracted a large number of volunteers from the organisation and has increased employee engagement in HPCL.
VI. Conclusion and Recommendations

It can be concluded that according to stakeholder perception the partnership between HPCL and ADAPT has created a positive impact for the beneficiaries. The relationship between both the organisations has been nurtured for more than four years resulting into setting a new benchmark to provide quality services for the disabled.

Currently, the therapist to students ratio is an area of concern and in order to enhance the development of the disabled, it is essential that ADAPT involves a higher number of therapist to ensure that children receive greater amount of individualised attention. In this context, some volunteers recommended that parents should spend additional time at the ADAPT centre to increase their involvement with the therapy team of ADAPT so that the results of therapy can be visible faster. There is a need to ensure that the children attend the therapy sessions regularly to see its impact on development. Internal stakeholders of ADAPT reiterated that development of the disabled requires a constant monitoring by parents too. Therapist and educators felt that parents need to understand and set realistic expectations for the development of their children.

To enhance the physical and mental development of children, additional therapy sessions per week should be included along with music and swimming therapy. In addition, there is a requirement of new equipment for delivering world class therapy services. Special educators stated that a few additional equipment like voice-to-text converting software as well as improved visual and audio aids would assist teachers to capture responses of children with limited writing ability.

As the disabled eventually require to earn their livelihoods the vocational training plan for each child should be tailor-made based on the child’s capacity as well as the needs of parents. Parents recommend that vocational training plans should take inputs from parents to enhance livelihood capacities of the disabled. To develop self-reliance and accelerate employment, additional government recognised or certified vocational training programmes especially in the areas of latest technology should be commenced.

To enhance the inclusion of the disabled with the mainstream and promote their cause, a separate placement cell should be in place to position the disabled along with their skillsets. The fact that only 10 per cent of ADAPT’s total trainees (seven) have been placed in the last three years implies that a great amount of effort needs to be put by ADAPT to see that their trainees are placed in skill appropriate jobs. It would be beneficial if HPCL could advocate corporate tie-ups to increase the placement of the disabled youth.
HPCL could also assist the disabled youth of ADAPT by organising a one-day workshop to familiarise them with the corporate world and its working environment. In order to enhance the workplace experience there is a need to create disabled friendly work culture/environment. Suggestions from placement organisations through organising periodic feedback and other pertinent communication would enable a conducive work environment for the Person with disability (PWD).

To enhance the inclusion of the disabled with the mainstream and to address the myths around the development of CWD/PWD, stage shows and sensitisation workshops should be conducted. These will create a culture of acceptability and ensure a smooth transition of the disabled into the mainstream culture. To ensure co-existence of the abled and disabled in society, it is essential to increase the awareness about the challenges faced by the disabled.

With proposed innovations and timely interventions in response to the aforementioned recommendations, the future promises to be extremely fruitful and rewarding for all the stakeholders. This will ultimately bode well for ensuring each and every disabled child/person getting unrestricted access to the highest quality of education and therapy enabling him/her to lead a healthy, respectful and independent life.

References


Abstract: Hindalco Industries Limited believes that economic empowerment of women is the key to strengthen families and communities. In accordance with its philosophy it has commenced various activities for development of women. The current paper examines the functioning of the self-help groups (SHGs) and their concerns to market their handcrafted products. The article also provides a few recommendations to enhance the economic status of women. This paper is the outcome of Mr. Vivek Kumar Singh's 'We Care: Civic Engagement' internship with Hindalco Industries Limited in February 2015.

I. Company Profile

Hindalco Industries Limited, is a flagship metal company belonging to the Aditya Birla Group. It was set up in 1958 at Renukoot, Sonbhadra District, Uttar Pradesh. Today it is one of the biggest producers of aluminium in Asia, employing about 34,000 employees in 11 countries. In 2013-14, the company registered a profit of Rs 14,133.3 million and spent Rs 326.19 million on its corporate social responsibility (CSR) initiatives which is 1.61 percent of the average net profit (“Sustainability Report 2013-14”, p. 8 & 98).

II. CSR: Vision

Shri G. D. Birla, a Gandhian and the founding father of the Birla group espoused the trusteeship concept of management. Influenced by the Gandhian philosophy, he invested a portion of the company’s profit for the benefit of the larger society. His ideology is captured in the company’s vision statement - “To actively contribute to the social and economic development of the communities in which we operate. In doing so, build a better, sustainable way of life for the weaker sections of society and raise the country’s human development index” (Birla, 2015). Further to strengthen the vision, Kumar Mangalam Birla, Chairman of the

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¹Mr. Vivek Kumar Singh, MBA Batch 2014-16. He was placed as an intern in Hindalco, Renukoot for the 'We Care: Civic Engagement' internship between Feb 2-21, 2015.
Group has envisaged that by 2017, the company aims to become a leading corporation for sustainable business practices across its global operations. The company also aims to enhance economic growth while safeguarding environmental and societal interest.

III. CSR: Rationale and Scope

Operations of Hindalco have the potential of creating negative externalities like pollution and harm to bio-diversity. Recognising this, the company has developed mitigation strategies to deal with these issues both within its core business and in its surrounding localities. To create a sustainable lifestyle for the communities it has developed CSR programmes in the area of healthcare, education, skills training, women empowerment and agricultural support (Aditya Birla Management Corporation Pvt. Ltd., 2015).

Hindalco has taken the onus of developing communities around its various geographical locations. The CSR activities of the company are concentrated in 690 villages, 35 urban slums, in proximity to the 17 manufacturing units across 16 districts spread across 10 states (Hindalco Industries Limited, 2013-14, p.75).

IV. CSR: Organisational Arrangements

The 'Aditya Birla Centre for Community Initiatives and Rural Development' is the CSR arm of the Aditya Birla Group Company, which works at creating sustainable lifestyles. As per the Companies Act 2013, the company has formed a CSR Board Committee headed by Mrs Rajashree Birla, Chairperson. The committee is responsible for planning, executing and measuring the impact of CSR programmes. A robust implementation structure, monitoring process and a team of professionals is in place at the company units. To measure the impact of the work done, a social satisfaction audit/social impact assessment study is carried out by an external agency (Hindalco Industries Limited, 2015).
V. Hindalco at Renukoot

The Hindalco factory in Uttar Pradesh is located at Renukoot, Sonbhadra district. This tribal region is endowed with rich forest cover. Census 2011, highlights that Renukoot is a town governed by Hindalco Industries Limited. Through its CSR activities, the company tries to ensure self-sufficiency of the environment and the local community that it operates in. The company believes that for communities to be independent, the need is to focus on the development of women (Hindalco Industries Limited, 2012-13, p. 13).

VI. Project Focus

Hindalco understands that women’s empowerment is the key to societal development. Hence the CSR team works at establishing and sustaining Self-Help Groups (SHGs). This programme involves over 11,000 women from 182 villages and 389 SHGs from rural communities around the company plants. The SHGs manage a micro-credit agency which enables women to save money and also invest in micro-enterprises. SHGs conduct vocational training in agriculture, candle and matchsticks making, incense sticks production, tailoring, knitting and handcrafting gifts/items to create avenues for self-employment. With assistance from the SHGs, women are able to sell the handmade products in the local market. The CSR Cell aims at scaling up the market penetration so that women can earn a reasonably fair livelihood.

6.1 Methodology

In the above context, the NMIMS We Care intern was assigned the task of studying the market potential for SHG products and propose new schemes to enhance their marketability. In order to study the market potential it was required to first study the working of SHGs. To understand the rationale and the activities carried out by SHGs, in-depth interviews along with focus group discussions were conducted with 20 SHG members, their families, community centre employees and CSR team members. The

Hindalco understands that women’s empowerment is the key to societal development. Hence the CSR team works at establishing and sustaining Self-Help Groups (SHGs). This programme involves over 11,000 women from 182 villages and 389 SHGs from rural communities around the company plants.
Discussions aimed at collecting information on the following parameters: a) Demographic details, b) Activities of SHGs and c) Operations of SHGs

Along with the above a market survey was conducted to explore market opportunities for SHGs to develop new products and scale up the sales of existing products. Discussion was initiated with five gift shop owners and retailers in the area to assess information on: a) Types of gift items sold, b) Frequency of procurement of these products, d) Prices of the gift items, c) Profit margin d) Details of current suppliers and e) Willingness to team-up with SHGs for procurement of gift items.

VII. Major Findings

7.1 Demographic Details

The total population in Renukoot town is 41,792, with 53 per cent males and 47 per cent females. The overall literacy rate is 83 per cent, males account for 56 per cent and females for 44 per cent (Population Statistics Census, 2011). Field visits and interactions with the community members revealed that in Renukoot there are four English and five Hindi medium schools from which Aditya Birla Foundation manages one English medium and one Hindi medium school. There is one degree college in the locality. Community members revealed that all the employees of Hindalco ensure that their children complete primary and secondary education. It was interesting to note that almost 95 per cent of the employees' children manage to complete their higher education.

It was observed that non-Hindalco employees who reside in and around Renukoot face issues with education. Consequentially they are illiterate and unemployed. In order to support them Hindalco has constructed schools in the surrounding villages. These schools provide education at no cost to the economically under-privileged students and a nominal fee of Rs 50 per month is charged from others.

Hindalco also ensures that the health needs of their employees and their family members are taken care of. Discussions with the community members revealed that there are six hospitals in the region from which two hospitals are managed by Hindalco. The villagers can avail health services from all the hospitals in the area. Respondents mentioned that the SHG's in the area also conduct healthcare awareness programmes and free health camps to provide medical assistance to the villagers.
7.2 SHGs' Activities

Self-Help Groups (SHGs) were formulated by Hindalco since 2004. Currently 39 SHGs are functional in Renukoot. Each SHG consists of 10 to 12 members. They are primarily involved in conducting awareness campaigns, health camps and economic empowerment activities. The groups meet regularly every week and discuss issues that need attention and support. For instance issues of health, family planning, sanitation and livelihood are taken up for discussions. New ideas or entrepreneurial endeavours too are discussed and contemplated on. Ideas that can be materialised are financed and supported by the SHGs (Aditya Birla Management Corporation Ltd., n.d.).

In the initial years, SHGs focussed on undertaking agri-related forms of income generation activities like beekeeping, vegetable cultivation, and kitchen gardening. Entrepreneurial activities in the area of goat rearing, rope making, mushroom cultivation and raising coconut saplings were also encouraged among women (Aditya Birla Management Corporation Ltd., n.d.).

As the membership of SHGs increased, women were gradually encouraged to undertake extensive training in different vocations that did not require formal education but provided them with a steady source of income. For instance trainings in the areas of hand-made articles (traditional arts) such as developing bamboo products, tailoring, knitting, weaving, embroidery, dyeing of fabrics, rangoli, candle-making and so on were introduced. Some women with the support of SHGs' microcredit facility took up livelihood support activities in the areas of bidi rolling, preparing dry snacks, tailoring and knitting. These activities fetch women a meagre income which is inconsistent. For instance, some women sell potatoes at Rs 10 to 11 per kg which costs them around Rs 9 to 10 per kg, thereby making a profit of Rs 1 to 2 per kg. In a day they are able to sell around 10 to 12 kgs of potatoes. (See photographs)
Training Sessions

Discussions with the community members revealed that none of the SHG members have any formal education. Due to male dominated cultural context women are not encouraged to pursue education and hence are confined to take care of their homes. Most women lack opportunities for formal education and training. Hence they are forced to take up micro-entrepreneurial activities that do not require any formal training and education. To address the issue of illiteracy, SHGs regularly conduct adult literacy programmes for women. This initiative ensures that women are able to read, write and manage their household budgets. These sessions are held for four days in a week for two hours in the evening (“CSR Brochure”, n.d.).

In order to hone the skills of women and meet modern day aspirations of young girls, training has been introduced in the areas of fashion designing, computer operating, lamination and beauty treatment through cosmetology. Training is conducted by the company in Rural Technology Park and Mahila Mandal. These training sessions are conducted to develop the abilities and competencies of these women to be entrepreneurs. It was observed by the intern that women are extremely receptive to receiving inputs during training sessions.

7.3 Savings and Loans
Women are encouraged to take up entrepreneurial activities and contribute their savings regularly to the SHG funds. Discussion
with SHG members highlighted the fact that even though women were engaged in entrepreneurial activities they did not make substantial profits. These micro-enterprises do not offer a steady source of income for the family. Discussions with the SHGs revealed that the additional income generated from these micro-enterprises is used by the women for investing in their children's education and nutrition.

The average cash flow of the SHGs was reported to be Rs 1500 to 2000 per month. The money collected by the SHGs is lent as small loans on a condition that the amount has to be returned within a period of two to four weeks. To ensure adherence fines and disciplinary systems like notices and reminders have been introduced. The CSR team reported that almost 90 per cent of the SHGs have bank linkages. Banks provide microcredit loans to SHGs based on the capital aggregated by a SHG and if it has a regular cash flow. This has a two-way impact on both banks as well as the SHGs. Banks are able to minimise their transaction costs by registering one SHG instead of 10-12 women and minimise the risk of default. Alongside, SHGs are also able to procure microcredit loans for their members.

7.4 Mapping Needs

In the current scenario, the SHG members felt that with limited cash flow and lack of capital, production of handcrafted gifts/items would be the most viable business for SHGs to venture into. To explore the market potential for handcrafted gifts/items, the intern interacted with the gift shop owners and retailers in Renukoot. The market survey revealed that majority of the retailers got their product supply from Kolkata, Mumbai, Varanasi and Allahabad, where the shops owners have their tie-ups with production units. Supply and sale of handcrafted gifts/items are fairly seasonal, especially during festivals and special occasions like Valentine’s Day and Teacher’s Day. These items do not carry a brand name/value and the cost ranges from Rs 30 to Rs 2500. Profit margin is usually between 30 to 40 per cent. As these items

**Discussions with the SHGs revealed that the additional income generated from these micro-enterprises is used by the women for investing in their children’s education and nutrition.**
are sold occasionally, the supply for these products is scheduled at an interval of two to three months. In-depth discussion with the retailers revealed that fast-moving items like toys are sold on regular basis. If women were trained in making toys they could get regular income. (See photograph)

**Soft Toys made by SHG Members**

It was interesting to note that retailers were willing to change or add a new supplier to their product procuring list provided they were ensured of higher profit margin and good quality products. (See photograph)

**Retail Gift Shop in Renukoot**

The market study proved to be a useful intervention as two shop-keepers were willing to venture into a tie-up with the SHGs on a trial basis. If the SHGs would be in position to deliver quality products on time, then it would be a profitable proposition for both the SHGs as well as the shop owners. This would also enhance the market credibility and financial status of the SHGs.

**VIII. Analysis**

As quoted by Brigham Young, “If you educate a man; you educate a man. If you educate a woman; you educate a generation”. This philosophical statement is aptly suitable for the
approach adopted by Hindalco in pursuit of developing the local communities. Hindalco focuses on empowering women by encouraging the formation of SHGs and building their capabilities through vocational training programmes. Facilitating women’s access to micro-credit has contributed to the enhancement of the socio-economic status of the women. The additional income has cascading impacts on the families as women are investing their income in children’s education, nutrition and health. The training and adult literacy programmes have enabled women to be confident, self-reliant and informed decision makers.

Women entrepreneurs can be successful only if they develop good quality market-oriented products. The market survey has confirmed that retailers are also willing to tie-up with the SHGs as it will be beneficial for them because of low transportation cost and better inventory management. Hence the CSR team will have to trigger innovation, strengthen the production capacity and nurture the micro-enterprises. A good market support team is required to assist the SHGs to enhance their entrepreneurial actions.

**IX. Conclusion and Recommendations**

It can be concluded that Hindalco believes that if responsible communities are to be created then they have to socially and economically empower women. The financial and non-financial investments made by Hindalco in SHGs to train women in entrepreneurial activities will not give substantial results if members are not linked to the market. For instance, to ensure a steady source of income for the women, it would be profitable for SHGs to consider venturing into the production of toys along with innovative handcrafted gifts/items.

Also Hindalco should look at linking SHGs and their produce with Aditya Birla Retail Limited. Under the linkage, Hindalco and Aditya Birla Retail Limited could provide training to SHG women in traits such as product design, quality control and packaging wherein...
SHGs can improve the quality of their product offerings. Aditya Birla Retail Limited will procure SHG products and sell them through their retail outlet 'MORE'. Through this initiative, SHG products can reach larger national consumers and also bring in more revenue to the women.

In order to enhance the employability opportunities of women, the CSR team can support women in availing financial assistance from government schemes like 'Micro, Small and Medium Enterprises Development' (MSMED). They can promote employability through the 'Mahatma Gandhi National Rural Employment Guarantee Act' (MGNREGA). Health and medical interventions for women and children can be further strengthened with 'Janani Suraksha Yojana' and 'Indira Gandhi Matritva Sahyog Yojana'. These government schemes will enhance the well-being of the villagers and support Hindalco in achieving its CSR vision within the stipulated timeframe. Collaborative efforts will enhance the social and economic development of Renukoot.

References


Addressing the Issue of Sanitation: Case of Associated Cement Companies Limited¹

Abstract: Associated Cement Companies Limited (ACC) is focussed on developing the localities near its cement plants and mines. This paper examines the findings of the community needs with regards to sanitation near the ACC plant in Jamul village, Durg District. The paper proposes alternative models of sanitary facilities that could be institutionalised by ACC in developing community hygiene. This paper is an outcome of Mr. Sanjeet Walia’s ‘We Care: Civic Engagement’ internship with ACC in February, 2015.

I. Company Profile
The Associated Cement Companies Limited (ACC) was set up in 1936. Since 2005, it is part of the Holcim group. Having an average net profit of 13,600 million, it is India’s leading manufacturer of cement and concrete. The company, which has an employee as well as dealer strength of 9,000 and above has established itself across India with 17 modern cement factories and more than 50 ready-mix concrete plants. In 2013, the company reached out to more than 0.6 million people located around the 14 plants through various corporate social responsibility (CSR) initiatives with the active support of the local community, government and NGOs. In 2013, the company has spent a total of Rs 227.5 million i.e. 1.95 per cent of the profit after tax (PAT) on CSR activities (Panda, 2014).

II. Vision: CSR
ACC is committed to practice sustainable development to create value for all its stakeholders and offer sustainable products and services which have a positive impact on environment and society. The company balances its economic, social and environmental objectives along with addressing stakeholder expectations and enhancing shareholder value. It is committed to achieving these aims by being socially and morally responsible to

In 2013, the company has spent a total of Rs 227.5 million i.e. 1.95 per cent of the profit after tax (PAT) on CSR activities

¹Mr. Sanjeet Walia, MBA Batch 2014-16. He was placed as an intern in ACC Limited, Jamul for the ‘We Care: Civic Engagement’ internship between Feb 2-21, 2015.
all its stakeholders including employees and the local communities. ACC aims to be one of the most respected companies in India, delivering superior and sustainable value to all its customers, business partners, shareholders, employees, and host communities (Narula, n.d.).

III. CSR Policy
The company’s CSR policy distinctly expresses its objective of promoting growth of the national economy by increasing productivity through optimal utilisation of material and manpower using scientific and administrative techniques. Its CSR policy focuses on holistic development of host communities by creating social, environmental and economic value for the society. The developmental activities are focussed on areas of preventive health and sanitation, education, skills for employability, livelihood and income generation, waste management and water conservation in order to enhance the 'Human Development Index' of the host communities in collaboration with government, voluntary organisations and academic institutions. ACC focuses on development based on the needs and priorities of the host communities and it also measures the effectiveness of the developmental programmes (Panda, 2014).

IV. CSR Approach
In accordance with its CSR objectives, the company recognises the importance of interdependence of different sections of the society. The CSR activities are specifically focused on the communities residing in the vicinity of its cement plants and mines. In line with its CSR policy, ACC works towards improving the quality of life of the members in these communities by promoting environment conservation, safety, health and well-being of the communities. The development of the local communities is based on the principles of promoting inclusive growth. CSR interventions in various areas are initiated depending on the needs and well-being of the community in collaboration with the government, local agencies and voluntary organisations (CSR Newsletter, 2015).

V. Rationale: Sanitation Programme
According to World Health Organization (WHO) and United Nations International Children’s Education Fund (UNICEF), in June 2015, about 2,400 million in the world or one in three people are still without sanitation facilities including 946 million people who defecate in the open. The need to provide appropriate sanitation facility and drinking water is essential as this can lead to untimely death due to waterborne and water-related diseases. The practice of open defecation is also linked to a higher risk of stunting or chronic malnutrition which affects 161 million children worldwide leaving them with irreversible physical and cognitive impairment (Joint WHO/UNICEF, 2015). In India, more than 60 per cent of rural households lack toilet facilities
and hence people relieve themselves in the open behind bushes, in fields or by roadsides. Of the 1,000 million (mn) people in the world who have no toilets, India accounts for nearly 600 mn (Rural Development Network, 2015).

ACC leads the forum of Confederation of Indian Industries (CII) Sanitation Committee in promoting the sanitation initiative of Government of India (Sekhsaria 2015). In pursuit of enhancing the quality of life, ACC focuses on improving the health and sanitation of the local communities (Kaura, 2013). In this context it has taken up the responsibility of improving the sanitation around its factory locations.

Specifically in Chhattisgarh, about 86.53 per cent of the population does not have access to toilets. People use different forms of sanitary excreta disposal facilities in their homes. The rest defecate in the open. Lack of sanitation facility leads to a number of health related issues and aids lower man-power productivity. Unhygienic practices are deterrent to growth and progress. Developmental interventions are essential to enhance and improve the lifestyle of the community. To address these issues ACC in line with its CSR policy has exhibited a keenness to improve and provide sanitation facilities to people in the local communities (Samaddar, January 5, 2015). In this context the NMIMS We Care intern was assigned with the task of conducting a study to assess the current scenario of sanitation in the local communities and determine community requirements.

### VI. Project Focus

A micro study was initiated by ACC in the Jamul unit with the following objectives:

1) To assess the existing condition of sanitation in the local community
2) To examine alternate models of sanitary facilities

Survey method was deployed to collect data from 176 respondents residing in Jamul gaon. Data was collected on the following data points:

1) Respondent’s profile
2) Access and availability of toilets

### VII. Major Findings

#### 7.1 Demographic Profile

Jamul gaon, Durg district, Chhattisgarh has a total population of 25,272 and a literacy rate of 77.32 per cent. 9,598 labourers, 500 farmers, 115 private & 20 government servicemen and 25 businessmen reside in Jamul. There are twenty two government anganwadis, thirteen
government and three private schools in the village. The area surveyed hosted a population of 4,796 residing in 927 households (ACC’s Official Document, 2014).

7.2 Respondent’s Profile
Data was collected from 176 respondents. Their brief profile is discussed below:

7.2a Age
The highest age of the respondents was found to be 62 years and the lowest was 14 years. In all 60 per cent respondents were under the age of 30 while 40 per cent were above 30 years. Refer Figure 1 for distribution of the sample across various age categories.

7.2b Educational Level
The data reveals that 32.95 per cent of respondents have completed their primary education, 40.34 per cent have studied up till grade X, 17.05 per cent till XII and 9.66 per cent have completed graduation & post-graduation. Refer Figure 2 for the distribution of the level of education of the respondents.
Interaction with the respondents revealed that due to the efforts taken by ACC and Government of India, villagers have gained awareness about the importance of education and health. Respondents shared that the level of education in the villages is going to substantially increase in the future as the villages and nearby towns are equipped with education facilities.

### 7.2c Occupational Status

It was found that adults residing in the villages are predominantly engaged in labour. ACC has taken initiatives in the areas of education, sanitation, health and livelihood enhancement. The employment enhancement initiative has supported training of 3,579 youths from economically deprived families in the local communities. Of these, 2,501 youths got employment with various companies which enhanced the livelihood of their families and improved their financial status. This has enabled families to invest their surplus income in accessing education, healthcare and lifestyle products. According to Pratyush Kumar Panda, Corporate Head of CSR, 17,288 individuals have received the benefits of various developmental initiatives (Panda, 2014).

### 7.2d Lifestyle

Due to high impetus on creation and maintenance of infrastructure, focus on promoting health and sanitation, creation of livelihood and establishment of schools; the community is progressing rapidly. The younger generation is showing interest in maintaining a better and more hygienic lifestyle. To ensure that the communities are on the path of development, ACC conducts awareness campaigns to exhibit best practices in the area of healthy ways of living, to be followed by the households. Such campaigns are extremely crucial as the residents are eager to learn and inculcate the same for improving their own and others' lifestyle (Panda, 2014).
7.3 **Access: Toilet Facilities**

Having basic sanitary facilities attached to the home is an indicator of development. The data reveals that 71 per cent of the respondents reported to have toilet facilities within their homes. However, the maintenance of these toilets is an area of concern, which needs to be addressed.

Those not having toilets at home amounted to 29 per cent of the sample. These respondents shared that due to economic constraints they were unable to construct toilets and hence defecated either outdoors or used the nearest public sanitation facility.

7.3a **Community Managed Toilets (CMT)**

To address the issue of open defecation, ACC constructed three community toilets with 8 - 12 seats in collaboration with a local NGO in 2013. The NGO imparts regular health and sanitation education to change the behaviour of the local community (Samaddar, 2015). During the course of this study, it was found that ACC had constructed another community toilet in 2014 comprising of eight toilet seats open for usage between 5:00 am to 9:00 pm for a payment of Rs 50 per month for a family. Additional usage charge of Rs 10 is levied for relatives/friends. The maintenance and operation of the toilets is vested with the communities. 52.3 per cent of the respondents found the community toilets beneficial. Apart from hygiene and health benefits, respondents shared benefits pertaining to safety and security for users especially women.

However, 33 per cent respondents shared that the location of the community toilets was too close to the residential areas and this is a cause of concern as it creates stench and nuisance in the geography. Further discussion on the subject highlighted that the foul odour emitted from CMT in the vicinity showcases lack of planning and sub-standard construction. Restricted hours for usage of CMT along with lopsided ratio of toilets per person are other major constraints. These problems need to be addressed if a sustainable solution is desired on this front. It was reported that the option to use CMT was utilized more by women as it provided them with safety and security. Men resorted to open defecation, since they perceived it as a legitimate affair. (See photograph)
Discussion with the respondents revealed that lack of toilet facilities can lead to several problems especially for women. A number of health related issues including diseases like urinary tract infection (UTI), constipation can occur while reproductive health of women is also at stake (CSR newsletter, 2014). Further respondents indicated that having toilet facilities at home would have multiple benefits like saving time, safety, and access to hygienic facility. This in turn will help them save health related costs and be more productive. However 15.56 per cent of respondents felt that the foul smell is a deterring factor in having toilet facility at home.

7.3c Proposed Alternative Models

Construction of a toilet is generally regarded as a householder’s responsibility. It is observed that investments in sanitation by the poor households are often constrained by various issues including affordability. Hence there is a need for designing innovative low cost and easy to maintain sanitary toilets which will require minimum or no use of water as discussed below.

i. Eco-San Toilet:

The principle of dry Eco-San is mainly to collect faeces in a dry state using dry materials such as ash, husk and saw dust to cover the faeces instead of using water to flush it. As the dry system saves water, this type of toilet can be most useful in regions where water is a scarce resource. Refer Figure 4.
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Proposed Alternatives

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Eco-San toilets are constructed above the ground level with two chambers and two squat holes with urine separation facilities. The wash water is diverted to the kitchen garden and prevented from merging with human faeces. Urine separated from the toilet is stored or drained using a mud pot. Alternate chambers are used and once filled, their contents can be used as manure after a period of one year for the agricultural fields. The construction cost of an Eco-San toilet is Rs 10,747 (Gramalaya, n.d.).

ii. Brick Toilets

Brick toilets are multifunctional low-cost structures. This structure of the toilet has provision for water storage as well as bathing and washing facilities inside the toilet. The superstructure of these toilets is made of hollow bricks. This model is suitable for all purposes and is comparatively cheaper and most suitable when space is a constraint. Refer Figure 5.

Figure 4
Eco-San Toilet

Figure 5
Brick Toilets
The wastewater from the brick toilets can be used for the kitchen gardens. These structures provide privacy for ablutions, especially for adolescent girls and women. The construction cost of a brick toilet is Rs 6,875 (Gramalaya, n.d.).

7.3d Adoption of Toilets: Feasibility
Adoption of the usage of toilets by communities is dependent on designing interventions to change behaviour along with the selection of the right technology. Changing behaviour requires culturally sensitive and appropriate health education. Raising awareness of why sanitation and hygiene are important will increase motivation to change detrimental behaviours.

Selecting the right sanitation technology is essential and requires appropriate alternatives to be chosen under different circumstances. Choosing a suitable technology requires an assessment of the costs that will be incurred for building, operating and maintaining the facility.

Sustainability of the sanitary facilities requires a sense of ownership to be engendered in the community for the maintenance of both household and community toilets. In order to create ownership, families need to contribute financially and non-financially by providing sweat equity to construct sanitation facilities and maintain them.

VIII. Analysis
The sanitation drive proposed by the Central Government has received strong support from the corporate sector as it has cascading impacts on business performance. In 2014, ACC provided sanitation facilities to 169 schools and 540 toilets were constructed for households across their various plant locations at a pan-India level (Together for Communities, 2015).

At the Jamul plant too, ACC officials observed that open defecation is practiced mainly due to non-availability of well-maintained toilet blocks in space crunched areas such as urban slums. In this context ACC Jamul plant in partnership with the local municipal body constructed three community toilets. ACC plans to construct 300 toilets in the communities located near Jamul plant through the public private participation (PPP) mode.

The primary research at Jamul shows that 93 per cent respondents opined in favour of having household toilets. The research reveals that people residing in Jamul are aware of the numerous benefits of improved household sanitation like reductions in illness, reduced risk of accidents and/or sexual harassment, improved dignity and social status, enhanced psycho-
Discussion with ACC’s CSR team revealed that to overcome an individual’s economic constraints, the company plans to garner support from government schemes like Nirmal Bharat Abhiyan (NBA) and Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA). These schemes will help in reducing the financial burden on the beneficiaries. For instance under MGNREGA for each household toilet, the government pays Rs 9,000 (Rs 4,500) in cash and the remaining as wages under the MGNREGA scheme). Rs 900 will be contributed by the family, while ACC will pay Rs 5,000 which can be used for providing an iron door, white-washing the toilet, plastering, tiles and so on (CSR newsletter, 2014). According to Mr. Jamil Khan, Manager CSR Team, “Most of the households are ready to pay Rs 1,000 to Rs 3,000 and ACC can contribute between Rs 5,000 to Rs 9,000 to the total construction cost of the toilets”. Toilets will be constructed at household level based on the design approved by the local government.

In this context, it is important to note that mere construction of household toilets does not mean that ACC has brought about behavioural change among users of the facility. The fact is that despite community toilets being constructed at Jamul, research indicates that the locals believe that toilets are specially meant for women and old people and that they associate recurring economic cost with the use of toilets. This implies that if each household constructs a toilet, will it be in a position to spend money to maintain the structure? Changing behaviour requires culturally sensitive and appropriate health education. At this
moment it is not clear if ACC plans to invest its time and effort in developing a strong campaign against open defecation and educating the public about the benefits of using toilets.

IX. Conclusion and Recommendations
Access to safe sanitation facilities is related to one of the key elements in sustaining human lives. Micro research confirmed that people residing near ACC’s Jamul plant have acknowledged the fact that sanitation is a cornerstone in the well-being of a person as unsanitary surroundings create negative economic and social impact. Though in principle there is a general consensus amongst the local residents to construct toilets within their households, economic constraints as well as a shift in behaviour are two major challenges.

To address the economic constraints, ACC already has plans to construct toilets through the PPP mode. As the slum households have space constraint, brick toilets with roofs can be constructed as they are cost effective and occupy relatively smaller space. To ensure effective participation to maintain and sustain such structures it is essential that community members contribute either financially or non-financially. (See photograph)

ACC should create a sanitation education fund for disseminating information through campaigns, workshops, street plays and so on about community hygiene and also provide knowledge on how to use and maintain these structures. To lend momentum to the sanitation drive it is essential that other corporates follow suit in order to improve the health and wellbeing of people, increase labour productivity, improve lifestyle and in turn increase the overall human development index.
Business that Cares

References


Assessment of Community Needs and Satisfaction (With Specific Reference to THDC's Project Sites in Himachal Pradesh)¹

Tata Housing Development Corporation (THDC) has a strong orientation for executing its social responsibility towards its stakeholders. The paper highlights the findings of community needs of nine villages in Solan District and maps the satisfaction levels experienced by the local villagers, with regards to THDC’s community development interventions. This paper is based on Mr. Shaitansingh Bishnoi’s ‘We Care: Civic Engagement’ internship with Tata Housing in February, 2015.

I. Company Profile
Tata Housing Development Company (THDC) is a key player in the Indian real estate industry. Tata Housing is recognized for its quality construction, ethical and transparent business practices, high standards of maintenance and timely delivery of properties. The company’s primary business is the development of properties in the residential, commercial and retail sectors. THDC’s operations span across various aspects of real estate development, such as land identification & acquisition, project planning, conceptualization, designing, marketing & execution, and property management. Tata Housing pioneered the concept of low-cost housing aimed at the economically weaker sections of the society. THDC has a pan India presence with over 650 employees. In 2014-15, the company spent Rs 10.7 million i.e. two per cent of its net profit on CSR activities (Annual Report 2014-15).

The company has bagged many awards nationally and internationally for its projects, contributions to the real estate sector and its sustainable community engagement. In 2009, it won the 'Community Engagement' Award at the Asia Responsible Entrepreneurship Awards and in 2013 it was conferred with the Golden Peacock Eco-innovation award (THDC Media News 2013).

¹Mr. Shaitansingh Bishnoi, MBA HR Batch 2014-16. He was placed as intern with THDC at Myst project site, Kasauli for the 'We Care: Civic Engagement' internship between February 2-21, 2015.
II. Rationale and Scope: Sustainability

According to Brotin Banerjee, Managing Director and CEO, the sustainability vision of the company is, “To build sustainability into everything we do so that our profitable growth helps reduce inequality and rejuvenates the environment”. The company uses the triple-bottom-line perspective as an essential business strategy with a focus on people, planet and profits. It envisages a profitable growth by sustainable means such as fair wages and labour practices, optimal use of resources, product responsibility and responsible supply chain management.

THDC is conscious of the fact that the construction sector poses a major challenge to the environment and the consumption of natural resources such as energy, raw materials and emissions are issues that need serious consideration. Hence, it follows processes and practices that ensure optimum and environmentally conscious utilization of resources (THDC Press Media Release 2014).

Keeping in line with the need to sustain the environment and to be a market leader, THDC is continuously innovating and adopting newer and greener technologies (Banerjee, 2014, p. 19). The company not only complies with the relevant regulations relating to environment, but also constantly upgrades its technology and applies state-of-the-art processes that will comprehensively address the issues related to climate change, global warming as well as water and energy conservation. It continues to serve communities by constantly protecting ecological balance, demonstrating responsibility and sensitivity to biodiversity and the environment in which it operates by conserving, restoring and enriching it systematically. THDC continually endeavours to prevent pollution, ensure optimum use of resources and minimise the harmful impact on society and environment during its construction processes, material movement and delivery throughout its supply chain. It encourages its partners and service providers to adopt responsible business policies and ethics, and abide by its code of conduct.

To facilitate sustainable and inclusive growth around its project areas, the company feels that there is a need to reduce inequalities and improve the quality of life of people. THDC believes that growth fuelled by sustainability will eventually reduce inequalities in social, economic and environmental spheres (THDC Press Media Release 2015). In line with the above social responsibility and commitment towards the community, the company contributes actively through the Tata Affirmative Action Programme (TAAP) for the development of Scheduled Castes (SC) and the Scheduled Tribe Community (ST). It also supports and undertakes activities for the promotion of education and employability enhancement of the locals, environmental sustainability, community infrastructure development, construction of toilets for families,
managing psychological disorders and health of children, combating disease, hygiene and sanitation initiatives, promoting gender equality and empowering women as outlined in Schedule VII of the Companies Act, 2013 (Banerjee, 2014, p. 2 & 32). The management commits all the necessary resources required to meet the goals of corporate sustainability.

III. Project Focus
The company has invested a lot of its resources for the betterment of the community. In doing so it also regularly reviews and revises its strategies and impact. In this context, the NMIMS We Care intern was assigned the task of examining the needs of the community and satisfaction of the stakeholders of the development programmes. The objectives of the study were as follows:

1. To study the needs of the community before the intervention of THDC
2. To study the developmental activities executed by THDC in the project areas
3. To assess the satisfaction of the people with these interventions

The study was conducted at nine THDC community engagement villages located within 5 km radius of the project location at the Kasauli site, Himachal Pradesh. The villages are: 1) Kalth, 2) Bhojnagar, 3) Gaighat, 4) Bargyana, 5) Tarol, 6) Mahiyan, 7) Dhar Banar, 8) Sewat and 9) Jhodgibi.

3.1 Methodology
To conduct the study in a robust manner, a combination of exploratory and descriptive research designs was used. Primary data was collected using a pre-designed interview questionnaire. The stakeholders involved in the study included the Sarpanch (headman of the village), ward members, school principals, doctors, police officers, contractors, suppliers, government bodies, law enforcement agencies, NGOs, the local community and other pressure groups. Observation and discussions were the other tools used to gauge opinions expressed by the respondents of the study.

Secondary data was collected from THDC’s official documents for identifying the NGOs associated with THDC and to study the status of the CSR activities planned and the CSR initiatives executed by THDC for the current year. The census data from the Panchayat was also used to study the socio-economic profile of the villages. The parameters of the study were:

1. Existing community development projects and its cost to the company
2. Awareness levels of the community development project in the local communities
3. Social and environmental impact and awareness of the community development project
In order to study the needs of the community around the THDC project areas, the study was carried out in two phases:
1. Needs assessment of the community development requirements was conducted
2. Satisfaction levels of the stakeholders using a consumer satisfaction survey were mapped

An interview questionnaire was designed to collect information with regard to community development requirements in the areas of physical infrastructure, water & sanitation facilities, waste management system, medical facilities, education and vocational training facilities.

To map the satisfaction levels, a community satisfaction survey was administered to the stakeholders, including communities residing in nearby areas, local leaders, local administrators, politicians, suppliers/contractors, customers/clients and various non-government organisations (NGOs). The assessment of satisfaction levels was measured on eight parameters on a five point ordinal scale of 1 to 5 (1 being the least satisfied and 5 being fully satisfied). The parameters on the scale were: a) satisfaction level with the community development project/activity, b) quality of the infrastructure/training/coaching/support provided, c) conduct of the THDC officials, d) addressing the identified needs of the community, e) impact on price of the land around the project areas, f) environment conservation, g) social impact in the project areas and h) legal conduct, proceedings & ethical values.

Responses from various stakeholders were recorded and analysed to obtain individual quantifiable satisfaction scores. The individual scores for all stakeholders were averaged to derive the composite satisfaction score.

IV. Major Findings
4.1 Demographic Profile of the Villages
The villages in the current study included Kalth, Bhojnagar, Gaighat, Bargyana, Tarol, Mahiyan, Dhar Banar, Sewat and Jhodgibi which are a part of Solan District. This district is named after goddess Shoolini Devi and is the fastest growing district of Himachal Pradesh. It is situated at an altitude of 1,453 metres above mean sea level and is surrounded by high hills. Solan lies in the middle of a very resource abundant region and has fertile land. Majority of the population in the district is engaged in the service sector. They are employed as temporary or daily wage workers. Table 1 below gives information regarding the population of the villages.
### Table 1
**Demographic Details**

<table>
<thead>
<tr>
<th>Villages</th>
<th>Total families</th>
<th>Total population</th>
<th>SC/ST population</th>
<th>Dominant communities</th>
<th>Literacy ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kalth</td>
<td>34</td>
<td>174</td>
<td>69.54% SC</td>
<td>Rajputs and Harijans</td>
<td>70.12%</td>
</tr>
<tr>
<td>Bhojnagar</td>
<td>23</td>
<td>111</td>
<td>22.52% SC</td>
<td>Brahmins and Rajputs</td>
<td>92.47%</td>
</tr>
<tr>
<td>Bargyana</td>
<td>27</td>
<td>122</td>
<td>73.77% SC</td>
<td>Harijans</td>
<td>69.74%</td>
</tr>
<tr>
<td>Tarol</td>
<td>34</td>
<td>176</td>
<td>27.84% SC</td>
<td>Rajputs and Harijans</td>
<td>85.80%</td>
</tr>
<tr>
<td>Mahiyan</td>
<td>17</td>
<td>75</td>
<td>31% SC</td>
<td>Rajputs and Harijans</td>
<td>76.47%</td>
</tr>
<tr>
<td>Dhar Banar</td>
<td>19</td>
<td>98</td>
<td>Nil</td>
<td>Brahmins and Rajputs</td>
<td>81.11%</td>
</tr>
</tbody>
</table>

Source: Population Census, 2011

4.2 Needs Assessment

Community Needs Assessment is a process of identifying and addressing needs and finding the gaps between the current requirements and the existing resource availability. The process for needs assessment started with identifying key stakeholders, interviewing them for obtaining information with regard to their community development requirements, the current employment status of the villagers, availability of appropriate sanitation & medical facilities in villages and also exploring skill development opportunities that can be created for the youth residing in these villages. These villages are located close to each other, have similar village structure and hence their needs are also similar. All the stakeholders reported similar kind of needs. (See photograph)

#### Discussion with the Employees: Needs Assessment
The needs of the community were categorised as follows:

4.2a Employment

In all the nine villages, the most important need was related to employment. In the course of the discussions it emerged that the villagers were happy with the development around their villages but they also wanted to be benefitted by the same. One of the villagers expressed that “We villagers too want jobs and employment in such projects, but due to contract labourers brought from other places, we don’t get jobs”. He further shared, “Many youngsters including my son are graduates but have to go to other places for employment, even when there is development taking place all around”. Villagers in general felt the need to have their own villages developed, have access to electricity and avail better services, but due to lack of employment and a stable source of income, they were unable to afford the same.

It was found that most women in these villages were bread earners. They played an important role in managing the economic responsibilities of the households by earning their livelihood through self-help group activities.

Discussion with the villagers revealed that they lacked awareness about the employment programmes offered by the government like National Rural Employment Guarantee Act (NREGA) and Rural Non-Farm Activities (RNFA). Ignorance of the villagers hampered their opportunity to find alternate sources of income and explore prospects to develop their skills. Many villagers did not possess vocational skills, but were willing to learn. They were prepared to work as labourers or work in similar jobs where physical strength was required.
4.2b Education and Vocational Training

The major issues identified by the villagers pertained to the two areas listed below:

i. School dropouts
   
   According to the teachers, students dropped out of school after Class VIII primarily because of unemployment, under employment and low income of their families. Interactions with the villagers revealed that, students go to school as long as they can avail the mid-day meals. As soon as an opportunity arises for employment, students get employed; as education is treated as a secondary option. They felt that if the school staff were equipped with additional skills and knowledge, it would encourage the students and curtail the dropout rates. Specifically, they felt that the school should have vocational training courses to enhance the employability of children. They suggested that courses in the areas of computer literacy and English should be introduced. This would enhance their confidence and competencies to seek jobs.

ii. School infrastructure
   
   The physical infrastructure of government schools was a major concern in these villages. One of the teachers from Bargyana Primary School shared, “To assist the schools with the infrastructure and the equipment needed, primary schools in these regions are given only Rs 5,000 for their annual maintenance, which is insufficient.” The schools lacked basic facilities like classroom furniture, electrical fittings inside the classroom and teaching equipment like black boards and computers. It was found that the children did not have adequate study materials like books, pens, pencils, geometry boxes and library facilities. There was also a lack of physical infrastructure like school fences, water storage tank, waste management systems, sports facilities and playgrounds. See Table 2. (See photographs below the Table)
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### Table 2

<table>
<thead>
<tr>
<th>School</th>
<th>Issue</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tarol Primary School, Tarol village</td>
<td>The roof of the school was severely damaged due to seepage of water. The classrooms were not in a usable condition with the fear of the roof collapsing any time</td>
<td>Students are forced to sit outside and study in the cold weather</td>
</tr>
<tr>
<td>Bhojnagar Sr. Sec. School, Bhojnagar village</td>
<td>The school ground was converted to a dumping ground and was in a bad condition. The school lacked a fence and computers</td>
<td>Health hazard due to accumulation of the dust and dirt. Safety of the students is at stake as trespassers and animals wander in the premises. Students cannot be trained in using computers and data of the school has to be manually recorded</td>
</tr>
<tr>
<td>Gaighat Sr. Sec. School, Gaighat village</td>
<td>Lacked basic infrastructure like classroom furniture, study material and a science room for the students</td>
<td>Lack of a conducive learning environment leads to drop outs and poor academic performance</td>
</tr>
<tr>
<td>Bargyana Primary School, Bargyana village</td>
<td>Lacked school furniture, teaching equipment like computers, projectors and sports equipment</td>
<td>Depressing school atmosphere leads to students being demotivated and disoriented thereby leading to an increase in the dropout rate</td>
</tr>
<tr>
<td>Bhojnagar Anganwadi, Bhojnagar village</td>
<td>Lacked a school fence, storage facilities for food, study and play material for children. The school did not have appropriate seating arrangement like mats or chairs for students and teachers</td>
<td>Inappropriate facilities create deterrence for pre-schoolers to attend the school. The health of the pre-schoolers is compromised when they are exposed to an unhealthy school environment</td>
</tr>
</tbody>
</table>

### Bhojnagar Anganwadi, Bhojnagar Village
Though the school authorities had regularly approached the government to address their needs, there was no support offered. Through the discussions it emerged that the school authorities as well as local communities expected THDC to intervene and provide support services to the school so that the children would not be adversely impacted and their interest in education would be sustained. (See photograph)

4.2 c Medical Facilities

With regard to medical facilities it was found that the area around THDC project site lacked not only in infrastructure but also in basic medical and healthcare facilities. According to Meena Verma, Sarpanch, Bhojnagar Village, there is only one dispensary for 1,952 people living in Bhojnagar Panchayat. In case of an emergency the patient is taken to Solan or Dharampur, both around 25 to 35 kms away which takes approximately an hour and half to reach due to the hilly terrain. In the absence of ambulances in the area, transferring the patients was difficult and could result in dire consequences.
The villagers felt that effective healthcare cannot be achieved without an adequate healthcare system consisting of good hospitals, clinics and 'trained' medical staff. Close coordination between the local government and the private sector was essential in addition to, clinics run by NGOs and private care providers. A proper healthcare system was required in these villages. A few villagers recalled that in the past THDC had set up a blood donation camp for the local communities that turned out to be a successful programme and the villagers felt that such activities could be conducted in their villages more often.

4.2 d  Water Availability

Further, exploration of the villages revealed that the villages required an appropriate source of water. Currently the only prevalent source of water for irrigation, drinking and miscellaneous activities is groundwater. Access to clean drinking water was a major concern of the villagers due to the hilly terrain of the villages. The villagers felt that due to the THDC project they are likely to face further water shortages, as new migrants in the locality will share the existing water resources.

The villagers felt that the issue of water shortage could be addressed by the construction of water ponds, deeper tube wells, bore wells, pumps and storage facilities.

4.2 e  Infrastructure Development

All the villages in the study lacked sewage facilities, school infrastructure and roads. Interactions with the Sarpanch and villagers revealed that the village has rough roads and accessing it from the main road is a major issue. It was observed that some areas in Bhoj nagar remain in darkness at night, as there are no street lights in the region. The existing street lights are not in use as the fused light bulbs have not been replaced. Street lights are not available in all villages but it is not an important issue for the villagers as long as they receive electricity supply at their own households.

In the course of the interactions, one of the villagers was concerned about the lack of rain shelters on the road. Elaborating upon this, he said, “If it rains in the region from Bhojnagar to Tarol, it gets worse for commuters. Whenever we have to travel by bus, or buy some vegetables on a rainy day, there is no provision of shelter on the road”. Villagers felt that some kind of rain-shelters could be built in the area, which would help them immensely.
4.2f Sanitation Facilities
Sanitation was identified as one of the major issues in all the villages. Community hygiene was observed to be at low levels as there were lack of sanitation facilities, inadequate water supply and sewage facilities. By and large, the local residents residing in the villages under the study still defecated in the open. A few villagers from Jhodgibi village shared, “There aren’t many toilets in the village and consequently the villagers including ladies have to defecate in the open, which is not at all safe”. Lack of toilets has severe cascading impacts on health and the environment.

4.3 Developmental Activities Carried out by THDC
THDC believes in creating a harmonious relationship with its local communities through the provision of various developmental activities based on community needs assessment. In 2014-15, THDC executed developmental activities in Kalth, Bhojnagar, Gaighat, Bargyana, Tarol, Mahiyan and Dhar Banar. The subsequent paragraphs describe the rationale and nature of interventions carried out by THDC.

4.3a School Infrastructure
THDC believes that educated children are able to develop lasting skills in numeracy, literacy, problem solving and critical thinking. Providing all the children with appropriate educational facilities and raising learning standards would have a transformative and far-reaching impact for both local communities and businesses. This leads to the need for high rates of school retention and more involvement in the school education. Despite India having statutory education programmes and with the enactment of ‘Right of Children to Free and Compulsory Education’ (RTE) Act, many children today are out of schools due to various reasons and discontinuation of education has been a common phenomenon in every corner of the country. The reasons for school dropouts can be classified into broad categories such as school-centric and parent-centric.
To enhance the learning environment and to reduce school centric reasons for dropouts, THDC has taken steps towards improving the school infrastructure. At Gaighat Sr. Secondary School, in order to improve the access to the school from the main road and prevent accidents, the school constructed 'Railroad' (RR) steps. As the school lacked appropriate water facilities, a 2,000 litres Sintex tank was fitted to provide potable drinking water for school students and staff. (See photographs)

4.3b Educational Support

i. Construction of Science Room

Poor quality education is another important cause of school dropouts. As children grow, there is a need to develop their scientific temperament, so that they are able to examine cause effect relationships and develop rational thinking. For instance, students generally fear subjects like maths and science. In order to understand scientific concepts, one has to look beyond books and conventional classroom teaching. Effective teaching and learning of science involves watching, handling, and manipulating real objects and materials. The knowledge that children attain in classrooms would be useful only if they actually observe the processes and understand the relationship between action and reaction. Effective teaching and learning of science involves an active state of show and tell. In order to facilitate classroom teaching with laboratory experiments to ensure that their students grasp scientific concepts thoroughly, a science room was constructed at G.S.S. School in Gaighat.

ii. Financial and Material Support

THDC recognizes that there is a complex relationship between poverty and school dropout rate. Resource deficit families mainly from the SC/ST communities are prone to income shocks, which in turn lead to the withdrawal of children from schools. Hence, in alignment with THDC's policy for affirmative action, educational sponsorship and study material was provided for students belonging to the SC/ST community from Bhoj Nagar Sr. Sec. School, Bhoj Nagar. The students were residents of Kalth, Bhoj Nagar, Joharji and Deodar Ghat. (See photograph)
4.3 c  Infrastructure Development

i. Water Conservation

The only source of water in Bhojnagar region is groundwater. Being a hilly terrain it is difficult to accumulate the rainwater. Hence, THDC constructed a water pond at Johri no. 2, Kalth village to assist the villagers to store rainwater and prevent percolation of water.

ii. Common Property Resources

A rain shelter was constructed at the bus stand between Bhojnagar and Bargyana village to provide shelter to villagers. In the context of extreme winter, a 300 litre capacity water geyser was provided for labourers by THDC. As most of the streets lacked street lights, 16 solar street lights were installed on the road between Bhojnagar to Kalth village. In order to enhance greenery and prevent soil erosion, villagers were given fruit plants like lemon, pomegranate, mango and almond. In all, 1,400 trees were planted. (See photographs)
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4.4 Community Satisfaction
A community satisfaction survey using a questionnaire was carried out among the local villagers and key stakeholders to gauge their satisfaction levels and opinions. The stakeholders included villagers residing in nearby areas, local leaders, administrators and various non-governmental organisations (NGOs). Figure 1 below displays the individual satisfaction scores.

![300 Litre Capacity Water Geyser for Labourers](image)

![Distribution of Fruit Plants to Villagers](image)

![Figure 1: Individual Satisfaction Scores](chart)
The survey results found that lowest individual score was 4.56 and the highest was 5. The composite satisfaction score was 4.8.

Based on individual scores of the respondents the level of satisfaction was divided into three categories: a) Satisfied (score between 4 to 4.70), b) Highly Satisfied (score between 4.71 to 4.99) and c) Very Highly Satisfied (score of 5 points). Statistical analysis of the data reveals that 62.50 per cent of the respondents were Highly Satisfied with THDC’s developmental initiatives and 16.66 per cent were Very Highly Satisfied. (See Figure 2 below)

The survey results indicate that the stakeholders are satisfied with THDC’s community development interventions. The local community as well as businesses attribute their economic growth due to the commencement of Tata Housing project. The local labourers have got employment within the vicinity and they are saved from the drudgery of traveling ten to twelve kilometres in search of livelihood.

During the course of data collection, all the stakeholders spoke positively about THDC. Some of the shop owners mentioned, “We are really happy with the Tata Housing Project as it has increased our business manifold”. Some of the landowners and other developers in the area mentioned, “We are happy that the value of the land in the area has gone up due to the Tata Housing Project”.

V. Analysis

THDC is one of the top real estate players in India in the residential segment and this has been possible because of its adherence to sustainability principles across the value chain of the organisation. The organisation is conscious that the construction sector poses a major challenge to the immediate environment.
Through both formal and informal discussions, it was evident that the governing philosophy of the Tata Group, in the context of considering the community as an essential purpose of its business existence drives the THDC business model. Having stated this, it is also true that the real estate industry, in order to sustain itself, does require maintaining good relations with local communities and developing initiatives which reduce social inequities. The absence of the same will surely be detrimental to its financial performance and brand image. THDC recognizes that they have an opportunity and an obligation to drive significant change by mitigating the adverse impact on the environment and enhancing the social and economic benefits of real estate development. Hence, to create value for the community, THDC has tried to develop a systematic approach in addressing some of the immediate needs of the community residents and invested more than three per cent of its profits in community development activities near its project locations.

Since a substantial amount of the profits is invested in CSR, the company has adopted a very structured approach in executing its developmental activities after assessing stakeholder requirements. (See Figure 3)

**Figure 3**

**CSR Planning and Implementation**

- **Project Span**
- **Stakeholder mapping & Community Need Assessment**
- **Action planning & implementation as per CSR strategy matrix & need**
- **Assessment & improvement in action planning**
- **Governance, monitoring & review mechanism**
- **Community need satisfaction survey**

Source: Banerjee, 2014
The structured approach ensures appropriate execution of the CSR activities because it is based on participatory mechanisms. THDC ensures that its employees are also involved in the process of implementation. Along with the employees, all the stakeholders and local agencies/NGOs are also engaged to ensure that the community enjoys maximum benefits. The high community satisfaction score received by THDC is indicative of the holistic and impactful developmental approach. As feedback from the employees and stakeholders is considered, there is a feeling of being valued and cared for by the company.

The Kasauli project area is in a rural location and the area lacks some basic facilities and government attention. Hence, THDC has made investments in the area of employment, education and vocational training, medical facilities, water availability, infrastructure development and sanitation facilities. The consequential impact of these investments creates shared value for both the community as well as the company. For instance, community activities like the construction of water storage facilities, installation of geysers and the rain shelter has benefitted the community by providing them with access to drinking water, combating the harsh winters and reducing their commuting ordeal.

Education development activities, access to healthcare, construction of sanitation facilities, vocational training and livelihood support has assisted in improving the quality of life of the locals. The presence of affluent residents in the locality has boosted the land prices, road connectivity and has given some momentum to the development of small micro enterprises. The community satisfaction score of 4.8/5.0 is indicative of this fact.

For THDC, the intervention has enhanced its brand image and reputation within the local communities, consumers and the local administration. The company is able to reduce financial bearings due to lesser investment in advertisements and has thus created avenues for business opportunities.
Partnerships with local agencies/NGOs like Nanhi Chaan at Kasauli has helped THDC to execute its developmental interventions at a faster pace and in an efficient manner. However, interactions with locals brought forth the fact that local residents are not necessarily aware that THDC is developing community assets and hence the direct relationship of the local communities seems to be invisible at this moment.

Further introspection about THDC intervention also presents some major areas of concern. For instance at the Gaighat Sr. Secondary School, THDC constructed a Science Room, but did not provide for any science equipment or tools. Merely developing an infrastructural asset without equipping it with its functionalities has limited usage and does not give any social returns. The current model of community development is based on satisfying the needs of the community but does not create community ownership of the assets. In the absence of community ownership, the investments made will have little or no value in the long run.

V. Conclusion and Recommendations
It can be concluded from the above discussion that THDC’s community development actions has led to numerous developmental improvements in Bhojnagar region in Kasauli. The local residents seem to be satisfied with THDC’s interventions, as is indicated by the high community satisfaction score. Though the area lacks government assistance, they have expectations from the company to improve the physical and social infrastructure of the locality. However, a major concern with regard to management and maintenance of the community assets developed by THDC has to be resolved so that the dependency of the locals on the company is reduced.

THDC’s philosophy with regard to community development aims at reducing the inequities between the poor villagers and the affluent owners of the real estate. In this context, it is recommended that THDC should increase its investments in the
areas of education and vocational training. Investments should be made in creating and maintaining appropriate school and vocational training infrastructure along with the provision of scholarships and material aid support. Employee engagement in the areas of career counseling, development of extracurricular and co-curricular activities will help children to develop their personalities and will help THDC to develop its brand image amongst the locals.

In the absence of health care facilities, THDC in consultation with the local residents and administration can help in developing appropriate health infrastructure and amenities.

Finally if THDC aspires to reduce social inequities in local communities, it is then recommended that a strong partnership with villagers, local administration and credible NGOs should be set up to take the agenda of community development ahead. It should ensure that community ownership for maintaining the infrastructure has to be developed prior to development of the infrastructure projects. This partnership should determine priority areas of intervention, planning, execution and monitoring community development activities.

References


Assessment of Project Satisfaction and Needs (With Specific Reference to THDC's Project Sites in Tamil Nadu)¹

Abstract: *Tata Housing is focussed to provide value homes to people. The company is also committed to sustaining and building capacities of the local communities through development activities around its project areas. This paper highlights the level of satisfaction experienced by key stakeholders with specific reference to the community development activities undertaken by Tata Housing near its project sites at Kanchipuram and Thiruvallur Districts of Tamil Nadu. The paper also reports the findings of the need assessment survey undertaken in the area to map further development activities. This paper is an outcome of Mr. Nitin K and Mr. Baskar Subramanian’s ‘We Care: Civic Engagement’ internship with Tata Housing in February, 2015.*

I. About the Company
Tata Housing Development Company Limited (THDC) set up in 1984 is a part of the Tata Group; a multi-billion dollar salt-to-software conglomerate. Today it is one of the fastest growing real estate companies in the country. In 2013-14, the company registered a profit of Rs 590 million and three per cent of its profit annually is spent towards corporate social responsibility (CSR) and sustainability initiatives (Annual Report 2013-14).

II. CSR: Mission, Vision and Rationale
The mission of the company is “To delight customers by providing quality life spaces through continuous innovations”. It aims to enhance the well-being of the customer through integrity, innovative practices and sustainable development. The company believes in building sustainability into everything they do and envisions to be the largest providers of homes in the country (Banerjee, 2014).

The company is conscious about the fact that the construction sector has a potential of causing great harm to the environment and natural resources. Hence THDC’s CSR initiatives are deeply rooted in a value system committed to social expenditure,

¹Mr. Nitin K and Mr. Baskar Subramanian, MBA Batch 2014-2016. The students were placed as interns with Tata Housing, Tamil Nadu for the ’We Care: Civic Engagement’ internship between February 2-21 2015.
environmental preservation and a governance structure that engages employees, as well as all the stakeholders. They believe that their profitable growth should help in reducing inequalities and rejuvenating the environment.

Going by Tata's ethos and vision, the company gives importance to serve the people at the bottom of the pyramid. For the company to improve its social performance, the viewpoints of all key stakeholders are taken into consideration along with an examination of the needs and challenges of the communities residing in the vicinity of its projects. CSR activities based on the community's need assessment helps in creating trust and credibility among the local residents and reduces social inequities (Banerjee, 2014, p. 4, 9).

III. CSR Activities

In order to facilitate community development, THDC promotes employee engagement. The employee volunteering programme 'SYNERGIZERS' encourages employees to contribute their time and efforts to enhance development of the local communities. Employee volunteers contribute their time and skills to build trust among the community members. THDC's major CSR initiatives are:

a) SWACHH - Cleanliness and Sanitation Initiative
b) SPARSH - Communities Care Initiative
c) Beautiful is Green (BIG) - Environment Sustainability Initiative
d) SRIJAN - Educational Development Initiative

In the process of initiating developmental programmes, views of all the stakeholders are considered. This ensures higher acceptability and ownership of the community initiatives. To ensure that the community interventions are benefiting the local community, THDC believes in regularly reviewing and revising its programmes (THDC, 2015).
IV. Project Focus
In the above context, NMIMS We Care interns were assigned the task of undertaking an impact assessment study in the project areas of Mambakkam and Kuthambakkam of Kanchipuram and Thiruvallur Districts respectively of Tamil Nadu. A need assessment study for planning future interventions was also carried out as part of the study.

4.1 Methodology
To conduct the study in a robust manner, a combination of exploratory and descriptive research designs were used. The objectives of the study were:

1) To map community satisfaction level with regard to the execution of developmental activities
2) To conduct need assessment of the local communities in the project area
3) To examine the emerging needs of the local communities surrounding the project areas

In all, data was collected from five village heads, thirty six teachers, five head teachers, thirty students, 217 community members and five CSR team members. The age range of the respondents was between 12 to 70 years.

Secondary data was collated from the census data and panchayat records to study the socio-economic profile of the village. THDC’s official records were used to study the community development interventions planned and executed in 2013-14.

Primary data was collected using a pre-designed interview schedule to assess the satisfaction levels of the community on the following parameters; a) satisfaction level with the community development project/activity; b) quality of the infrastructure/training/coaching/support provided; c) conduct of the THDC officials; d) addressing felt-needs; e) impact on price of the land around the project areas; f) environment conservation; g) social impact; h) legal/ethical adherence and i) future prospects for additional THDC housing projects

To assess the satisfaction levels, a five point ordinal scale (1 being the least satisfied and 5 being fully satisfied) was used. Responses from various stakeholders were recorded and tabulated. The average score for each parameter was calculated based on the individual responses of the stakeholders. The average of all the parameters was calculated to arrive at a 'Community Satisfaction Score'. In other words, 'Community Satisfaction Score' is an average of all average scores of the individual parameters.
V. Major Findings

5.1 Demographic Profile of the Villages

The demographic profile of Mambakkam and Kuthambakkam is listed in Table 1.

<table>
<thead>
<tr>
<th>Categories</th>
<th>Mambakkam</th>
<th>Kuthambakkam</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>2,678</td>
<td>5,047</td>
</tr>
<tr>
<td>Males</td>
<td>1,364</td>
<td>2,567</td>
</tr>
<tr>
<td>Females</td>
<td>1,314</td>
<td>2,480</td>
</tr>
<tr>
<td>Male to female ratio</td>
<td>963:1000</td>
<td>966:1000</td>
</tr>
<tr>
<td>Literacy rate (per cent)</td>
<td>83.92%</td>
<td>80.20%</td>
</tr>
<tr>
<td>Male literacy rate (per cent)</td>
<td>90.07%</td>
<td>86.75%</td>
</tr>
<tr>
<td>Female literacy rate (per cent)</td>
<td>77.49%</td>
<td>73.47%</td>
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<td>Schedule caste (SC)</td>
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<td>2,304</td>
</tr>
<tr>
<td>Schedule tribe (ST)</td>
<td>115</td>
<td>25</td>
</tr>
</tbody>
</table>

Source: Census Population 2011

It can be inferred from the above table that Kuthambakkam has a higher population, lower literacy rate and higher presence of socially marginalised people in comparison to Mambakkam.

Discussions with village heads of Mambakkam and Kuthambakkam revealed that the primary source of employment is agriculture. Non-agricultural workers work in construction as well as service sector. Table 2 below provides information on the employment status.

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Mambakkam</th>
<th>Kuthambakkam</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural</td>
<td>45</td>
<td>75</td>
</tr>
<tr>
<td>Construction</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>Service</td>
<td>30</td>
<td>Nil</td>
</tr>
</tbody>
</table>

i. Schools in the villages

It was interesting to note that both Mambakkam and Kuthambakkam enjoy a high literacy rate which is above the state average of 80 per cent. In Mambakkam, community members revealed that they were aware of the importance of education. The older generation was keen to see that children acquired proper education and made additional efforts to ensure the same. In the context of availability of education facilities it was found that there was one primary and two higher secondary schools in Mambakkam and one private primary and a higher secondary
government school in Kuthambakkam. Due to lack of physical infrastructure in the government school, students in Kuthambakkam were forced to commute to Thirumazhisai which is located at a distance of 12 kilometres (kms) from the village. Observations revealed that in both villages, schools lacked appropriate physical infrastructure in terms of classroom furniture, electrical fittings, water & sanitation facilities, school yard and fencing. After the completion of their XII grade examinations, students from these villages opted for colleges within the state according to the marks they secured.

ii. Employment
Villagers mentioned that the scope of employment or avenues for self-employment in the nearby region was limited. Respondents felt that despite having a formal degree level education they were not absorbed in the job market. Explaining this further one of the respondents mentioned in despair that, “I do understand the importance of education and hence I ensured that my son received good education. He has completed his engineering from a government college, but is currently employed as a van driver.”

iii. Medical and Healthcare Facilities
Data revealed that residents of Mambakkam and Kuthambakkam had access to primary healthcare clinics managed by the government in their respective villages. To avail specialised medical services villagers had to travel more than ten kilometres. In emergency situations, government ambulance services were used to transport the patients to the hospital. There was presence of private medical clinics in Mambakkam and some residents availed their services. It was reported that Savitha Dental College on the outskirts of Kuthambakkam conducted regular health camps as well as pathological and ophthalmological tests, in partnership with local non-governmental organisations (NGOs) for the residents of Kuthambakkam.

iv. Infrastructure
Observations in Mambakkam and Kuthambakkam villages revealed that these villages were sufficiently equipped with water facilities, electricity and transport facilities with appropriate road connectivity. It was observed that Mambakkam had higher level of cleanliness and better community hygiene in comparison to Kuthambakkam. Due to lack of household toilet facilities, Kuthambakkam residents defecated in the open, causing a major health hazard.

v. Samathuvapuram
It was interesting to note that Kuthambakkam had adopted the concept of ‘Samathuvapuram’ which means ‘a land of equals’ in Tamil to facilitate communal and social integration. To
facilitate this, government had constructed 100 duplex apartments in 2000 which were shared between general and SC/ST population. Co-habitation of people belonging to different castes/community helped in developing a harmonious environment.

5.2 Developmental Activities of THDC

THDC has initiated construction of housing complexes at Mambakkam and Kuthambakkam since 2011-12. Through its CSR route it has contributed to development of infrastructure of the local villages based on its needs assessment. Refer Table 3 (See photograph below the Table 3)

### Table 3

#### Developmental Interventions

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Objective</th>
<th>Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Co-curricular Activities Interventions:</strong> Sports meet, competitions, games and group activities were organised for the school students (See photograph)</td>
<td>To enable students to learn new skills, engage them in their hobbies, tap their hidden talents and develop socially acceptable behaviour</td>
<td>Government schools at Mambakkam and Kuthambakkam</td>
</tr>
<tr>
<td><strong>Cultural Activities:</strong> Cultural meet was organised for students</td>
<td>To enable students to learn to interact with other students/people, learn new skills and showcase their talents</td>
<td>Government school at Kuthambakkam</td>
</tr>
<tr>
<td><strong>School Infrastructure Development:</strong> Furniture (benches/chairs/tables/cupboards) was provided for the classrooms. Renovation of the school building was completed</td>
<td>To provide good physical learning environment for students</td>
<td>Mahatma Gandhi school at Kuthambakkam</td>
</tr>
<tr>
<td><strong>Community Infrastructure:</strong> A bus shelter was constructed</td>
<td>To provide shelter to commuters</td>
<td>'Samathuvapuram' at Kuthambakkam</td>
</tr>
</tbody>
</table>

**School Grounds Used for Co-Curricular Activities**
5.3 Impact
In order to assess the impact of the interventions executed by THDC, the interns had discussions with the teachers, students, head teachers, community heads and community members. It was observed that all the respondents were satisfied with the support extended by THDC.

i. Development in Aiding Education
Teachers in Kuthambakkam School appreciated THDC for undertaking school renovation and providing the much needed classroom furniture. This created a conducive environment to learn. According to them, children now look forward to attending school and thus are able to take part in the curricular and co-curricular activities.

Students mentioned that earlier the school looked very dull and unclean. Post renovation the school looks attractive because it has been painted with vibrant colours.

The summer camps conducted by THDC employees have been highly appreciated both by the students and teachers. The students of Melakotayur school, Mambakkam village reported that the summer camp was recreative and helped in developing sportsmanship spirit amongst students.

In Kuthambakkam, students and teachers appreciated the Zonal Sports meet organised by the school board in association with THDC. THDC funded T-shirts and sports equipment. Students were delighted that they had an opportunity to compete with students from other schools.

ii. Community Infrastructure
It was interesting to note that community members felt privileged that a reputed company like THDC had chosen to construct the bus shelter only in Kuthambakkam and not in the neighbouring villages. Community members revealed that having a bus shelter was of a great utility value as a common property resource. In this context some of the villagers mentioned that “Having a bus shelter in the village ensures that the buses stop regularly at the bus stop now”.

5.4 Satisfaction Scores: Mambakkam and Kuthambakkam village
In order to assess the satisfaction of the community with regards to the developmental interventions executed near the project sites, a satisfaction survey was conducted. Figure 1 below displays the satisfaction scores for each parameter and the overall 'community satisfaction scores'.
Figure 1
Satisfaction Scores

It can be inferred from Figure 1 that the average score for 'Quality of intervention' and 'Satisfaction with intervention' were ranked highest in both villages. This implies that respondents in both villages have indicated a higher level of satisfaction. The score indicates that the developmental activities initiated in these villages were in line with their needs. The respondents mentioned that the educational interventions enhanced the academic aptitude of students in the village and that the bus shelter has been a community asset.

High level of satisfaction was also reported in the context of 'Conduct of THDC employees'. This is indicative of the personalised rapport developed by THDC employees with the local villagers.

It was reported by respondents that THDC ensures that the construction waste is disposed in an appropriate manner and safety measures are adhered by the workers at the project site. This has positivity impacted the score on the parameter for 'Environmental consciousness'.

The data observes that the overall 'Community Satisfaction Score' for Mambakkam is lower than Kuthambakkam as lesser activities were executed in the village.

5.5 Unmet Needs: Mambakkam and Kuthambakkam

To study the unmet needs of the villages and educational institutions, discussions were conducted with the village heads, community members and school staff. As the needs varied the village heads and school principals took the final decision in prioritising the needs. Refer Table 4
It can be inferred from Figure 1 that the average score for 'Quality of intervention' and 'Sasfacon with intervention' were ranked highest in both villages. This implies that respondents in both villages have indicated a higher level of sasfacon. The score indicates that the developmental activities initiated in these villages were in line with their needs. The respondents mentioned that the educational interventions enhanced the academic aptitude of students in the village and that the bus shelter has been a community asset. High level of sasfacon was also reported in the context of 'Conduct of THDC employees'. This is indicative of the personalized rapport developed by THDC employees with the local villagers.

It was reported by respondents that THDC ensures that the construction waste is disposed in an appropriate manner and safety measures are adhered by the workers at the project site. This has positively impacted the score on the parameter for 'Environmental consciousness'.

The data observes that the overall 'Community Sasfacon Score' for Mambakkam is lower than Kuthambakkam as lesser activities were executed in the village.

### Table 4
**Priority Needs**

<table>
<thead>
<tr>
<th>Unmet Need</th>
<th>Anticipated Impact</th>
<th>Target School / Village</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Educational Support:</strong></td>
<td>• To ensure a conducive learning environment</td>
<td>Vellichai school, Melakkottayur school, Mambakkam</td>
</tr>
<tr>
<td>• Provide teaching aids like charts,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>crayons, white sheets and notice</td>
<td></td>
<td></td>
</tr>
<tr>
<td>boards</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Design personality development</td>
<td></td>
<td></td>
</tr>
<tr>
<td>programmes for students</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>School Infrastructure:</strong></td>
<td>• To enhance learning among students</td>
<td>Mambakkam School, &amp; Vellichai School in Mambakkam</td>
</tr>
<tr>
<td>• Renovation of classroom floors and</td>
<td>• To prevent dropouts and improve school attendance</td>
<td>Primary School &amp; Kuthambakkam School in Kuthambakkam</td>
</tr>
<tr>
<td>school roof of the nursery</td>
<td>• To ensure a clean and hygienic learning environment</td>
<td></td>
</tr>
<tr>
<td>• Painting required for primary</td>
<td></td>
<td></td>
</tr>
<tr>
<td>classroom walls depicting biodiversity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Installation of barricades and gates</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Installation of electrical fittings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>like fans and lights for all the</td>
<td></td>
<td></td>
</tr>
<tr>
<td>classrooms</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Provisions of dustbins</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Construction of library room</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Financial support for school</td>
<td></td>
<td></td>
</tr>
<tr>
<td>expansion</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Extra-curricular support:</strong></td>
<td>• To tap the hidden talents of students</td>
<td>Vellichai School, Mambakkam School and Melakkottayur School</td>
</tr>
<tr>
<td>• Provision for sports items like</td>
<td>• To ensure a holistic learning environment</td>
<td></td>
</tr>
<tr>
<td>carrom boards, chess boards,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>skipping ropes, rings and balls</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sanitation and Water facilities:</strong></td>
<td>• To ensure hygiene at school</td>
<td>Melakkottayur School, Kuthambakkam School and Mambakkam School</td>
</tr>
<tr>
<td>• Construct restrooms for both boys</td>
<td></td>
<td></td>
</tr>
<tr>
<td>and girls</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Construct and maintain drainage</td>
<td></td>
<td></td>
</tr>
<tr>
<td>facilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Provide facilities for drinking water</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Other needs:</strong></td>
<td>• To ensure distribution of food in an orderly manner</td>
<td>Melakkottayur School</td>
</tr>
<tr>
<td>• Provision of plates for the midday</td>
<td></td>
<td></td>
</tr>
<tr>
<td>meals</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Community Infrastructure:</strong></td>
<td>• To ensure cleanliness and hygiene</td>
<td>Kuthambakkam</td>
</tr>
<tr>
<td>• Financial support for construction</td>
<td>• Enhanced safety of women and children</td>
<td></td>
</tr>
<tr>
<td>of household and community toilets</td>
<td>• Access to better community infrastructure</td>
<td></td>
</tr>
<tr>
<td>• Renovations of community hall</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The respondents of both villages mentioned that the development of community and social infrastructure was extremely important. Amongst the various felt needs 'Education' was highly prioritised. The villagers wanted THDC to take immediate steps and improve the educational infrastructure and the quality of education in their respective villages. (See photographs)

VI. Analysis

Construction companies like THDC are setting up their business in the interior areas have both positive and negative impact. The positive impact is created because local residents can have access to multiple forms of livelihood support, access to better physical infrastructure, educational and healthcare facilities. The negative impact created by the intrusion of construction companies can be minimised if the companies can develop long-term community development projects to uplift the social infrastructure.

THDC as part of the Tata group upholds the philosophy of community care alongside its business growth. Based on the local needs assessment THDC undertakes community development activities at its project sites. Along with THDC a couple of other agencies have also undertaken similar needs assessment studies but unfortunately no developmental activities were carried out based on the same. Research shows that villages near THDC's New Haven Ribbon Walk (Mambakkam) and Santorini (Kuthambakkam) project sites have shown some development as the company has executed a few community development activities.

Primary interactions revealed that the villagers of Mambakkam and Kuthambakkam are satisfied with THDC's community development activities. It can be inferred from the
community development activities undertaken that the investments in the area of development of education will go a long way in developing the capacities of the future generations. This in turn will benefit THDC as well as other companies in the long run by ensuring them of availability of future human resources as well as an informed customer base.

The fact that THDC initiates development activities near their project sites ensures nurturing harmonious relations with the local residents. It was observed that few of the interventions designed by THDC also had a strategic benefit to the company. The testimony to this is that the bus shelter at Kuthambakkam was installed bang-opposite to the project site. This ensured that their customers too are benefitted in the entire process.

The company feels that the issue of social inequity near the project sites can be addressed through execution of community development activities. The impact of the same can be confirmed only in the long run. Specifically it has to be noted that the participation of villagers in the entire exercise is limited to the extent of expressing their needs. To develop their locality, villagers have not contributed financially and non-financially in any manner. Hence there is no clarity at this juncture on the issue of ownership and maintenance of the common property resource/assets made by THDC. If local people do not own up the resources then the entire investment made is likely to be wasted.

VII. Conclusion and Recommendations
It can be concluded from the current research that community development activities based on need assessment assist in reduction of inequities. However the inequities cannot be reduced by one-time interventions and hence real estate companies like THDC should develop partnerships with NGOs to sustain the impact of their intervention. In this context it is recommended that real estate companies in general and THDC in
particular can uplift social infrastructure in the form of improving the quality of education, healthcare and skill development in the project areas by partnering with the local government and NGOs. Also, active involvement of the community members will increase ownership and maintenance of the community assets in the long run.

As the scope for employment and avenues for self-employment is limited in these villages, it is recommended that THDC could provide training on vocational courses to enhance the employability skills of the youth. Building the capacities of the students and youth would improve the status of the village and also provide for future human resource for the company.

References


Developing Education Infrastructure  
(With Specific Reference to THDC's Project Sites in Mumbai)¹

Abstract: Tata Housing Development Company Limited (THDC) in line with its CSR philosophy is focused on developing educational abilities of students from the under-privileged communities. This paper discusses the educational interventions executed by THDC and the satisfaction level attained by key stakeholders. The impact of these interventions and the unmet educational needs of the stakeholders are also assessed in this paper. This paper is an outcome of Ms. Jhalak Agarwal and Ms. Shweta Gupta's 'We Care: Civic Engagement' internship with Tata Housing in February, 2015.

I. Company Profile
The origins of the fastest growing real estate company Tata Housing Development Company Limited (THDC) can be traced back to 1984. The company having a pan-India presence concentrates on development of residential, commercial and retail properties. In 2013-14, the net profit of the company was Rs 590 million and three per cent of its profit on an average is spent annually towards corporate social responsibility (CSR) and sustainability initiatives (Banerjee, 2014, p. 9 & 14 and Annual Report 2013-14).

II. CSR/Sustainability: Vision and Mission
The CSR/Sustainability vision of the company is embedded in the original vision of the Tata Group. It emphasises on creating businesses which promote sustainable growth. According to Ajit Patnaik, 2013, General Manager, CSR, Tata Housing, the CSR/Sustainability vision states, “We would build sustainability into everything we do, so that our profitable growth reduces inequality and rejuvenates the environment. This inequality would mean the disequilibrium of all kind including social and economic”. This implies that 'building sustainability', 'reducing inequality' and 'rejuvenating the environment' are important components of executing CSR and sustainability agendas.

¹Ms. Jhalak Agarwal and Ms. Shweta Gupta, MBA Batch 2014-16. The students were placed as interns with THDC, Mumbai for the 'We Care: Civic Engagement' internship between February 2-21, 2015.
III. CSR/Sustainability Programmes

In line with the vision for CSR/Sustainability the company has incorporated programmes for contributing to people and the planet. Refer Table 1 below

<table>
<thead>
<tr>
<th>Programme</th>
<th>Focus</th>
<th>Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>SWACHH &amp; SPARSH</td>
<td>Sanitation</td>
<td>To contribute to community health through sanitation awareness and construction of toilets</td>
</tr>
<tr>
<td>Beautiful is Green (BIG)</td>
<td>Environment</td>
<td>To create a sustainable environment through tree plantation, conservation of water and promotion of bio-diversity</td>
</tr>
<tr>
<td></td>
<td>Sustainability</td>
<td></td>
</tr>
<tr>
<td>SRIJAN</td>
<td>Education</td>
<td>To sustain children in the educational system through remedial coaching and creating a learning environment at schools</td>
</tr>
<tr>
<td>SAMARTH</td>
<td>Employment</td>
<td>To enhance employability through vocational skill development programmes</td>
</tr>
</tbody>
</table>

Source: Banerjee, 2014, p. 34-35

Before executing any CSR programmes, THDC makes an assessment of the locality through primary and secondary research. This assessment helps in identifying the key stakeholders, understanding their views, expectations and their influence on the THDC projects. Such an exercise helps Tata Housing prioritise stakeholder expectations while strategizing its community initiatives. This engagement helps the company to partner with the community in resolving their issues.

IV. Investing in Education

It was evident through the community needs assessment surveys that communities around THDC’s project sites were expecting the company to take substantial steps to improve the local children’s access to schools having good infrastructure and quality education. In accordance with the felt-needs expressed by the community, THDC has initiated school infrastructure development projects and remedial coaching programmes for schools around its project sites (THDC, 2015). According to Mr. Ajit Patnaik, GM CSR, “Education is one of the main pillars in the CSR philosophy of Tata Housing. It forms the foundation of the development of a self-reliant individual. From the total CSR budget allocated for various developmental activities, 15 per cent is spent on educational development of communities. From this six per cent is spent for education of children belonging to schedule caste/schedule tribe (SC/ST) communities” (Patnaik A, personal communication, July 22, 2015). It is anticipated by THDC that its
investments in education will have cascading impacts both for the beneficiary group as well as the company.

V. Selection of Schools
The selection of the schools for development of infrastructure is based on the needs assessment of the various stakeholders like school authorities, students and parents. Usually schools located between five to ten kilometre around Tata Housing projects are selected for infrastructure development. However the company extends itself beyond the project areas too, to support schools catering to children from SC/ST communities. In Mumbai some of the schools adopted by Tata Housing for developing infrastructures are around Ghatkopar, Mulund, Vasind, Kalyan, Vikhroli, Sion and Central Mumbai.

VI. Project Focus
In order to review and revise the educational support interventions, THDC decided to carry out an educational facilities satisfaction survey with its stakeholders. In this context, NMIMS We Care interns were assigned the task of conducting an impact assessment study at schools adopted by THDC in the project areas of Thane and Mumbai, with the following objectives:
1) To study the type of support given to various schools in the THDC project areas located in Thane and Mumbai
2) To assess the level of satisfaction experienced by the stakeholders with regard to the support services provided by THDC
3) To identify the unmet needs of the stakeholders with regard to school facilities
4) To provide recommendations for future interventions

Methodology
The study being exploratory in nature probed in examining the stakeholder satisfaction levels in the context of various educational support facilities offered by THDC. A pre-designed interview schedule designed by THDC was used to collect data from school headmasters, teachers, parents and other stakeholders who used the educational facility.

Stakeholder satisfaction scores were measured with the help of a five point rating scale (1 being the lowest and 5 being the highest). Level of satisfaction was measured with regards to the following; a) Quality of physical infrastructure, b) Quality of educational inputs, c) Quality of material support, d) Quality of learning environment and e) Quality of employee engagement. Along with the interview schedule the interns used observational and inference technique to infer the opinions expressed by the respondents of the study.
To estimate how multiple educational interventions have diverse impacts on stakeholders the NMIMS We Care interns selected different stakeholders for each school. Refer Table 2.

Table 2
Stakeholder Details

<table>
<thead>
<tr>
<th>School</th>
<th>Location</th>
<th>Stakeholders</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gurukul Centre for Special Children</td>
<td>Ghatkopar</td>
<td>Principal, teachers and therapists</td>
</tr>
<tr>
<td>National Association for Disabled Enterprise</td>
<td>Vikhroli</td>
<td>Marketing Council, supervisor and school cook</td>
</tr>
<tr>
<td>Sparsh Charitable Trust</td>
<td>Mulund</td>
<td>Parents and teachers</td>
</tr>
<tr>
<td>MGHM School</td>
<td>Ranjanoli village, Kalyan</td>
<td>Teachers</td>
</tr>
<tr>
<td>Zilla Parishad School</td>
<td>Ranjanoli village, Kalyan</td>
<td>Teachers</td>
</tr>
<tr>
<td>Anna Saheb Jadhav School</td>
<td>Bhiwandi-Kalyan</td>
<td>Principal, Teachers, Supervisor, Assistant teacher</td>
</tr>
<tr>
<td>Nakoda Karnab Badhir Vidyalaya</td>
<td>Saravli, Bhiwandi</td>
<td>Vice Principal</td>
</tr>
</tbody>
</table>

VII. Major Findings

7.1 Type of Interventions

In order to cater to the educational requirements of under-privileged students, THDC provides assistance to build a conductive learning environment. Aid is extended to construct physical infrastructure, provide material support and technological assistance. THDCs intervention programmes aim at holistic development of students. Table 3 below describes the typology of interventions undertaken by THDC, their objectives and the list of beneficiary organisations.

Table 3
THDC Interventions

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Objective</th>
<th>Beneficiary: Schools/Trusts</th>
</tr>
</thead>
</table>
| Remedial Coaching: Poor, underprivileged and SC/ST students of class IX and X | To provide educational support to the under privileged including SC/ST students who are economically deprived and unable to afford their tuition fees | 1. Sparsha Charitable Trust, Mulund  
2. Anna Saheb Jadhav School, Bhiwandi-Kalyan  
3. Shree Gadge Baba Ashram School, Vasind |
| Material Support: Distribution of school stationeries like geometry boxes, bags, notebooks and gift items like providing sweets and food items on national days and festivals to children | To reduce the rate of school drop-outs and improve the morale of the students | 1. National Association for Disabled Enterprise, Vikhroli  
2. Zilla Parishad School, Ranjanoli Village  
3. Victoria Memorial School for Blind, Bombay Central |
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<table>
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<tr>
<th>School</th>
<th>Locality</th>
<th>Stakeholders</th>
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<tr>
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<td>Principal, Teachers, Supervisor, Assistant teacher</td>
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<tr>
<td>Shree Nakoda Karna Badhir Vidyalaya</td>
<td>Kalyan</td>
<td>Vice Principal</td>
</tr>
</tbody>
</table>

#### VII. Major Findings

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<thead>
<tr>
<th>Interventions</th>
<th>Objective</th>
<th>Beneficiary: Schools/Trusts</th>
</tr>
</thead>
</table>
| **School Infrastructure Development:** Includes building of urinals and auditoriums, painting of the school walls, barricading the schools, installing solar water heaters and so on | To provide a congenial environment and well-furnished school infrastructure for the students. To enhance the motivation levels of students to attend classes on a regular basis | 1. Anna Saheb Jadhav School, Bhiwandi-Kalyan  
2. MGHM School, Ranjanoli Village  
3. Shree Gadge Baba Ashram School, Vasind |
| **Provision of Technical Aids:** Includes providing digital learning equipment like projectors, digital hearing and speaking aids for hearing impaired students | To cater to the special needs of the disabled and handicapped students. To provide the necessary resources for the holistic development of students | 1. Shree Nakoda Karna Badhir Vidyalaya, Kalyan  
2. Naional Associaon for Disabled Enterprise, Vikhroli |
| **Employee Volunteering Activities:** THDC employees organise recreation, skill-enhancing competitions, field trips and picnics for students | To enable students to learn new skills, engage them in their hobbies, tap their hidden talents and develop socially acceptable behaviour and promote egalitarian feeling | 1. Gurukul Centre for Special Children, Ghatkopar  
2. Naional Associaon for Disabled Enterprise, Vikhroli  
3. Sparsha Charitable Trust, Mulund  
4. Zilla Parishad School, Ranjanoli Village  
5. Victoria Memorial School for Blind, Bombay Central  
6. Shree Gadge Baba Ashram School, Vasind  
7. Sparsh Charitable Trust, Sion |

7.2 Stakeholder Satisfaction

Stakeholders’ level of satisfaction was measured on a five point rating scale for six schools. The items on the scale included; a) Quality of physical infrastructure, b) Quality of educational inputs, c) Quality of material support, d) Quality of learning environment and e) Quality of employee engagement. The individual score for each parameter given by respondents was averaged and a cumulative score for a specific parameter was generated. This score was termed as 'Community/Stakeholder Satisfaction Score'. Figure 1 lists stakeholder satisfaction scores for the various schools.
It is interesting to note that on a five point scale, all schools have allotted more than four points to THDC. The efforts of THDC in providing educational, material and infrastructural support to the beneficiary schools/trusts was highly appreciated and approved positively by all the stakeholders. (See photograph)

The efforts of THDC to provide educational support like remedial classes to the under privileged including SC/ST students has proved beneficial to the communities as it has reduced the dropout rates in schools and increased the pass per cent for class X to 83 per cent in Anna Saheb Jadhav School and Zilla Parishad School, Bhiwandi-Kalyan. Additionally, improvement of physical school infrastructure through the cleanliness drive and the construction of urinals has contributed in improving school attendance and thereby reducing the drop-out rate. Material
support provided to students acted as a motivator to pursue education, which was appreciated by the students and teachers. The Zilla Parishad school staff of Ranjanoli village, Kalyan shared, “Both the staff and students were delighted with THDC’s contribution towards gifting children with school stationery and goodies on the Republic Day”. It can be inferred from the above discussion that if the learning atmosphere is created in schools, children can be retained in the formal education system. (See photograph)

Teaching Assistance Provided to the Students

7.2b Engagement of Employee Volunteers

THDC employee volunteers spent quality time with the students. They actively participated in tree plantation drive, engaged in diya and envelope making, extra-curricular activities and also distributed gifts for Diwali. Teachers at Gurukul Centre for Special Children, Ghatkopar stated that, “The diya and envelope making activities facilitated differently abled students to develop their skills which was very satisfying”. Mr. Vikram More, Marketing Education Council of National Association for Disabled Enterprise as well as teachers and therapists of Gurukul Centre for Special Children, Ghatkopar appreciated the friendliness and enthusiasm of the THDC volunteers. One of the teachers mentioned, “We are touched by the friendly and enthusiastic nature of volunteers. We applaud the friendly officials who gracefully handle differently abled students and are always willing to spend time to volunteer”. This implies that the presence of employee volunteers acts as a facilitator in the school atmosphere. (See photograph)
7.2c CSR Team Management

Further discussion with the Principal of National Association for Disabled Enterprise, revealed that the engagement of THDC employees was a rewarding experience. He stated that, “The diligence and accountability of the THDC employees was commendable especially in maintaining transparency and appropriate utilisation of finances”.

Teachers at MGHM School, Kalyan also mentioned that “The THDC team should continue their good work even in the future so as to improve the level of education of the students and to ensure a better future for them”.

Parents reported that they were satisfied with the improvement in the physical infrastructure and other support provided by the schools. They felt that their children were doing well in their studies due to the additional efforts being taken. Surprisingly, none of the parents were aware that THDC was responsible in bringing substantial changes in the school.

7.3 Unmet Needs of the Stakeholders

During interactions with the principals, teachers, NGO Head, school manager and parents, it was reported that THDC’s involvement has been mostly beneficial to the students as well as the schools. Despite their sincere appreciation for THDC, they expressed a need for higher level of support from THDC to address their unmet needs. The unmet needs were specifically in the areas of provision of educational, technology and physical infrastructure support. Refer Table 4.
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#### Table 4

<table>
<thead>
<tr>
<th>Unmet Needs</th>
<th>Specific Needs</th>
<th>Anticipated Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Educational Support</strong></td>
<td>i. Remedial coaching classes for SC/ST students</td>
<td>Improve academic performance, enhance learning and sustain interest in academics.</td>
</tr>
<tr>
<td></td>
<td>ii. Requirement of financial support through scholarship programmes</td>
<td>Improved health will result in better school attendance</td>
</tr>
<tr>
<td></td>
<td>iii. Extra-curricular activities like cleanliness drives, educational trips,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>making and marketing of handcrafted diyas, flowers and greeting cards</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iv. Personality development programmes on group dynamics, storytelling,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>drawing and public speaking</td>
<td></td>
</tr>
<tr>
<td></td>
<td>v. Requirement of nutrient supplements to improve the health of students</td>
<td></td>
</tr>
<tr>
<td><strong>Technological Advancement</strong></td>
<td>i. Need for qualified teachers to conduct training on software program</td>
<td>Enhance technological capabilities of students and increase employment opportunities</td>
</tr>
<tr>
<td></td>
<td>like MS-Office, Photoshop and Internet usage</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii. Requirement of digital learning equipment, provision of microphones,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>sound conversion equipment and infrastructure development for the abled and the</td>
<td></td>
</tr>
<tr>
<td></td>
<td>visual and hearing impaired students from the economically deprived SC/ST strata</td>
<td></td>
</tr>
<tr>
<td><strong>Infrastructure Requirements</strong></td>
<td>i. Construction of classrooms, school yard, auditorium and maintenance of</td>
<td>Improve the physical learning environment and prevent drop-outs. Maintenance of hygi</td>
</tr>
</tbody>
</table>
Education Report (ASER), which shows that dropouts can be reduced if schools have appropriate infrastructure including sanitation and drinking water facilities (ASER, 2014).

In this context, it is observed that THDC has played an important role in improving the learning environment of schools. Education being one of the pillars of THDC philosophy, the current research highlights that the monetary and non-monetary support rendered to the schools has yielded positive outcomes. This is evident from the fact that the drop-out rates have been curtailed and the pass percentage of the X grade students in Anna Saheb Jadhav School and Zilla Parishad School has improved. The students have been able to develop social and inter-personal skills through extra-curricular activities like tree plantation drives, making of handcrafted products like diyas, flowers and envelopes.

THDC’s intervention to ensure appropriate infrastructure, especially in economically backward areas which lack government support, ensures that the schools in the project areas are well taken care of. Construction of urinals for boys has contributed to hygiene and health being maintained in the school. The consequential impact of this intervention is the value created for the community as well as the organisation. It can be inferred from the satisfaction scores and the interactions with the stakeholders that THDC’s interventions are routed in the right direction. These results were possible because of THDC’s financial as well as non-financial investments. Employee volunteering and the passion of the higher management to bring about change through CSR has supplemented the efforts made by CSR team to get positive results.

It is an area of concern that some of the local residents are unaware about THDC’s contributions in upgrading the school’s infrastructure and quality of education. In this context, it is recommended that while continuing its interventions, THDC should also improve its brand visibility in the locality. This will
increase brand recall in the minds of the residents as an organisation that cares for the education of the under-privileged.

IX. Conclusion and Recommendations

It can be inferred from the primary data that, THDC's belief of ensuring holistic development of the communities near their project sites has been enforced through its various educational interventions. These interventions have reduced financial burdens of the poor in funding their children's education.

Education today is no longer considered as a mere transfer of knowledge, but is recognised as the most important facilitator of social and economic development of any country. Today's networked world demands a workforce that is well equipped with the latest knowledge. In this context, THDC can support schools in developing appropriate 'Knowledge Center' equipped with a digital library, latest books and journals.

Creating an appropriate physical learning environment is essential to facilitate children's interest in formal education. Inadequate physical infrastructure de-motivates students and leads to wastage and stagnation of educational resources. In this context, THDC should scale up their investments in creating and maintaining physical infrastructure of schools and equip it with appropriate sanitation facilities.

To improve the quality of education and reduce inequalities, THDC could take some additional remedial measures in changing the literacy landscape by increasing employee engagement. An active mentor-mentee programme can be developed, wherein each employee mentor can provide customised inputs to the mentee for improving their scholastic performance, career prospects and thereby increasing their confidence level. Employees can increase awareness on health and hygiene by conducting workshops, health check-ups and skits in partnership with NGOs for the community members.
In accordance with the company's belief that enlightening young minds is essential in creating an empowered society, THDC can further strengthen its educational programmes through additional financial and non-financial support to enhance the holistic development of students. As companies require talented human resources to sustain themselves, employees can assist in mapping competent students and enable them to complete their education. Eventually these talented youngsters could be absorbed in the company or in the value chain.

References


Patnaik Ajit, personal communication, July 22, 2015.


Systematizing Employee Engagement at Mahindra & Mahindra Financial Services Limited¹

Abstract: Mahindra & Mahindra Financial Services Limited (MMFSL) has been involved in developing sustainable business practices as well as CSR activities as mandated by Section 135 of the Companies Act, 2013. In accordance with their CSR vision employee engagement is encouraged in the CSR activities. The paper discusses various processes and systems to institutionalise employee engagement to strengthen their CSR/sustainability programmes in the company. This paper is the outcome of Ms. Ankita Khandelwal’s ’We Care: Civic Engagement’ internship with Mahindra Finance, Mumbai in February, 2015.

I. Company Profile

Mahindra & Mahindra Financial Services Limited (MMFSL) earlier known as Maxi Motors Financial Services Limited, was set up in 1992 as part of the Mahindra group. The company has featured on the Dow Jones Sustainability Index (DJSI) for 2013 and 2014 and is currently a part of the Carbon Disclosure Leadership Index (CDLI).

MMFSL has been contributing one per cent of its profit to CSR initiatives annually since 2005 (Mahindra-Sustainability Report-2013-14.pdf, p. 24). In 2014, the company registered a profit of Rs 8,872.3 million and has reported to have spent Rs 249.0 million on its corporate social responsibility (CSR) projects (Annual Report 2014-15, p. 49). In recognition of its social outreach programmes, MMFSL has been a recipient of several awards and accolades both nationally and internationally (Annual Report 2014-15, p. 49).

II. CSR Vision

The CSR vision of the company is embedded in its vision statement which states, “To challenge conventional thinking and innovatively use all our resources to drive positive change in the lives of our stakeholders and communities across the world, to enable them to RISE” (CSR Policy, 2014). According to the Vice-Chairman and Managing Director, Anand Mahindra, ‘RISE’ is

¹Ankita Khandelwal, MBA Batch 2014-2016. She was placed as an intern in Mahindra Finance, Mumbai, for the ’We Care: Civic Engagement internship’ between February 2-21 2015.
symbolic of ensuring world-class standards in every activity/programme driven through the enthusiasm and zeal of the company’s employees. The company expects both employees as well as community members to work hard and exceed their performance in all spheres of life (‘RISE’ is Mahindra's new mantra, 2011). The company is committed to work for the betterment of local communities and contributes financially and non-financially towards the upliftment of society since 2006.

The CSR team of MMFSL works towards creating a positive impact in rural and semi-rural communities by focusing on health, environment and education of the local communities (MMFSL, p.9 & 60). The needs of the community are determined through need identification studies or discussions with local governments/gram panchayats/NGOs. In order to strengthen the CSR and sustainability programmes, MMFSL has designed the ‘Employee Social Options Program’ (ESOP) to facilitate employee engagement. Employee volunteers are actively engaged in the focus areas identified by the company.

### III. Organisational Arrangements

In order to execute the CSR and sustainability initiatives, MMFSL has developed a robust governance model which enables execution of strategic vision and action plans to steer grass-roots intervention and monitoring its effectiveness.

As displayed in Figure 1, the CSR Board Committee oversees the work of CSR Council as well as the Sustainability Council. It sets the directions for promoting the CSR agenda in the company. The CSR Council approves and monitors the expenses spent on philanthropic activities/projects as per the mandate from the Board Committee. The council undertakes management of large long term projects through various foundations along with managing and controlling employee engagement.

The Sustainability Council approves new initiatives and monitors progress in integration of the environment, social and governance (ESG) parameters in its business operations. The Group
Sustainability Cell which is below the council drives awareness and knowledge-building across the group. It supports individual businesses in integrating sustainability in strategic business processes and operations. The sustainability champions and employee volunteers at all the plants and offices drive and monitor various CSR/sustainability initiatives along with collating data for documentation and reporting.

IV. CSR and Sustainability Activities

MMFSL has initiated various CSR and sustainability programmes in the following areas: 1) Education projects, 2) Health projects, 3) Infrastructure, 4) Donation Drives and 5) Environment Sustainability. Refer Table 1 below and photographs on the next page.

### Table 1
**CSR and Sustainability Activities: 2014-15**

<table>
<thead>
<tr>
<th>Focus</th>
<th>Details</th>
</tr>
</thead>
</table>
| Education   | • ‘Nanhi Kali’ is a programme to provide primary education and material support to the underprivileged girl child since 2005. Currently 45,602 girls are supported by Mahindra Group  
• 549 students were awarded the ‘Mahindra All India Talent Scholarship’  
• 45 students were awarded the ‘K. C. Mahindra Scholarship for Postgraduate Studies’  
• 3,515 under-privileged students were provided livelihood training in ‘Mahindra Pride Schools’ |
| Health      | • 20,143 people benefited from the medical camps conducted through the 'Lifeline Express' programme  
• A two-day blood donation camp was held at the Hinjewadi campus in association with Dinanath Mangeshkar Hospital, Pune. 300 units of blood were collected through this initiative.  
• Health assistance provided through 'Palliative Care' to 30,000 families residing across 30 villages in Punjab  
• Cancer detection camps in partnership with the 'Cancer Patients Aid Association' were conducted in the interiors of Dharward District. 431 people were treated in these camps and advised on the further course of treatment |
| Infrastructure | • 165 solar streetlights were installed in interior locations of Tamil Nadu                                                                 |
| Donation Drives | • Financial support was extended for the purchase of ambulances to various Foundations like Ekta Institute of Child Health, Bharat Vikas Parishad, Delhi Bharat Vikas Parishad Foundation, Dean Foundation, Mamtla Foundation, Liver Foundation and Shroff Foundation Trust  
• Financial support was extended to Cancer Chikitsa Evam Seva Samitee, a palliative care centre in Madhya Pradesh  
• Donated diesel generator sets at various welfare societies, such as Pradesh Children Village, Shri Nakoda Karna Badheer School and Karuna Welfare Trust |
| Environment | • Planted around 54,000 saplings across India under ‘Project Hariyali’ to ensure environmental sustainability.  
• Efforts to save paper through paper-less transactions, reducing electricity consumption, and so on were introduced in all locations across India |

V. Project Focus

To systematize and scale up employee volunteerism in CSR as well as sustainability domain the NMIMS We Care intern was assigned with the task of designing tools, systems and processes to improve employee engagement. It was envisaged that an appropriate development of system can help in scaling up employee engagement.

To understand the scope of engagement, the intern interviewed employee volunteers and reviewed CSR/ Sustainability Reports. Observational and inference techniques were used by the intern to map the areas of employee engagement. As part of the project deliverables the intern was required to develop 1) CSR/Sustainability Newsletter, 2) Themes for Sustainability Calendar and 3) Guidance Document

5.1 CSR and Sustainability Newsletter

The purpose of developing a Newsletter about CSR / sustainability activities was to disseminate information amongst the internal stakeholders about the initiatives undertaken by employees
across India in specific months. Based on the data collected by the intern a 'Sample Newsletter' was created for the month of February, 2015. The newsletter covered “Monthly Highs & Lows” which was a summary of CSR / sustainability activities undertaken in the month. Refer Figure 2.

The Newsletter featured a foreword from the Director about the importance and activities conducted. To make an interesting read, the newsletter was divided into various sections like news, activities and milestones achieved. Names of employees with the highest number of volunteering hours for the 'Employee Social Options Program' (ESOP) were prominently displayed. There were articles on environmental sustainability which highlighted the importance of saving water, reducing waste, recycling, reuse and so on. The last section of the newsletter highlighted awards received by the organisation for their CSR and sustainability initiatives.

5.2 Sustainability Calendar

The 'Sustainability Calendar' was introduced as a tool in the year 2014-15 to plan CSR and sustainability activities across the organisation. Sustainability Calendar enabled employees at different locations to uniformly execute the monthly sustainability theme. For instance if the theme centred around 'Greenery' in a specific month, then employees undertook 'Tree Plantation' across all locations. Figure 3 illustrates the sustainability initiatives for the month of April, May and June in the calendar.
The calendar highlighted a theme and the importance of the same. Along with the calendar, the intern was asked to plan activities to implement the monthly CSR/sustainability theme. The themes and suggested activities for 2015-16 were designed by the We Care intern based on the previous year’s calendar with an aim to promote proactive participation from the employees. Table 2 illustrates the planned activities for April 2015 to March 2016.

Table 2
Planned Activities: April 2015 to March 2016

<table>
<thead>
<tr>
<th>Activity</th>
<th>Details</th>
<th>Intended Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earth Day: 22nd April</td>
<td>Encourage employees to switch off additional lights at home and the workplace when not required along with discussion on environmental issues</td>
<td>Reduce electricity consumption and increase awareness among employees, their families and the community members</td>
</tr>
<tr>
<td>No Food Wastage Day</td>
<td>Signages to discourage food wastage were placed in every canteen. Dustbins in the canteen would not be available one day per week to ensure zero wastage of food</td>
<td>Increase awareness and consciousness to avoid wastage of food and reduce garbage</td>
</tr>
<tr>
<td>Cloth Napkins instead of Tissues</td>
<td>Appropriate signs to be placed in the washrooms to encourage employees to use cloth napkins instead of tissues</td>
<td>Increase awareness among employees on the consequences of excessive use of paper on the environment</td>
</tr>
<tr>
<td>E-waste Recycling</td>
<td>Collection of old plastic and e-waste items would be organised</td>
<td>Increase awareness on appropriate waste disposal methods</td>
</tr>
<tr>
<td>Wealth from Waste</td>
<td>Employees should make creative items from waste at office or home on a particular day</td>
<td>Increase awareness on alternative use of waste items</td>
</tr>
</tbody>
</table>
Interactions with the CSR team revealed that the implementation of these activities was at the discretion of the regional human resource (HR) team. The HR had the option to choose activities that required proactive involvement of employees like the activities mentioned above, or passive activities like sending an email to create awareness about the theme. To ensure active participation of the suggested monthly CSR/sustainability theme, the intern was required to provide resources and ideas to enhance employee participation. Refer Figure 4 for an idea illustration.

### Figure 4  
**Idea Illustration**

![Idea Illustration](https://example.com/idea.png)

**Love Food Hate Waste**

Event Ideas/Resources:
- Put up No Food Wastage signs/posters in the Canteen/Partry
- Have a Love food hate waste day once every week where in there is no dustbin to collect wet food waste hence people cannot waste food that day
- Setting up compost bins at office and home  

YouTube Videos Link:
- [https://www.youtube.com/watch?v=v3ouQw98By](https://www.youtube.com/watch?v=v3ouQw98By)
- [https://www.youtube.com/watch?v=Fw79z8GF](https://www.youtube.com/watch?v=Fw79z8GF)

5.3 Guidance Document

Interactions with the Sustainability Champions revealed that some Regional and Zonal human resource (HR) teams were not actively implementing the CSR and sustainability theme in the local offices due to lack of awareness. Hence, to create awareness and to facilitate the smooth execution of sustainability ideas, a 'Guidance Document' (standard operating procedures) was developed. It was decided by the company that the responsibility of the Regional and Zonal HR team was to ensure that new joinees as well existing employees are oriented to execute the CSR/sustainability agenda in accordance to the 'Guidance Document'. At the beginning of each year the HR Department should circulate the 'Sustainability Calendar' along with the monthly theme and ideas for the implementation across the company. Based on the theme each location would carry out the CSR/sustainability activities in the first half of the month. The documentation of the event would be submitted to the Management Information System (MIS) by the 25th of every month. See Figure 5.
VI. Analysis

Employees bridge the gap between the company’s CSR/sustainability goals and the realisation of those goals. It emerges from the preceding discussions that MMFSL is making efforts to institutionalise CSR/sustainability function through employee engagement. The company has defined its CSR/sustainability broadly to allow for wider appeal and participation. Their platforms reflect a triple bottom line approach to CSR/sustainability, which includes opportunities for participation in social issues such as education and healthcare in addition to environmental sustainability initiatives. The support and buy-in from executive leadership will go a long way in sustaining the sustainability efforts of the company.

Institutionalisation of CSR/sustainability function requires combination of two types of institutional work: cultural and technical. The cultural work “establishes or reframes” beliefs, systems and values, by linking CSR to normal practices. This refers to the construction of ‘normative associations’ and CSR identity-building inside the organisation. Creation of ESOPs by MMFSL to facilitate employee engagement is a societal agenda demonstrative of bringing a cultural change in the mindset of employees. Further, communicating ESOPs work through its ‘Newsletter’ across all locations will enable the company to activate appropriate thinking for channelising CSR projects. It will also integrate a practice-based CSR view with the organisation’s view and synergise it with its philosophy of RISE. Activities like ‘Newsletter’ are a powerful tool to support the diffusion of CSR practices within and across organisational boundaries, and will play a crucial role in activating more employees to drive the CSR/sustainability agenda. Through consistent communications employees will learn about what the sustainability/CSR programme is about, how they can participate, and why they should get involved.

The technical work involves designing frameworks that suggest, recommend or prescribe certain modes of actions. It encompasses tasks, such as designing new standards or theorising processes to facilitate their organisational acceptance. The designing of ‘Guidance Document’ is indicative of aligning tasks/actions to facilitate uniform execution and reporting. Executive support allocated by the company to set a corporate sustainability vision, strategy and goals, resulting in enterprise-wide CSR/sustainability implementation, innovation, and engagement will eventually result in creating shared value in the long run.

VII. Conclusion

Over the last decade and more so aer the commencement of the Companies Act 2013, CSR has become a broad social and institutional phenomenon. In many leadership companies it is driven through the support of employee volunteers. Employee engagement is one of the toughest and often most confounding elements of sustainability and corporate social responsibility efforts. MMFSL through ESOPs has made an innovative move to activate civic responsibilities of their employees. It is evident from MMFSL’s efforts that the company is trying to create a corporate culture to facilitate and institutionalise employee engagement to drive the sustainability agenda.
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References


Section III

This section comprises of two articles which highlight the sustainability practices of private sector companies incorporated in its business model for creating shared value.
I. Company Profile

Jain Irrigation Systems Ltd. (JISL) is a multinational organization based in Jalgaon. The company manufactures drip and sprinkler irrigation systems, poly-vinyl chloride (PVC) and polyethylene (PE) piping systems, tissue cultured saplings, bio-fertilizers and solar products (Annual Report, 2015, p. ii). With more than 7,000 dedicated associates spread across the globe, the company has established itself as a leader in the above areas. Since its inception, the principle of creating shared value has been the secret behind its accelerated growth. In 2014-15, the net profit of JISL was Rs 498.33 million and its investment in corporate social responsibility (CSR) was reported to be Rs 23.98 million (JISL, n.d. & NSE, 2015).

II. Genesis

Prior to setting up Jain Irrigation in 1963, Dr. Bhavarlal Jain traded in the kerosene business. Influenced by Gandhian principles, his patriotism is reflected in his efforts towards selflessly catering to the nation's interests. As a farmer's son he was well acquainted with the hardships faced by the community. He gave up his promising career in Law to follow his mother's ideals of harmonious co-existence and consequentially he ventured into

¹Mr. Aditya Rane and Mr. Prak Jain, MBA Batch 2014-2016. The students were placed as interns with Jain Irrigation Systems Limited, Jalgaon for the 'We Care: Civic Engagement' internship between February 2-21, 2015.
Creating Shared Value through CSR: Case study of Jain Irrigation Systems Limited¹

Abstract: Jain Irrigation Systems Limited (JISL) has been actively involved in community development and socially responsible activities ever since its inception. This paper describes how JISL has integrated CSR into its business strategy to create shared value. The paper portrays the company’s efforts in conserving natural resources and developing farmers’ capacities to retain their interest in agriculture. This paper is an outcome of Mr. Aditya Rane’s and Mr. Pratik Jain’s ‘We Care: Civic Engagement’ internship with Jain Irrigation Systems Limited in February, 2015.

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agricultural products. Soon enough he realised that he had to move beyond marketing valuable agricultural products by creating an ecosystem of inclusive and sustainable growth for the company’s stakeholders. As a firm believer in Gandhian philosophy Dr. Jain propagates the adage “The process of change begins with the self”. He firmly believes that corporate sustainability has to extend beyond social responsibility. Embedded in his vision of the company is the thought, “Leave this world better than you found it” (Sustainability Report, 2013, p. 8). In accordance with his thought, Jain Irrigation has developed its business model by incorporating social responsibility dimensions in its operations.

III. Project Focus
The NMIMS We Care interns were assigned the task of examining the CSR model of Jain Irrigation based on primary interactions with the JISL officials and reviewing annual and sustainability reports of the company. To understand the concept of shared value, the interns undertook field visits and interacted with the farmers, self-help groups (SHGs) and non-governmental organisations (NGO’s).

IV. Major Findings
JISL believes that we are indebted to mother-nature and it is the responsibility of every associate (employee) to work in a socially responsible manner and consider 'Corporate Social Responsibility' (CSR) to be a part of his job. The company's product portfolio and business processes are also designed to ensure a sustainable supply chain and growth for all the stakeholders. The CSR activities of the company are spread across its marketplace, workplace, operations, and local communities near its factory locations. The following paragraphs further elucidate these aspects.
4.1 Marketplace CSR

Born in a drought prone region, Dr. Jain realised the significance of blue gold (water) as a depleting resource. He knew that marginal land holder’s interest in developing sustainable agriculture could be addressed only if they were made aware of the multiple benefits of precision farming. For them to view agriculture as their future means of livelihood, they would need access to high tech agri inputs, technology and knowledge, financing and access to markets (JISL, 2009). Accordingly, the company took a series of steps to ensure that marginal as well as large farmers develop and integrate emerging agricultural practices into their way of working as elucidated in Figure 1.

![Figure 1: Sustainable Agricultural Practices](source: Sustainability Report, 2009, p. 13)

4.1a Farmers Education

A farmer is the pivot of Jain Irrigation’s business philosophy. JISL appoints opinion leaders (Gram Sevaks) for every village who provide technical assistance to the farmers in areas of agronomy, crop structure, weather updates, fertilisers and pesticides scheduling. As an organisation inclined towards farmers’ welfare, it continuously interacts with the farmers to get insights regarding market gaps and accordingly develop products to enhance the
sustainability of both the company and the farmers (Paul, 2012). Gram sevaks appointed by the company educate farmers on agri practices and drip irrigation through the means of field visits, formal and informal discussions. The gram sevaks are equipped with smart phones, cameras and motorcycles to reach out to farmers and assist them in improving their productivity. The gram sevaks are responsible for implementing JAINGAP (Jain Good Agricultural Practices) and providing “on the farm training”. The company also ensures that farmers use appropriate agronomics and crop geometry for better yield by connecting subject matter experts with farmers. To overcome the scepticism towards drip irrigation, the company demonstrated the use of drip irrigation in the company premises at Jain Valley to showcase its viability and advantages. Subsequently, farmers are linked to the company’s robust network of 2000 distributors to ensure that their products reach the farmers on time (IFC, 2014). (See photograph)

**Contract Farmers with Gram Sevaks, JISL Experts and Aditya**

### 4.1b Access to Water

A farmer’s cardinal resource is water and hence JISL came up with a philosophy of, “More Crop per Drop”. This philosophy is used to motivate farmers to optimise his inputs and enable him to achieve higher productivity especially in cases of small landholdings and a lack of resources (Sustainability Report, 2009, p. 8). To enhance productivity and ensure a consistent supply of water JISL has built “Kantai Bandhara”, a weir on the Girna River. The water from the weir is being used for domestic, industrial and agricultural purposes in eight villages surrounding the catchment area. Water percolation has increased due to the weir and therefore the water reserves in the surrounding areas has significantly gone up. The uninterrupted supply of water allows farmers to cultivate the land even during harsh summers thereby increasing their annual income. It also gives the company an uninterrupted access to a perennial water supply for its food processing plants (JISL, 2014). (See photograph)
4.1c Credit
Farmers’ woes are not limited to the procurement of seeds and saplings, water scarcity and uncontrollable natural conditions. The biggest challenge for a farmer is overcoming his financial incapacity at the right time. Although priced reasonably, the drip irrigation equipment remains beyond the buying capacity of marginal farmers. The government subsidy helps to some extent but the bureaucratic hurdles keep many farmers deprived of these benefits. To overcome this issue, JISL has set up a Non-Banking Finance Corporation (NBFC) called Sustainable Agro-Commercial Finance Limited (SAFL) for farmers who cannot avail funding from banks and other financial institutions. SAFL helps farmers in purchasing and leasing agricultural equipment such as drip irrigation assemblies, tractors and in procurement of seeds (SAFL, n.d.).

4.2 Workplace CSR
JISL believes that every employee who works with them adds value to the company and hence the employees are referred to as ‘Sahakari’/Associate. Every associate is a principal asset of the company (Mr. Ashok Jain, Vice-chairman, personal communication, September 19, 2015). The relationship has grown over the years and today the associates believe that “We are the owners of our work and hence the company, therefore we behave like the owner” (JISL, 2013). To foster the feeling of association JISL conducts several welfare activities like health camps, scholarship programmes, pilgrimages and so on for the employees and their families. The company has developed a cohesive working environment wherein the associates contribute to the decision-making process. Speaking of work culture, Mr. Anil Jain, MD and CEO, JISL remarked “JISL has been blessed with a talented, dedicated and loyal pool of associates without whom reaching such heights would have been impossible. JISL has been using son of the soil approach which enables any young associate in the organisation to grow and take up a more responsible position. This enhances their morale and so the associates contemplate themselves to be the brand ambassadors of the JISL” (JISL, 2011, pp. 16). The open door policy and suggestion box make it possible for associates to share their suggestions with the senior management (JISL, 2013). Table 1 describes various workplace CSR initiatives carried out by JISL in 2014-15.
Table 1
Associate Engagement Initiative: 2014-15

<table>
<thead>
<tr>
<th>Engagement Initiative</th>
<th>Activities</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational support for associate's children</td>
<td>Free educational coaching, scholarships and personality development camps are undertaken for associate's children</td>
<td>915 students received educational support and 261 children benefited from the personality development camps</td>
</tr>
<tr>
<td>Workplace orientation for family members</td>
<td>Full day trip for family members to the workplace/factory premises</td>
<td>Families of 3,779 associates got orientated to workplace responsibilities</td>
</tr>
<tr>
<td>Spiritual growth</td>
<td>Ten day tour to major pilgrimage centres in Maharashtra</td>
<td>In all 1,144 associates took benefit from this programme</td>
</tr>
<tr>
<td>Financial aid</td>
<td>Loan scheme through tie up with a local cooperative bank is extended to associates. Associates can take loans for procuring housing, vehicle, education and other personal commitments</td>
<td>In all 5,647 associates took benefits of corporate tie-ups</td>
</tr>
<tr>
<td>Infertility treatment</td>
<td>An all-expenses paid programme for the associates to undergo treatment for infertility</td>
<td>In all 45 associates availed the benefits of this scheme</td>
</tr>
<tr>
<td>Awards &amp; Recognition</td>
<td>Appreciation and acknowledgment of loyal associates for their extended tenure of service</td>
<td>Tata Nano cars were gifted to 100 associates</td>
</tr>
<tr>
<td>Training &amp; Development Initiatives</td>
<td>Workshops are organised by in-house as well as external experts throughout the year at Jain Gurukul (Training Extension Institute)</td>
<td>Associates and farmers benefit through peer learning and latest industry trends</td>
</tr>
<tr>
<td>Safe workplace</td>
<td>Policies for ensuring a safe working environment is implemented at all JISL facilities. It also procures the latest in workplace safety equipment and ensures regular upkeep and maintenance</td>
<td>Safeguarding the workplace through a formal policy driven setup</td>
</tr>
</tbody>
</table>

Source: “Sustainability Report”, 2013, p. 52

The organisation has a well-defined corporate framework. There are committees to nurture good working relationships between the employer and workmen. For example, the Grievance
Redressal Committee is constituted for addressing individual grievances, the Women Dispute Redressal Committee for the prevention and redressal of sexual harassment of women at workplace and the Canteen Managing Committee to ensure hygienic food and water, sufficient sitting arrangements, menu changes and so forth.

4.3 Environment Responsibility
JISL’s logo embodies the four colours that dominate nature i.e. yellow, green, blue and brown which is consistent with JISL’s vision of conservation and optimum utilisation of natural resources. The company believes and focuses its strategies on ensuring that the environment is sustained keeping in line with its CSR vision. JISL takes pride in comparing itself to the ‘honeybees’ who work in tandem with mother-nature. In line with its philosophy it has created a green belt around its vicinity. Conservation of resources (aparigraha) has always been at the root of the JISL value system and is reflected in the selection of its business lines (JISL, 2011). Further discussions with regard to integrating environmental responsibility in its business operations is explained below

4.3a Products
To ensure conservation of nature, JISL has incorporated its social welfare ethos in all its products. In line with its vision, it diligently works towards reducing its carbon footprints to sustain the environment, conserve natural resources through the use of renewable sources of energy and strives for the efficient use of water. For instance in all its businesses like micro-irrigation, renewable energy, food processing, poly-vinyl chloride (PVC) pipes, products are designed in an ecological manner which reduce greenhouse gas emissions. The company operates 25 per cent of its manufacturing units of food processing and energy parks through renewable sources of energy. The drip irrigation systems developed by JISL deliver water, fertilisers and other

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nutrients to the very roots of crops. This system enables the farmer to cut down on water utilisation, fertilisers and electricity by almost fifty percent as compared to the traditional flood-based irrigation system. Drip irrigation leads to improved oxygenation of the soil, allowing the land to stay fertile for a longer period. Table 2 below highlights JISL's products and their impact on the environment since the inception of their business.

### Table 2
**Products and Environmental Impact**

<table>
<thead>
<tr>
<th>Product</th>
<th>Environmental Impact Since the Inception of the Business</th>
<th>Total Saving Per Annum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drip and sprinkler</td>
<td>Water saved – 42.39 BCM Energy saved – 5933 GWh</td>
<td>30% Rs 1130 million</td>
</tr>
<tr>
<td>PIPE (PE and PVC)</td>
<td>Water saved – 1.15 BCM Energy saved – 1020 GWh</td>
<td>15% to 20% Rs 4480 million</td>
</tr>
<tr>
<td>Renewable energy (solar and biogas products)</td>
<td>Energy saved – 834 GWh</td>
<td>1200 kwh/household Rs 1649 million</td>
</tr>
</tbody>
</table>

*BCM - Billion Cubic Meters, GWh—Giga Watt Hour

#### 4.3b Carbon Footprint

Carbon footprint is a measure of the impact of human activities on the environment, measured in tons of carbon dioxide equivalents. Renewable energy generation including biogas production contributes to the organisation's low carbon footprint rating. The company is cognizant of its corporate responsibility towards the environment and spends about 65 per cent of its turnover on conserving the elements of nature. In addition to these initiatives, JISL has completed five clean development mechanism (CDM) projects thus, reducing carbon dioxide (CO2) emissions by 61,528 tonnes/annum. Additionally, two renewable energy certificate (REC) projects consisting of a 1.6 MW biogas power plant and an 8.5 solar photovoltaic (PV) power plant has been completed (Sustainability Report 2013, pp.24). In order to be a carbon positive organisation, JISL has undertaken various internal and external programmes. Refer Table 3

### Table 3
**Carbon Footprint Reduction Activities**

<table>
<thead>
<tr>
<th>Internal Programmes</th>
<th>External Programmes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plantation of three lakh trees has resulted in the reduction of 0.53 tonne carbon per year</td>
<td>Environment conservation through utilisation of electric vehicles</td>
</tr>
<tr>
<td>Installation of solar water heaters of 1,000 litres has impacted in saving 1.5 tonnes carbon dioxide (CO2)</td>
<td>Water conservation through the use of drip irrigation and sprinkler systems</td>
</tr>
<tr>
<td>Vermicomposting from solid food waste processing plants was utilised for nourishing in-house crops to produce higher yield</td>
<td>Savings on electrical energy through utilisation of solar water heaters</td>
</tr>
</tbody>
</table>

Source: “Sustainability Report”, 2009; Dr. Santosh Deshmukh, personal communication, February 2015
4.3c Conservation of Water

JISL has undertaken a number of unique initiatives to conserve, reduce, recycle and harvest water, at its facilities in Jalgaon and the products manufactured by them are in sync with their vision. Sincere efforts are undertaken in all its manufacturing plants to recycle water using ultra-modern wastewater treatment processes. JISL has also used rainwater-harvesting to metamorphose barren lands into lush green spaces. The efforts taken to conserve water are described in Table 4.

<table>
<thead>
<tr>
<th>Activities</th>
<th>Impacts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduction of biological oxygen and chemical oxygen demand</td>
<td>Wastewater is safely disposed or used in gardens, horticultural and ornamental plantations</td>
</tr>
<tr>
<td>in effluents</td>
<td></td>
</tr>
<tr>
<td>Using drip and sprinkler irrigation systems on campus</td>
<td>These systems help to save significant amount of water</td>
</tr>
<tr>
<td>Construction of unique rainwater harvesting structure</td>
<td>The water conserved per annum is more than the water used for all internal operations</td>
</tr>
<tr>
<td>Polyvinyl chloride (PVC) and polyethylene (PE) pipes are</td>
<td>These products help the customers by preventing significant leakage and wastage of water as compared to conventional water transport mechanisms like channels and furrows</td>
</tr>
<tr>
<td>part of the product portfolio</td>
<td></td>
</tr>
</tbody>
</table>


4.4 Community CSR

JISL has invested considerably in the well-being of local communities. Community development at JISL comprises of various initiatives in the areas of education, sports, healthcare, empowerment, vocational training and employment. The company has setup institutes to empower the socially and economically deprived. Most of the community development activities are carried out through the Bhavarlal and Kantabai Jain Multipurpose Foundation which are further detailed below.

4.4a Education

JISL has set up Gorai Krishi Tantra Niketan, an agriculture polytechnic which provides formal education in the field of agriculture. Since around sixty five per cent of the neighbouring population is directly involved in farming, this institute provides students with know-how on the latest technologies in agriculture through theoretical and hands-on activities. Students are encouraged to implement these emerging practices in their farms for better yield with lesser effort. Students belonging from economically deprived classes are given financial assistance to complete their agri-education. The institute also has an open library for students from the
villages who aspire to appear for competitive exams. Regular forums hosting lectures/discussions from eminent personalities are arranged in the institute to inspire, motivate and coach students in various fields. (See photograph)

Interns with the Principal: Gorai Krishi Tantra Niketan's

4.4b Special School

Through Bhavarlal and Kantabai Multipurpose Foundation, the company also caters to mentally challenged children. JISL has set up Anubhuti-2 a special school for children belonging to the under-privileged families. Emphasis is laid on providing access to education to mentally challenged girls. (See photograph)

Interns with Anubhuti School's Teachers and Israel Kibbutz's Managers

4.4c Sports

Jain Sports Academy has been setup to develop and nurture quality sportsmen from Jalgaon city and the surrounding regions. Refer Table 5

Table 5

<table>
<thead>
<tr>
<th>Event</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Camps</td>
<td>Children are trained in various sports during their vacation period</td>
</tr>
<tr>
<td></td>
<td>at minimal fees. The trainer's salary, infrastructure and sports equipment are provided by JISL</td>
</tr>
<tr>
<td>Player sponsorship</td>
<td>Assistance provided through provision of financial support for athletes to participate in state/national/international tournaments</td>
</tr>
<tr>
<td>Permanent jobs</td>
<td>Accomplished sportsperson/athletes are given jobs in JISL</td>
</tr>
<tr>
<td>Tournaments</td>
<td>JISL conducts games and tournaments in and around the town in partnership with the District Sports Associations</td>
</tr>
</tbody>
</table>

Source: Dr. Santosh Deshmukh, personal communication, February 2015

The academy works with athletes from seventeen different sports. Well-known sports like cricket, football to the lesser-known sports like taekwondo, langdi, and so on are all taken up by the academy. Along with coaching and training facilities, financial aid and employment opportunities are also extended to the athletes. The academy ensures that the athletes get proper guidance, support and exposure. The academy has churned out star players in taekwondo, chess, carom, drone cycling and paralympics swimming who have competed in international tournaments representing India. (See photograph)

Interns with Dr. Santosh Deshmukh at the Cricket Academy

4.4d Healthcare

In the absence of healthcare facilities in a radius of about 10 kms around the village, JISL in collaboration with Bhavarlal and Kantabai Multipurpose Foundation has constructed a Primary Health Centre (PHC) equipped with an operating theatre and medical stores. Doctors are available 24x7 and basic surgical procedures like tubectomy are successfully conducted at the centre. PHC also organises various camps and periodic prophylactic treatments within the village. (See photograph)
Table 5
Promotion of Sports

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</tr>
<tr>
<td>Player sponsorship</td>
<td>Assistance is provided through provision of financial support for registration, travel, stay and other associated expenses for athletes to participate in state/national/international tournaments</td>
</tr>
<tr>
<td>Permanent jobs for the players</td>
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4.5  Gandhi Research Foundation

To promote the Gandhian teachings and values of JISL, the Gandhi Research Foundation (GRF) has been set up by Kantabai and Bhavarlal Jain Multipurpose Foundation. GRF is involved in various developmental activities that include promoting education, spreading the Gandhian thoughts, maintaining archives, and empowering women through self-help groups. Refer Table 6. (See photograph below the table)

<table>
<thead>
<tr>
<th>GRF Activities Overview</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gandhi Research Foundation</strong></td>
</tr>
<tr>
<td><strong>Education</strong></td>
</tr>
<tr>
<td>1. Library</td>
</tr>
<tr>
<td>2. Gandhi International Research Institute</td>
</tr>
<tr>
<td>3. Mulyavardhan</td>
</tr>
<tr>
<td><strong>Rural Development</strong></td>
</tr>
<tr>
<td>1. Padd yatra</td>
</tr>
<tr>
<td>2. Mohala Sabha</td>
</tr>
<tr>
<td>3. Street plays</td>
</tr>
<tr>
<td>4. Cleanliness drive</td>
</tr>
<tr>
<td>5. Tree plantation</td>
</tr>
<tr>
<td><strong>Diffusion of Gandhian Thoughts</strong></td>
</tr>
<tr>
<td>1. Museum</td>
</tr>
<tr>
<td>2. Gandhi Vichar Pariksha</td>
</tr>
<tr>
<td><strong>Archives</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Micro-Finance</strong></td>
</tr>
</tbody>
</table>

(Dr. Santosh K. Deshmukh, Personal Communication, February 2015).
V. Analysis

It is interesting to note that other agri companies like Cargill India Pvt. Ltd., Excel Crop Care Limited and Rallis India Limited also champion the importance of integrating social practices with its business models. The business practices of these companies confirm the need to actively involve the farming community along with conserving natural resources for sustaining business.

Through the formal and informal interactions of the interns with JISL staff members and through the review of secondary literature, it is evident that Dr. Jain had developed a sustainable business model much ahead of its competitors. His long range vision coupled with years of dedication has resulted in the development of a robust agri-business built on the pillars of trust, innovation and total integration.

An introspection of the JISL model reveals that the company has also been designing innovative products and pricing strategies to increase agricultural productivity and profits by retaining farmers' interest in agriculture. For instance the Research and Development (R&D) department has developed high yielding, disease resistant white onion seeds which have 100 per cent
germination rate even under unfavourable conditions. Similarly, the introduction of tissue-cultured saplings to produce better quality fruits like bananas and pomegranates has facilitated an increase in yield up to eight times. Additionally, there is a negligible use of pesticides and savings in water consumption by 50 per cent as compared with open field flood irrigation. The reduction in pricing of bananas and pomegranate saplings from Rs 24 to Rs 12 per sapling has given impetus to retain farmers' interest in the farming business (Annual report 2014, p. xiii). By engaging more than 10,000 marginal farmers in contract farming, the company has created shared value by providing sustained income to the farmers and receiving assured supply of one lakh tons of white onions. (IFC, 2014).

The sustainability of its business model can be attributed to the fact that JISL ensures that key stakeholders are benefitted in the process of doing business. The investment towards each stakeholder ensures value creation for both the company as well as the stakeholder. The company diligently maintains a cost effective supply chain through nurturing trust and mutual benefits. The company has thus moved from the general buying orientation to a more supply chain oriented relationship with farmers.

Thinking ahead of time, JISL is now researching an integrated farming principle, by which all natural resource constraints like food, water, land and energy will be made available in every farm to help farmers achieve better yields with lesser resources. To showcase the viability of this project, JISL has cultivated a small prototype (growing cauliflower) at their Takarkheda facility of around 200 sq. ft., using the latest agronomic techniques (land and food security), solar energy run pumps (energy security) and drip irrigation systems (water security) (Dr. Santosh K. Deshmukh, Chief Coordinator, Personal Communication, February 2015). The investments made in R & D will go a long way in developing corporate sustainability.
VI. Conclusion and Recommendations

During interaction with Mr. Ashok Jain, Vice Chairman, JISL, he mentioned that “Even though the company has received more than 250 national and state awards, but the best award for us is the farmer’s smile.” Despite being a billion dollar multinational, JISL has not lost its local rustic touch. Through its community development and welfare programmes, the company has efficiently positioned itself as a farmer's company instead of a mere agri-business firm, thereby gaining invaluable and irrevocable trust of the farmers. Based on the literature review of agri-companies it is recommended that JISL should develop a toll-free helpline for the farmers where all the information/assistance required by them is made available. As of now only Excel Crop Care Limited has adopted this practice. This toll-free helpline will enable farmers to have immediate access to farm related information in addition to the support from gram sevaks who handhold them to make agriculture a profitable venture.

In the context of the introduction of Section 135 in the Company’s Act 2013, it is recommended that a CSR committee be formed to take care of the legal adherence of community development interventions. This will facilitate transparency of fund allocation in systematic planning, execution, as well as monitoring community development activities.

Currently, the company's social well-being activities are majorly concentrated in and around Jalgaon city. This work should be scaled up through the supplier and dealers across the country to create more societal as well as shareholder value.

References


Dr. Santosh K. Deshmukh, Chief Coordinator, personal communication, February 2015


International Finance Corporation case study. (May, 2014). *Inclusive business case study: Jain*
Benchmarking Sustainability Practices¹

I. Introduction

In a globalised world the quality of life is enhanced through knowledge-sharing, trade and new technologies. However these prospects of abundance are available only at the cost of threat to the environment. Hence the key to a stable and sound environment is through sustainable development. According to the Brundtland Report (1987), "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs". The opening of the market economy has created an ecological imbalance and global economy is under growing pressure to restore the same. If sustainable development is to achieve its potential, it must be integrated into the planning and measurement systems of business enterprises. Therefore in the context of business, sustainable development means adopting business strategies and activities that meet the needs of the enterprise and its stakeholders today while protecting, sustaining and enhancing the human and natural resources that will be needed in the future ("Business strategies for sustainable development", 1992).

Sustainable development principles are compelling organisations to use new knowledge available in various fields of development and technology (Global Reporting Initiative, 2011). If organisations have to maximise their potential through sustainable development, they need to integrate this philosophy.

¹Mr. Sohil Singh MBA Batch 2014-2016. The student was placed as intern with Mahindra and Mahindra Limited, Mumbai for We Care: Civic Engagement; internship between February 2-21, 2015

Abstract: This article details the sustainability practices adopted by companies across various sectors on the basis of Global Reporting Initiative (GRI) sustainability indicators. The business practices and policies of the company are categorised into seven categories, i.e. leadership & strategy, eco efficiency, community development, product responsibility, green supply chain, employee wellbeing and materiality & stakeholder engagement. The paper is an outcome of Mahindra & Mahindra Limited’s attempt to benchmark their own sustainability performance. This paper is based on Mr. Sohil Singh’s ‘We Care: Civic Engagement’ internship with Mahindra and Mahindra Limited in February, 2015.
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into all aspects of the business (Brundtland Report, 1987). Business models which integrate social and environmental aspects over a period of time develop competitive advantages and hence have a long term sustainability. To enable businesses to develop an integrated business model which covers social and ecological risks, United Nations (UN) has developed guidelines and indicators to measure the sustainability performance. Refer Table 1

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership and Strategy</td>
<td>Measures the vision and strategy to achieve short, medium and long term impacts with regards to economic, social and environment</td>
</tr>
<tr>
<td>Eco Efficiency/Environmental Responsibility</td>
<td>Organisation’s impact on living and non-living natural systems, including land, air, water and ecosystems is measured. This includes inputs such as energy consumption and outputs such as emissions and waste, along with the environmental compliance and expenditures</td>
</tr>
<tr>
<td>Community Development/Social Responsibility</td>
<td>Focuses attention on the interaction and mediation of the organisation with other social institutions</td>
</tr>
<tr>
<td>Green Supply Chain Management</td>
<td>The procurement practices, supplier environmental assessment and their evaluation of the human rights and labour practices adopted by the company are collated</td>
</tr>
<tr>
<td>Employee Care and Well Being</td>
<td>Measures employee care and well-being</td>
</tr>
<tr>
<td>Product Responsibility</td>
<td>Measures customer’s queries on health, safety, appropriate labelling and marketing strategy</td>
</tr>
<tr>
<td>Materiality and Stakeholder Engagement</td>
<td>Measures influence of internal and external material aspects of business on multiple stakeholders</td>
</tr>
</tbody>
</table>


Based on the UN framework each company devises its own form of measurement to measure its performance against each sustainability parameter.

II. Project Focus

In order to study 'Global Reporting Initiative' (GRI) sustainability parameters adopted by various companies and benchmark their own performance, Mahindra & Mahindra Limited assigned the task of conducting a sustainability benchmarking exercise to the NMIMS We Care interns. The interns had to assess companies in the following sectors; a) Information Technology (IT), b) Financial, c) Real Estate and d) Automotive sector.

In the above context secondary data from the following companies was studied: a) Wipro, b) Infosys, c) Amadeus, d) ING Group, e) Ernst & Young Global Limited (EY), f) Infrastructure
In order to review the various strategies and practices adopted by the companies, the interns used the company’s Annual and Sustainability Reports along with the GRI Sustainability Framework.

III. Major Findings

GRI is an international independent organisation which has developed a comprehensive sustainability framework that provides metrics and methods for measuring and reporting sustainability-related impacts and performances of a company (Global Reporting Initiative, n.d.).

The current study reviews the policies and strategies of companies from various sectors which align with the GRI framework. The preceding paragraphs map mechanisms adopted by the companies to integrate the sustainability agenda.

3.1 Leadership and Strategy

Sustainability is proposed as a normative concept in which ethical belief systems converge to limit the moral “free space” of organisations (Gladwin et al., 1995). It goes beyond the traditional, differentiated view of corporate citizenship that treats social and environmental activities as add-on functions of the organisation (Hart, 1997). Sustainability requires total integration of social and environmental issues into the vision, values and operations of the organisation. In this context top management of companies have to redesign and restructure their organisations to minimise their negative impacts. Businesses are required to develop appropriate governance mechanisms and operations systems which are inherently sustainable and aim minimising harm. Table 2 describes the best practices adopted by companies in the study.
Wipro (IT)

Wipro has a well-defined and structured dashboard of their five year goals for energy, greenhouse gas (GHG) reduction, water, waste, biodiversity, health & safety, diversity, green computing and education. The sustainability programme is reviewed quarterly at multiple levels by the board, executive council and the chairman. Its ecological sustainability programme (ecoeeye) and finance group have created a framework and policy that balances the need for accelerated implementation of sustainability programmes (Wipro Ltd., 2014)

Amadeus (IT)

Amadeus is committed to developing a socially responsible and sustainable business. The company in partnership with United Nations Children's Fund (UNICEF) has developed a micro-donation engine in its e-commerce sites as an IT solution to solicit donations from potential donors using a centralised system. They continue to exhibit strong commitment to product innovation and technological excellence (Amadeus IT Holding S.A, April 2015)

ING Group (Financial Services)

ING's sustainability strategy is enabling people and businesses to make informed financial decisions, along with integrating environmental and social criteria into their business policies. Two dedicated teams based at the ING bank and NN groups in Netherlands lead and coordinate the sustainability activities.

ING has developed a framework for providing innovative products and services that enable customers to make sustainable financial decisions and improve the socio-economic health and strengths of individuals, micro, small & medium enterprises (SMEs), corporates, institutions and the communities in which the company operates (ING Bank N.V., 2014)

Ernst and Young (EY) (Financial Services)

EY focuses on supporting entrepreneurship, developing the future diverse workforce and championing the role of women in business.

As part of Vision 2020, EY is improving every aspect of its organisation in terms of its recruitment process, knowledge management and nurturing high performing teams to deliver exceptional service to their clients (EMEIA Financial Services Sustainability Report, 2013)
## Table 2

<table>
<thead>
<tr>
<th>Company - Sector</th>
<th>Best Practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Godrej Properties</td>
<td>Godrej’s strategy to achieve sustainability goals includes a range of efforts from energy efficiency and water conservation at its manufacturing sites, to promote Indian Green Building Council/Leadership in Energy and Environmental Design (IGBC/LEED). As part of the Vision 2020, they are committed to creating a more employable workforce, building a greener India, and innovating for good and green products (Godrej Properties Limited, 2014 and Good and Green CSR Policy, 2014)</td>
</tr>
<tr>
<td>(Real Estate)</td>
<td></td>
</tr>
<tr>
<td>GPT Group</td>
<td>GPT’s governance framework is designed to focus on health and safety of their staff, contractors, building occupants &amp; visitors and the environment, it impacts legal &amp; regulatory requirements in relation to environmental matters and community based programmes. There is a board to manage GPT’s key areas of sustainability risk and opportunity (GPT, 2014)</td>
</tr>
<tr>
<td>(Real Estate)</td>
<td></td>
</tr>
<tr>
<td>Maruti Suzuki</td>
<td>Maruti Suzuki believes that good corporate governance is essential for building trust between stakeholders, management and the Board of Directors. Robust governance practices have been implemented at all levels of the organisation. The company fosters a culture in which high standards of ethical behaviour, individual accountability and transparent disclosures are ingrained in all its business dealings shared by its Board of Directors, management and employees. The company has established systems and procedures to ensure that its board of directors is well-informed and well-equipped to fulfil its overall responsibilities to provide the management with the strategic direction needed to create long-term shareholder value (Maruti Suzuki India Limited, 2013)</td>
</tr>
<tr>
<td>(Automotive)</td>
<td></td>
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<tr>
<td>Tata Motors</td>
<td>At Tata Motors, corporate governance is of paramount importance and the Tata Code of Conduct (TCoC) echoes throughout the organisation and guides every employee to conduct himself/herself in an ethically acceptable manner. It monitors aspects including anti-bribery and corruption, equal opportunities, competitive markets, regulatory compliance and human rights. In order to regularly comply with policies of the organisation, all relevant stakeholders including employees are provided with periodic training and awareness on the code of conduct. Enterprise Risk Management (ERM) Framework identifies the risks related to strategies, operations, finances, governance and examines any weaknesses in the internal processes (Tata Motors Limited, 2014)</td>
</tr>
<tr>
<td>(Automotive)</td>
<td></td>
</tr>
</tbody>
</table>

Source: Annual and Sustainability Reports of 2013, 2014 and 2015
It can be inferred from Table 2 that the top management of corporates sets a vision that accounts for the forces which affect the company's future and ensures that the company stays on track to achieve its sustainable goals. They take strategic decisions to integrate sustainability principles in their business operations. The top management of the companies in the study have applied sustainability principles by a) setting direction, b) creating alignment, and c) maintaining commitment. The scrutiny of the 'Sustainability Reports' of the companies undertaken for the current research reveals that the leaders (top management) engaged in the sustainability change efforts demonstrate and recognise the interconnections between their business operations, the natural environment and the society. They have set up appropriate mechanisms to actively pursue strategies to respect and honour these connections. The company's top-level management establishes priorities, sets direction, allocates resources, approves projects and influences the corporate culture. For instance, Infosys's C-LIFE, Godrej's Vision 2020, Tata Code of Conduct, etc. have policies and strategies to ensure that the CSR values of the company are integrated through their standard operating procedures. The very nature of the way business is conducted has been changed, to include broader and more interdependent views of strategy & planning, stakeholder engagement, and employee involvement to attain sustainability goals for creating both shareholder and stakeholder value.

3.2 Eco Efficiency / Environmental Responsibility

Companies have a potential to create large scale environmental externalities which affect the human, animal and plant life. Hence corporations are required to offset such externalities by developing environmental efficiencies. Continuous research in this area has given rise to alternative thinking and has enabled organisations to design innovative ways of conserving and optimising the finite natural resources bequeathed to us. Table 3 below describes the best practices adopted by companies to enhance their eco efficiency/environmental responsibility.
### Table 3
**Eco Efficiency/Environmental Responsibility**

<table>
<thead>
<tr>
<th>Company- Sector</th>
<th>Best Practices</th>
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</thead>
<tbody>
<tr>
<td>Infosys (IT)</td>
<td>Infosys focusses on energy, water, emissions, and waste with due diligence. New technologies are pioneered while investing in measures to renew existing infrastructure to improve performance and enhance resource efficiency. For instance, wireless battery-less sensors are developed and used for building automation and lighting. The company has installed two megawatt (MW) solar photovoltaic (PV) panels in their campuses with plans to add another 200 MW of solar panels to meet their goal of sourcing 100 per cent electricity from renewable sources. Carbon reduction initiatives like energy efficient retrofits, onsite solar power and green power procured through the grid have been deployed to reduce carbon intensity. Most of the buildings have energy performing index below 100 kilowatt hour/square metre/year (kwh/sq.m/year). To reduce the heat island effect as well as air conditioning requirements, the building rooftops are painted in white and radiant panels have been installed. In the context of waste management, waste is segregated using colour coding at the source, stored and disposed to the authorised recyclers. The company has installed biogas plants as well as an organic waste converter for handling food waste. Paper waste is converted into recycled paper. Hazardous and e-waste is disposed to recyclers who possess the required clearances from the pollution control boards.</td>
</tr>
<tr>
<td>Wipro (IT)</td>
<td>Ecology is one of Wipro’s primary areas of engagement - Ecoeye is the programme that aims to bring in ecological sustainability perspectives in operations and other key functions of the organisation. Ecoeye focuses on (a) reducing the ecological footprint of its business operations, (b) engagement with employees, supply chain, partners and the wider community with the aim of creating a more sustainable society, and (c) transparent reporting/disclosures. Wipro deploys technically competent disposal agencies to process degradable and non-degradable waste segregated by the company. 'Computing E-waste take back programme' handles computing waste at Wipro. Canteen food waste is converted into biogas and used internally as fuel. Wipro has taken internal initiatives to save water through deployment of recycling, rainwater harvesting and the use of technology in water efficiency. The recycled water is primarily used for sanitation and landscaping. Zero discharge of any untreated water into municipal drains or common public areas is ensured in all Wipro owned campuses. Wipro engaged its employees and local citizen groups at Bangalore (Sarjapur) and Chennai to work with Karnataka State Water Network on the restoration of lakes in the city. Water conservation education to employees as well as to children through 'Earthian' programme has given substantial results in saving water.</td>
</tr>
</tbody>
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Business that Cares
<table>
<thead>
<tr>
<th>Company-Sector</th>
<th>Best Practices</th>
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<tbody>
<tr>
<td>Wipro has partnered with World Wildlife Fund (WWF) to promote biodiversity around its own campuses and WWF project sites</td>
<td></td>
</tr>
<tr>
<td>ING (Financial Services)</td>
<td>ING believes in developing energy efficiency through replacing or upgrading energy efficient technologies for usage of computers, motion sensors, lighting and so on. New ING buildings incorporate specific energy saving features in order to gain green certifications provided by Leadership in Energy and Environmental Design (LEED), Building Research Establishment Environmental Assessment Method (BREEAM) and Green Star. Investments in audio and video conferencing have reduced unnecessary costs of business travel and carbon emissions</td>
</tr>
<tr>
<td>Ernst and Young (EY) (Financial Services)</td>
<td>EY values building a healthy environment for its business. The company has a few initiatives to improve its impact on the environment worldwide through measuring their own carbon footprint by collecting and analysing data on energy consumption in their offices and business travel. The initiatives include setting goals for EY’s internal operations to promote environmentally sustainable business practices as well as establishing leading practices/guidelines around waste management and designing meetings in a more environmentally friendly manner. EY’s Climate Change and Sustainability Services practice helps clients and their communities move to a low-carbon way of operating and lowers their cost in the process. Employee volunteers are engaged as “environment champions” on every floor to educate their peers about best practices to reduce waste and energy use. EMEIA Financial Services conducts a yearly competition engaging the employees to come up with original and practical ideas to help EY reduce its environmental impact</td>
</tr>
<tr>
<td>GPT Group (Real Estate)</td>
<td>GPT integrates environmental sustainability into the management of its portfolio operations and development projects. It is committed to a ‘closed loop’ approach to use resources and minimise waste in landfill. Development of a biodiversity measurement tool and supplier requirements addressing biodiversity are underway to help make a positive contribution to biodiversity at GPT’s sites</td>
</tr>
<tr>
<td>Tata Housing (Real Estate)</td>
<td>Tata Housing integrates environmental sustainability into its business processes, leading to sustainable construction and reduction of environmental impact during the entire life cycle of the building. It has developed policies and management systems focusing on carbon abatement, natural resource conservation, water use efficiency in construction, waste reduction and energy efficiency. For instance measures for adopting energy efficient (Bureau of Energy Efficiency - BEE rated) light fixtures, solar lighting, drought resistant plant species, efficient method of irrigation of landscapes, rainwater harvesting, soil preservation, local material consumption, re-use of salvaged materials, wind turbine ventilators, lights-off policy at stipulated times, operatings air conditioners (ACs) at optimum temperature, usage of rail travel instead of air travel, car-pooling and video/audio-conferencing and so on are undertaken to reduce carbon footprint. The company uses couplers, fly ash, geo-polymer concrete, gypsum plaster and pervious concrete for carbon abatement and other parts of India have been undertaken. The company has also developed a WWF for conserving red panda, snow leopard and ger partner with Gujarat government to develop Thol bird sanctuary and other parts of India have been undertaken. The company has also developed a WWF for conserving red panda, snow leopard and ger</td>
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<tr>
<td>Company- Sector</td>
<td>Best Practices</td>
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</table>
| **Maruti Suzuki**
(Automotive) | times, operating air conditioners (ACs) at optimum temperature, usage of rail travel instead of air travel, car-pooling and video/audio-conferencing and so on are undertaken to reduce carbon footprint. The company uses couplers, fly ash, geo-polymer concrete, gypsum plaster and pervious concrete for carbon abatement purpose. It also tries to neutralise carbon footprint by planting trees and creating green zones in and around its business operations. The company has developed WWF for conserving red panda, snow leopard and tiger conservation. Wetland development and other projects in Arunachal Pradesh, Sikkim and other parts of India have been undertaken. The company has also developed a partnership with Gujarat government to develop Thol bird sanctuary. Maruti Suzuki strives to minimise the carbon footprint of its manufacturing facilities, products and supply chain operations. For instance, the company has installed a pumping system, air washers, boilers transformers, replaced standard blades of cooling tower fans with aerodynamic fibre reinforced plastic (FRP) blades, and conventional tube lights with light-emitting diode (LED) tube lights. Various process improvements like use of inlet steam injection system in gas turbines, voltage reduction in electro deposition process, resizing of motor & pump ratings in shops, voltage reduction in shops for lighting, reduction in start-up time of shops by sequential operation, modified compressed air system in power consumption, improvement in efficiency of air washers by replacing spray zone with celdec media, improvement in natural lighting systems and waste heat recovery from gas turbines by installing a steam turbine generator has given substantial results. All manufacturing facilities are cooled by air washers. The environment policy of the company promotes energy conservation, green procurement, environment friendly mobility & consciousness and reduce, reuse & recycle (3R’s) among its direct stakeholders. Maruti Suzuki became the first automobile company in India to register a Clean Development Mechanism (CDM) project with the United Nations Framework Convention on Climate Change (UNFCCC). In due course, the company will earn tradable carbon credits. The company sends all its hazardous waste to the cement industry for co-processing. All new vehicles are free of hazardous substances and comply with 'European End of Life' vehicle regulations. The company is working towards continuously improving the fuel efficiency of its cars. |
It can be inferred from Table 3 that in the context of environmental sustainability, companies have moved beyond compliance. Companies are now investing in energy efficiency driven actions, that over a period of time, reduce operational costs. The experiences from successful projects are shared across the company and are eventually adopted or adapted across multiple facilities. The 'Sustainability Reports' reveal mechanisms used by companies to map reduced input use (or reduced waste), cost, savings and return on investment. As investments in environmental sustainability improves the company’s profit, they attract attention and support of their top management. This support is critical to drive further investments in sustaining the projects and fund other innovations. Subsequently the top management makes attempts to cohesively integrate sustainability across the company and throughout its value chain by developing a sustainability strategy. By focussing on its value chain, the company becomes more engaged externally with its suppliers and customers. For instance, Maruti Suzuki, GPT Group, EY, etc. have adopted strategies to ensure eco-efficiency by using technology that reduces their carbon footprints. By expanding its portfolio of projects and strategies, the company identifies opportunities where external expertise is needed, in which case it turns to partnership or collaboration with external organisations, for example, automotive companies like BMW and Maruti Suzuki. To integrate sustainability across its business functions, the

<table>
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<tr>
<th>Company- Sector</th>
<th>Best Practices</th>
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</table>
| BMW (Automotive)| BMW adopts an approach to sustainability which includes minimising the impact of conducting business on the surrounding region; giving back to the community; sponsoring education; supporting arts and ensuring the company is energy efficient. For instance, BMW has installed combined heat and power systems. Every new plant is designed to be energy efficient. Environmental improvements that have been effective at one location are implemented at other locations wherever possible. The six competence centres (water, waste, energy, emissions, training and environmental management system) are staffed by environmental experts from different plants and by specialists from 'Corporate Environmental Protection'.

The company is continuously improving its vehicle production processes. For instance, in the paint shops, the company has included the integrated paint process as well as optimised efficiency of ventilation systems and closed energy cycles.

BMW complies with the five-step hierarchical model set down by the European Union (EU): prevention, reuse, recycle, recovery and disposal. The process of recording and reusing the waste they produce is managed worldwide by the company’s own BMW waste information system 'ABIS', in accordance with the law on life cycle management. |

Source: Annual and Sustainability Reports of 2013, 2014 and 2015
company may establish a committee or council comprising managers of its key business functions. This committee or council develops a corporate sustainability strategy, steers the company’s sustainability strategy and activities, and coordinates this work across the company. Over a period of time sustainability becomes everyone's responsibility and is incorporated into the mission and core values of the company. The above discussion indicates that improving the company's reputation/brand value and gaining an advantage over its competitors are important considerations in developing sustainability strategy. Improving the company's efficiency is a short-term focus, while looking at its product offerings into the future is a long-term focus. In advanced stages of corporate sustainability, companies partner with their local communities on a watershed or water supply project. Ultimately, some businesses undertake the mission of developing positive solutions to environmental issues facing the society. For instance, Wipro has made contribution to Karnataka State Water Network. Similarly, Tata Housing has partnered with various states to develop biodiversity and sanctuaries.

3.3 Social Responsibility Towards Communities

This indicator focuses attention on the interaction and mediation of the organisation with other social institutions. This parameter measures the organisation’s approach to community care with the same zeal and efficiency as it approaches its business. The companies make strategic long-term investments, which yield life-long positive change to the country. The organisations chart aggressive goals and doggedly chase them to accomplishment. Table 4 below describes the best practices adopted by companies to enhance their social responsibility.

<table>
<thead>
<tr>
<th>Company - Sector</th>
<th>Best Practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infosys (IT)</td>
<td>Infosys Foundation works with the rural community and underprivileged section of the society in the areas of promoting education, improving health, assisting rural development, supporting arts and hunger alleviation.</td>
</tr>
</tbody>
</table>

Infosys ‘SPARK IT’ initiative enhances the pool of highly capable individuals in the Information Technology (IT) sector. To initiate interest in IT sector ‘rural reach programme’ is organised to create awareness about computers and power of IT among rural school children. ‘Catch Them Young’ summer camps are organised for eighth grade meritorious students to train them in use of IT. Capacities of government school teachers are built through ‘SPARK Guru’ to augment their knowledge and teaching skills.

Employees are encouraged to volunteer for social causes in the areas of education, health, disaster relief and other related areas.
<table>
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<tr>
<th>Company - Sector</th>
<th>Best Practices</th>
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</thead>
<tbody>
<tr>
<td>Wipro (IT)</td>
<td>Wipro is engaged in community development through 'Wipro Cares Trust' which supports the developmental needs of communities in Wipro's proximate location. Its areas of focus are education, health and environment. The trust is funded by employee monetary contributions matched equally by Wipro. To improve the quality of education, 'Wipro Applying Thought in Schools' (WATIS) has been designed to further the goal of systemic reform in school education. The programme’s vision of good education derives from ideas such as learning with understanding, integrated or holistic learning and cultivating an ethos of democracy, justice &amp; equality. To increase the employability of graduate engineers tenfold through its appropriate learning approach, 'Mission 10X' was designed. Through this faculty development programmes are conducted by Wipro for senior engineering college faculty members in India. To drive sustainability thinking and action through the learning process 'Wipro Earthian' initiative was designed to integrate sustainability education into school and college curriculums. Students are inspired to find solutions to several sustainability issues like climate change, water scarcity, loss of biodiversity and so on.</td>
</tr>
<tr>
<td>Amadeus (IT)</td>
<td>Amadeus knowledge and skills transfer programme addresses the needs of young adults and economically backward members of the community seeking literacy in new technologies to enhance their employment opportunities. Amadeus Spain along with the Spanish organisation Fundación Cibervoluntarios, designed workshops in which Amadeus staff volunteers taught basic 'Information And Communication Technology' skills to economically backward women. Amadeus Philippines-Concordia Dual Training System (DTS) Programme is involved in educating underprivileged and indigent youth to access college education.</td>
</tr>
<tr>
<td>ING (Financial Services)</td>
<td>ING supports UNICEF with a consistent flow of funds and employee engagement to enable them to implement their projects in several countries to enable children to have access to education. Regular workshops are organised to financially empower and develop entrepreneurship among economically constrained communities.</td>
</tr>
<tr>
<td>Ernst and Young (EY)</td>
<td>EY promotes entrepreneurship by engaging employees to support beneficiaries in its various entrepreneurship development programmes like EY Entrepreneur programme, EY Vantage programme, Endeavor, Kiva, Power of Youth, Omidyar and the Network for Teaching Entrepreneurship (NFTE). To empowering women economically, EY has developed Development Advisory Services (DAS), a dedicated</td>
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<tr>
<td>Company - Sector</td>
<td>Best Practices</td>
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<tr>
<td><strong>Godrej Properties (Real Estate)</strong></td>
<td>CSR initiatives of Godrej Properties include the Smile Train - Godrej Memorial Hospital (GMH) Programme to help children from poor families; ‘Table for Two’, which is targeted at addressing hunger and malnutrition in the developing world; and mobile crèches for children of construction workers. Godrejites run the Standard Chartered Mumbai Marathon annually to raise funds in support of ‘Teach for India’, a leading Indian NGO dedicated to eradicating educational inequity in India. The organisation works in collaboration with the government, NGOs and social enterprises to design and run a number of employability training programmes. The Godrej-Darling team partnered with Nike foundation and International Rescue Committee to help young women explore better employment opportunities in Kenya</td>
</tr>
<tr>
<td><strong>Tata Housing (Real Estate)</strong></td>
<td>Through Tata Affirmative Action Programme (TAAP), the company caters to the employment, educational development, employability enhancement and entrepreneurship development of people from the scheduled caste and scheduled tribe community. The company has trained and developed youth entrepreneurs across India in various construction related trades around their project sites. The company develops community infrastructure through its SPARSH initiative. Through this initiative, it undertakes repairs, renovation, reconstruction, development of roads, community halls, play grounds and so on around the project sites</td>
</tr>
<tr>
<td><strong>BMW (Automotive)</strong></td>
<td>The BMW Group supports the Adam Institute for Democracy and Peace that teaches democratic values in Jewish and Arab schools aiming to support the education of adolescents. Along with promoting intercultural understanding, the company also contributes towards securing peace. It has initiated the Schools Environmental Education Development Project (SEED) to increase the awareness level of young people on environmental issues and promote social responsibility. For instance, children learn about hygiene and develop skills to grow vegetables. Each participating school is also responsible for executing an environmental project. To promote employability, BMW supports vocational schools outside Germany</td>
</tr>
</tbody>
</table>
Toyota Kirloskar Motors (TKM) invests and allocates resources for improving quality of life for the communities in which they live and work. It contributes through a socially responsible and sustainable approach that includes sharing knowledge and skills through the philosophy of giving back to the community. It focuses on overall development of the neighbouring villages and communities through development of education, health and hygiene, road safety, environment and skill enhancement. For instance, TKM has partnered with the Government in utilising available schemes such as Nirmal Bharath Abhiyana and National Rural Employment Guarantee Act (NREGA) schemes for the construction of community based sanitation facilities and household toilets.

To develop employability skills amongst the rural financially challenged Toyota Technical Training Institute (TTTI) was established to provide three years full time residential course on automobile manufacturing practices like automobile weld, automobile assembly, automobile paint and mechatronics (plant maintenance).

Construction of borewells along with storage tanks is undertaken to address the issue of water conservation.

Regular health camps are conducted at frequent intervals to minimise the risk of diseases and bring medical facilities to the doors of beneficiaries / communities to address the issues of water borne diseases due to contaminated water in the lakes.

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<tr>
<td>Toyota (Automotive)</td>
<td>Toyota Kirloskar Motors (TKM) invests and allocates resources for improving quality of life for the communities in which they live and work. It contributes through a socially responsible and sustainable approach that includes sharing knowledge and skills through the philosophy of giving back to the community. It focuses on overall development of the neighbouring villages and communities through development of education, health and hygiene, road safety, environment and skill enhancement. For instance, TKM has partnered with the Government in utilising available schemes such as Nirmal Bharath Abhiyana and National Rural Employment Guarantee Act (NREGA) schemes for the construction of community based sanitation facilities and household toilets. To develop employability skills amongst the rural financially challenged Toyota Technical Training Institute (TTTI) was established to provide three years full time residential course on automobile manufacturing practices like automobile weld, automobile assembly, automobile paint and mechatronics (plant maintenance). Construction of borewells along with storage tanks is undertaken to address the issue of water conservation. Regular health camps are conducted at frequent intervals to minimise the risk of diseases and bring medical facilities to the doors of beneficiaries / communities to address the issues of water borne diseases due to contaminated water in the lakes.</td>
</tr>
</tbody>
</table>

Source: Annual and Sustainability Reports of 2013, 2014 and 2015

It can be assumed from Table 4 that the social responsibility practices adopted by the companies has created a shift in the approach to CSR activities and has converted the same from 'Act to Action'. The CSR practices of companies are no longer confined to charitable donations in the monetary form but have become engagement practices where organisations are activity participating in addressing societal issues. Companies are initiating activities and programmes to enable community members to address their issues with greater capabilities by creating an informed population, through awareness campaigns and workshops.

In order to address the issue of sustainability, organisations have initiated educational programmes for the underprivileged in the localities they operate in. Companies support educational interventions both through financial and non-financial assistance, for instance Infosys’s SPARK programme, Wipro’s WATIS programme, Tata Housing’s SAMARTH, BMW’s SEED programme and so on.
Employability is crucial as the communities are working towards self-sustainability and hence companies have focused their activities in the areas of skill development, employability and entrepreneurship. Through various skill development programmes companies are building capabilities of the individuals and in turn creating an empowered society. Skill development has also become one of the major focus areas for organisations working to enhance employability, as well as to create avenues for self-employment for trained individuals. Some of the skill development initiatives include EY's Entrepreneurship Programme, Tata Housing’s TAAP, Toyota's Technical Training Institutes (TTTI), Wipro's Mission 10X Programme and so on.

3.4 Green Supply Chain Management

The procurement practices, supplier environmental assessment and evaluation of human rights and labour practices adopted by the company are collated in Table 5.

<table>
<thead>
<tr>
<th>Company - Sector</th>
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</thead>
<tbody>
<tr>
<td>Infosys (IT)</td>
<td>Infosys uses a four-stage integrated framework called VIVA i) Visioning – Drafting policies, guidelines and operating codes for the supply chain, ii) Inculcating - Focusing on process improvements, iii) Valuing - Creating awareness, providing training and competency building, and iv) Assessing - Assessing supplier performance along environmental, social and governance parameters.</td>
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<tr>
<td></td>
<td>It has designed a mandatory vertigo test for all workers and has 100 per cent 'Personnel Protective Equipment' (PPE) compliance at all sites including subcontractors and vendors. All efforts are taken to ensure that the sites are equipped with safe infrastructure along with emergency ambulances and provision of first-aid facility from a certified professional at all sites, throughout the duration of the work.</td>
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<tr>
<td></td>
<td>The living conditions of contract workers has been improved by providing quarters, 'Liquefied Petroleum Gas' (LPG) cylinders, adequate toilets, ceiling/wall fans, necessary washing area and potable water. School facility is provided for the children of construction workers at Mysore campus</td>
</tr>
<tr>
<td>Wipro (IT)</td>
<td>87 per cent of supplier base of Wipro is from India, accounting for 77 per cent procurement value. Pillars of supplier sustainability at Wipro are: i) Ethical: suppliers follow the same standard of ethics as the company, ii) Ecological: products of the suppliers must comply with all environmental standards and establish ecological sustainability of their own, and iii) Responsible: suppliers are supposed to adhere to principles of human rights, employee welfare, health and safety, minimum wages and maximum working hours</td>
</tr>
</tbody>
</table>
## Best Practices

<table>
<thead>
<tr>
<th>Company - Sector</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Amadeus (IT)</strong></td>
<td>All vendors comply with the SA8000 standard. 81 per cent of Amadeus vendors prioritise goods produced (and are also disposable) in an eco-friendly way and the policy favours suppliers that are committed to environmental issues.</td>
</tr>
<tr>
<td><strong>GPT Group (Real estate)</strong></td>
<td>GPT prefers to use local suppliers and has designed 'Supplier Code of Conduct' for addressing sustainability issues. Supplier self-assessment surveys are conducted and reviewed annually by the Asset Managers which include policies and procedures for managing non-compliance. It has supplier engagement for identifying and responding to concerns and supporting them to improve sustainability performance. In 2014, GPT's priority initiatives were to improve supplier engagement. Management included implementing supplier engagement and governance tools &amp; templates through communications and staff training. Organisation prequalification and evaluation criteria, supplier key performance indicators (KPIs) was included to assess performance.</td>
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<tr>
<td><strong>Maruti Suzuki (Automotive)</strong></td>
<td>Maruti Suzuki sources over 86 per cent parts from within 100 km radius of its facilities and reduces emissions due to material transportation. It encourages its tier-I suppliers to get ISO 14001 certification which is intended to create environmental awareness amongst them. Maruti Suzuki works with its dealers for improving the environmental performance of its service stations in the elaborate network of service stations across the country, to service a large volume of cars. Initiatives are undertaken to make service workshops environment friendly by automated oil management system, paint less dent repair system, automatic car washing system, dry wash system, and reduction in paper consumption in service operations.</td>
</tr>
<tr>
<td><strong>BMW (Automotive)</strong></td>
<td>Reducing resource consumption and achieving greater energy efficiency in production has been a major goal of the company. In this context BMW analyses and assesses its supply chains and derives measures that can be implemented in conjunction with their suppliers. They engage suppliers to identify and assess their risks and accordingly work out risk mitigation strategies. BMW joined the Supply Chain Programme of the Carbon Disclosure Project (CDP) in 2013. Participation in the CDP Supply Chain Programme ensures that suppliers can record their resource consumption on a generally accepted platform. The company benefits from greater transparency in their resource use, leading to potential business opportunities and cost savings.</td>
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<tr>
<td><strong>Tata Motors (Automotive)</strong></td>
<td>Tata Motors (TM) performs a range of activities in services and technology like the environment-friendly practice of light weighting. Reduction in the weight of the vehicle system, sub-systems and components are part of the organisation’s attempt at producing green, fuel-efficient vehicles. The vendor parks at Sanand and Pantnagar plants help to reduce logistic complexities while improving the supplier relationship and minimising climate change impacts related to transportation. Tata Motor’s manufacturing plants have sourced approximately 54.62 per cent of materials and services from vendors within their state of operations.</td>
</tr>
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Source: Annual and Sustainability Reports of 2013, 2014 and 2015
It can be inferred from Table 5 that companies have set targets in terms of their environmental friendly initiatives, strategies and products which impacts their triple bottom line. Companies recognise suppliers as an important external stakeholder who form the backbone of any company's operations. The complex nature of supply chains presents urgent sustainability challenges to companies and the suppliers they work with. In order to ensure sustainability, it is important for companies to ensure that their suppliers meet/exceed the global standards of sustainable business. To promote adherence, companies are supporting the suppliers through initiatives like sharing of financial risks, developing environment friendly practices, identifying risk mitigation strategies and so on. Companies have also rolled out policies that support business only with suppliers who follow sustainability guidelines in the areas of human rights, ethical dealings and environmental friendly practices. For instance Infosys' VIVA framework, Wipro's supplier sustainability pillars, BMW's Supply chain programmes explicitly guide suppliers to adhere to the sustainability agenda.

By supporting local businesses in the supply chain, an organisation can indirectly attract additional investment to the local economy. Reporting organisations can gain or retain their 'social license to operate' by demonstrating positive local economic impacts. Local sourcing can be a strategy to help ensure supply, support a stable local economy and can prove to be more efficient for remote settings. For instance Maruti Suzuki sources over 86 per cent parts from within 100 km radius of its facilities. The proportion of local spending can also be an important factor in contributing to the local economy and maintaining community relations.

3.5 Employee Care and Well Being

This parameter focuses on measuring the strategies and initiatives adopted by the companies to ensure that the well-being of employees (especially women staff members) with regard to their health, safety and security. Various policies and procedures adopted by the companies to cater to the well-being of its employees are listed in Table 6.
Infosys has developed employee friendly workplace culture that promotes diversity through programmes like 1) Infosys Gay, Lesbian and You (IGLU); 2) Infyability a forum that works towards creating a sensitive and inclusive workplace for differently-abled employees; 3) ‘Infosys Women’s Inclusivity Network’ (IWIN), an initiative which brings women from middle management positions to create self-support groups and to facilitate mentor/mentee relationships to understand leadership perspectives and 4) Samaritans Network, which engages a peer group of employee volunteers trained in barefoot counselling who listen, empathise, support and counsel fellow employees to cope with life’s challenges.

Infosys also assists women to stay connected while on sabbaticals, with technology, their own projects, counselling, technical and quality certifications that can be completed during the leave and make it easier for them to commence their work when they return.

The company prohibits harassment and discrimination of any kind both in its office as well as in its value chain. Equal opportunity and fair treatment are part of the employee ‘Code of Conduct’

Wipro’s employee policies and practices are shaped by the ‘Spirit of Wipro Values and Code of Business Conduct and Ethics’ (COBCE) and are aligned with the ‘National Voluntary Guidelines’. The company promotes gender & disability diversity and inclusion at workplace through Wipro’s gender diversity as well as disability framework

EY promotes 'International Work Placements', which allow employees to deliver holistic and integrated solutions by switching their place of work and enhance delivery of services to the clients. It promotes diversity and inclusion through its country-level internal networks, such as the 'Women's Network', 'The Black Network', 'The Sikh Network', 'Parents Network', 'Lesbian, Gay, Bisexual and Transgender (LGBT) Network' and 'Far East Network'

GPT promotes an inclusive workplace where employee differences like gender, age, ethnicity, culture, disability and lifestyle choices are valued. The 'Diversity' strategy remains committed to achieving 40 per cent female representation in senior leadership roles by 2015. It has 'Equal Employment Opportunity' policy which promotes zero-tolerance towards all forms of discrimination, harassment and bullying. A new e-learning platform was launched and compliance training on anti-bullying and prevention of sexual harassment was delivered to all employees. This training is included in all its induction programmes. The company has initiated 'Learning and Development' platform and 'Accelerate' programme to enhance employees’ knowledge base
Table 6 highlights that increasingly companies are moving from merely customer-centric approach to being employee-centric. There is a growing realisation that higher employee morale would lead to greater productivity and will eventually impact customer services. The
focus areas for employee well-being include 'Labour / Management Relations', 'Occupational Health and Safety', 'Training and Education', 'Diversity and Equal Opportunity' and 'Equal remuneration for women and men'. Organisations are becoming proactive towards employee needs and are devising employee friendly policies. Diversity is an area where most of the organisations are taking giant leaps in ensuring proper representation from diverse groups such as women, differently abled, LGBT and so on. They are ensuring that there is no discrimination based on gender, sexual orientation or disability either in behavioural form or in monetary terms.

To ensure well-being of the employees, companies are focusing on tracking their growth and development. In order to enhance their skills, classroom and 'after sabbatical' trainings are conducted; career counselling within the organisation and career growth options for employees are offered which not only build their skills but also equip them with the latest trends and developments in the ever dynamic industries.

The increasing competition for talent in the market has pushed companies to recognise the benefits of retention and loyalty among the workforce. Hence transparent feedback and performance evaluation mechanisms, development of entrepreneurial skills among the employees to give them ownership roles within the company, higher pay packages and also better leave policies are implemented in the companies.

The organisations have recognised the importance of having healthy employees with a balanced work-life routine. To ensure greater productivity at work, companies are offering medical check-ups, insurance policies as well as flexible work hours. All these initiatives have helped organisations to manage the employee well-being which has resulted in increased loyalty among the workforce and higher profits for the company.
3.6 Product Responsibility

This parameter measures the company's performance in terms of responsibility in manufacturing its products along with providing appropriate information to the customer through marketing and labelling. Table 7 delineates the policies and strategies adopted by different companies.

![Table 7](image)

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<thead>
<tr>
<th>Company - Sector</th>
<th>Best Practices</th>
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<tr>
<td>ING Group (Finance)</td>
<td>ING enhances customer experience by adapting itself to the rapidly changing financial environment from a regulatory and technology perspective. The company strives to meet customer needs throughout their life cycle by offering fair value, being transparent and listening to specific requirements of their customers. The organisation explains the risks, returns and costs of their products and services. ING has partnered with a service provider to develop a model for reaching out to marginalised sections like small farmers, vendors, labourers, handicapped and others operating in unorganised sectors. Transactions are carried out using biometric authentication through a handheld wireless device. A local resident is appointed as a business correspondent for a village or cluster of villages who facilitates between the bank and the customers</td>
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<tr>
<td>Infrastructure Leasing &amp; Financial Services Limited (IL&amp;FS) (Finance)</td>
<td>The measures to ensure product responsibility at IL &amp; FS are: requirement to comply with all relevant national environment and social (E&amp;S) policies, laws, regulations and permits. The E&amp;S risk rating processes ensure engagement of project-affected persons in a structured and culturally appropriate manner. Social impact assessment and gender-sensitive approaches are adopted to identify potential project impacts based on which indigenous people’s plan is designed to ensure their inclusion and active participation in project benefits. The organisation ensures that during decommissioning/closure plans of project address, an analysis of impacts/risks at the stage of project cycle is carried out</td>
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<tr>
<td>Maruti Suzuki (Automotive)</td>
<td>At Maruti Suzuki, the focus on customer health and safety starts at the product conceptualisation and design stage. New technologies are introduced to enhance the safety of occupants and meet future safety regulations. Innovative structural design and use of advanced steel and polymers for enhanced vehicle safety during crash and low speed impacts have been incorporated in most vehicles. Emphasis is laid on customer education with regard to safety features of the vehicles. Maruti Suzuki vehicles (except Maruti 800, Gypsy and Omni) comply with European end of life vehicle (ELV) norms and are free from hazardous substances, such as lead, cadmium, hexavalent chromium and mercury, meaning these vehicles can be recycled in the most environment friendly manner after the end of their life cycle. The company has installed a 'Dealer Management System' across its sales and service network, to store &amp; control data centrally for maintaining privacy of customer data and an agreement with dealers, Maruti service zones and authorised service stations.</td>
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### Best Practices

<table>
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<tr>
<th>Company - Sector</th>
<th>Description</th>
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<tr>
<td><strong>Suzuki</strong>&lt;br&gt;(Automotive)</td>
<td>Suzuki has commenced work on a 'Traceability Management System' across the value chain. This system ensures that customers get information about suppliers who have supplied specific components of the automobile. The company organises periodic customer meets and service camps for facilitating appropriate product usage.</td>
</tr>
<tr>
<td><strong>Tata Motors</strong>&lt;br&gt;(Automotive)</td>
<td>Tata Motors ensure that their products are environmentally sound in a variety of ways. These include reducing hazardous materials in vehicle components, developing extended life lubricants, fluids and using ozone-friendly refrigerants. Tata Motors has been making conscious efforts in the implementation of several environmentally sensitive technologies in manufacturing processes. For instance, metal and plastic components are being tested to help them generate material cards for improved predictions through 'Computer Aided Engineering'. The company uses some of the world's most advanced equipment for emission check and control. For instance, in 'Indica NA' car and 'Xenon' pick-up truck the company has implemented new types of evaporators in the refrigerant circuit which has resulted in reducing the quantity of high global warming potential (GWP) refrigerant by 220 grams and 50 grams respectively. The company adheres to the 'Advertising Standards Council of India' (ASCI) code for marketing related communication. Tata Motors enhances customer engagement and relationship initiatives to provide the best quality and service standards through 'Customer Relationship Management' (CRM) framework with 'Dealer Management System' (DMS). It has developed multiple feedback systems at various customer touchpoints which are integrated across the lifecycle stages of customer interaction to provide consistent service levels.</td>
</tr>
<tr>
<td><strong>Toyota</strong>&lt;br&gt;(Automotive)</td>
<td>All vehicles produced at Toyota Kirloskar Motor (TKM) are of the highest safety standards with new generation technology. All TKM vehicles meet the prevailing safety regulation of the country. Through Toyota’s philosophy of ‘Kaizen’ combined with the principle of ‘Reduce, Reuse and Recycle’, the products go through many cycles of improvement until the desired standard are achieved. Periodic campaigns are organised for customer awareness on various aspects of the product and safety. Through 'Centralised Toyota Dealer Management System' (CTDMS) all the data pertaining to customers, vehicles, dealers and data parts is securely maintained in a centralised server. In line with Toyota’s global vision to reduce environmental impact, eco wash (waterless wash) has been introduced for cleaning vehicle exteriors.</td>
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Source: Annual and Sustainability Reports of 2013, 2014 and 2015
It can be inferred from Table 7 that, companies are keen to ensure that customers are aware of the manufacturing process and the features of their product. Increased awareness among customers pushes the companies to adopt eco-sustainable practices in the process of manufacturing and in the final product the customer receives. Informed customers prefer and choose to buy products that are environmental friendly. Catering to the needs of the new informed customer is crucial to sustain one's business in the world of competition.

Customers are more cautious about the safety of the product & themselves and hence new technologies are introduced to meet future safety regulations. Companies are complying with all relevant national environment & social policies, laws, regulations and permit requirements. Safety norms are adhered to through the entire production process and the lifecycle of the product.

Companies are also enhancing customer engagement and relationship initiatives to provide the best quality and service standards through 'Customer Relationship Management' (CRM) framework with Dealer Management System (DMS). Responsible practices adopted by the companies have led to better communication with the customers and better trust in the companies.

3.7 Materiality and Stakeholder Engagement
The Materiality Matrix is another means of prioritising material issues through stakeholder engagement. The matrix identifies material issues pertaining to the company on a three-point scale of high, medium and low importance to the company (Sustainability Reporting Guidelines, 2011). Refer Table 8.
The materiality assessment is an exercise in stakeholder engagement designed to gather insight on the relative importance of specific environmental, social and governance (ESG)
issues. The insight is most commonly used to inform sustainability reporting and communication strategies, but it also is valuable to strategic planning, operational management and capital investment decisions. The issues identified in a materiality assessment touch every aspect of a company’s business model. Analysing stakeholder agendas quantitatively enables a company to determine if an ESG issue is a risk to be mitigated or an opportunity to be pursued, and consequently it guides strategic planning (Sustainability Reporting Guidelines, 2015).

Materiality matrix informs reporting in three key areas; disclosure strategy, content design and stakeholder communications. The process inventories, assesses and quantitatively analyses stakeholder perspectives on a company’s ESG performance. Internally, it is an important tool for making the business case to senior management on why and how to report ESG and other non-financial data.

IV. Conclusion
The article provides an overview of the best sustainability practices prevalent and successfully being executed in the world. It can be inferred from the various methods adopted by these companies that sustainability practices go beyond fulfilling regulatory mandates and are major contributors in building the present and future value of the organisation. It is seen that the focus is on building and strengthening maintainable skills and environment through human and automated inputs in all sectors ranging from education to travel and greenhouse gas reduction to customer service enhancement. Companies are seen to be investing in innovative solutions to tackle age-old problems as well as combat hitherto unforeseen impediments to their businesses. Their success lies in realising potential hindrances beforehand by continuous monitoring, reporting, analysis and improvement. The impact of each business operation is measured against the parameters of resources & environment, finances, human capital, society and longevity. After careful consideration, the desired progress is achieved only through involvement of each stakeholder in the business strategy to take the company to the next level.

While the IT sector lays focus on economic performance, delivery of value to clients, innovation and efficiency, it also marks responsible supply-chain and people development as important strategic factors for improvement. In finance, the predominant role is that of managing risks and providing quality customer service at decreased costs to company with an environmental conscience. Apart from this, Finance also invests heavily in employee training and development. The real estate sector aims to create a more employable workforce, bring out
innovative product developments and build environmentally sustainable properties. Employee health and safety, stakeholder engagement and community development ranks high on the materiality index of real estate firms. In the automotive sector; product quality and safety, business growth and profitability, customer satisfaction and corporate governance feature at the top. A green supply chain is also imperative in this industry. Across all sectors, the common focus has been on people sensitisation and development by imparting education and training through various local and global programmes.

The Global Reporting Initiative’s G4 Sustainability Reporting Guidelines have enabled the participating organisations to concretise their goals and materiality parameters more vividly. It promotes the practice of self-assessment and review by companies to set up their sustainability goals and draw up a strategic roadmap to achieve those targets. Any visionary company must not only own up responsibility towards the human and natural resources that it utilizes to thrive in its business, but also create long-lasting value for all its stakeholders to be able to sustain and grow its business in an ever-changing global landscape.

Businesses today are operating in a world undergoing unprecedented environmental and social changes. Rampant population growth is fuelling ever-increasing demands for limited resources. Unpredictable extreme weather is affecting supplies of key commodities. Changing social conditions and expectations are driving both increased spending power and social unrest. Sustainability reporting is the means by which a business can understand both its exposure to the risks of these changes and its potential to profit from the new commercial opportunities. Sustainability reporting is the process by which a company can gather and analyse the data it needs to create long-term value and also be resilient to environmental and social change. Sustainability reporting is essential to convince investors that your business has a future beyond the next quarter or the next year. Hence, it is important to bring sustainability reporting to the heart of business strategy where it belongs.

References


Epilogue

India has attained the status of one of the fastest growing economies in the world and has officially become a $2 trillion economy in 2014-15. Its share of global GDP increased from about 1.5 per cent in 2000 to 2.6 per cent in 2014 (“Report of The High Level Committee”, 2015, p. 1). Corporate India has over the years, played an important role in the socio-economic development of the country. Development experience suggests that high growth is often accompanied with widening economic inequality. Though poverty in India has been reduced, one-third of its population lives on less than $1.25 a day. Despite economic progress the quality of life is still an area of concern. India ranks among the bottom 50 countries on the 'Human Development Index'. On social indicators such as health and education, India ranks lower than other emerging market economies. In this context, the importance of inclusive growth is now widely recognised as an essential part of India’s quest for development (“Report of the High Level Committee”, 2015, p. 1). As India moves from the phase of market reforms into that of sustainable development, the priority is on promoting inclusive growth. To reduce the social welfare gap, the New Companies Act 2013 incorporated one of the revolutionary provisions of mandating Corporate Social Responsibility (CSR) activities in India. The enforcement of the legal provision for CSR was from April 1, 2014. Companies are mandated to allocate two per cent of their profit for social development. The vision behind this move was based on the premise that the corporations must not only achieve their economic goal, but also adopt the principles of corporate social responsibility. It is expected that corporates will develop innovative approaches to facilitate inclusion and social equity.

Business that Cares is a collection of experiences gathered by our MBA students placed in CSR/Sustainability departments during their 'We Care: Civic Engagement' internship. The articles in the publication document the rationale, components of CSR strategies and consequential outputs and outcomes attained by corporations.

It can be concluded from the literature collated in this publication that Corporate India has recognised that to sustain economic growth there is a need to invest in education, livelihood support, skill development, infrastructure development, water, health and sanitation. Accordingly, companies like Tata Housing, ACC, Hindalco, NLC and others have taken efforts to address these issues in their immediate geographies.

It can also be inferred from the strategies adopted by corporations that while designing community development activities companies try to align the local needs with their own
growth and productivity potential. For instance, investment in education, skill development, health, infrastructure and so on, in the immediate community, helps in creating shared value. The process of creating shared value starts with a deep understanding of social problems through needs assessment and their connection to the business. The articles highlight that for shared value to be created there is a need to bring a paradigm shift in the mind-set of the community residents as well as corporate executives. For instance, CSR investments made in creating and conserving sanitation infrastructure or community assets like bus stops, schools and community centres call for incorporating behavioural change and community ownership. The process for creating this change will depend on how importantly both community residents and corporate executives value it. This calls for developing synergistic partnerships with local NGOs, community based organisations and local government bodies to facilitate behavioural change and preserve the community investment.

The formal and informal discussions with the interns revealed that in the course of their internship they realised that in the context of growing income inequities, communities have expressed that mere execution of the developmental activities without a result-oriented approach would not address the challenges faced by them. It is essential to initiate vocational training that will result in people gaining access to better employment opportunities. Hence alongside other community initiatives, companies should create avenues for community residents to gain access to skill development and employment opportunities.

From the above discussion it can be concluded that there is a clear indication that Section 135 is an opportunity as well as a challenge for Corporate India. Important areas of opportunity include direct participation of corporates in nation-building through partnership with government and civil society by using core business strength. The challenges include setting up/revamping CSR processes; developing trained CSR professionals; finding capable implementation partners to design feasible projects and facilitating behavioural change.

It was evident from the experiences gathered by the students placed with Mahindra & Mahindra Group and Jain Irrigation Systems Limited that businesses can mobilise their organisational, managerial, and innovative capacity to address social issues rather than merely providing philanthropic support. Meaningful scaled-up sustainable actions if linked to the context of business with a long-term beneficial convergence, can lead towards sustainability. Today, we see that strategic CSR is in vogue in so far as it is helping companies make profitable business out of societal needs. Having said this, companies engaged in ‘creating shared value’ will need to suitably quantify in ‘measurable’ rupee terms the social benefit accruing to the
community, in addition to generating commercial profit out of a societal need as a part of its business activity.

CSR as rightly stated evolves according to the expectations of its stakeholders. To sum up, a business can be most successful in its social responsibility activities when it is aligned on lines of its stakeholders' expectations. CSR/sustainability activities can give results only when corporations treat it as a separate management function, design appropriate systems and decision-making practices and leverage its strengths and resources for optimal benefit to both society and the company.
About the Jasani Center for Social Entrepreneurship and Sustainability Management

The Jasani Center for Social Entrepreneurship and Sustainability Management, NMIMS, has been established to execute social commitments of NMIMS University. The center addresses social concerns through its comprehensive academic, training, research, and field interventions. Its interventions include contributions to the professional development of executives working for the social sector, capacity building for the resource poor and social entrepreneurship development. The center supports a variety of curricular, extracurricular and career programs to provide MBA students as well as corporate executives with the tools and opportunities to engage effectively with the social sector. The center offers a uniquely architected MBA programme in Social Entrepreneurship which aims at developing a new generation of change makers/leaders who can create global social impact by combining passion of a social mission along with a business-like discipline, innovation, and determination.

As a catalyst and innovator, the center’s mission is to create a new generation of business leaders and social entrepreneurs who are knowledgeable about and are committed to create a sustainable society. The center’s objectives serve as a bridge between academia, the corporate world and the civil society organizations. The research, as well as the teaching strengths combined with the experiential learning approach and guiding principles of the center, connect sustainability focused knowledge and research to students, businesses and the civil society organizations. The center has increasingly been involved in research and providing consultancy in areas of management of social enterprises, CSR, micro-enterprise management, disaster management, impact assessment and conducting social audits.

Disclaimer: The views and opinions expressed in this publication are those of the authors