

# NATIONAL CSR CONCLAVE AND AWARDS 2019

Organized by **Gujarat CSR Authority** 

21-22 February 2019 AMA, Ahmedabad

# National CSR Conclave and Awards, 2019 'Aligning SDGs With CSR to Influence Change'

**Conclave Proceedings** 

February 21-22, 2019

Ahmedabad Management Association, Ahmedabad

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**Session Theme** 'Inaugural Session'

Day 1 (21 February, 2019) Session 1

**Time** 09.45 am – 10.30 am

Session Format Welcome Address, Perspectives, Special Address & Key

**Note Address** 

Welcome Address Shri Pankaj Kamliya, COO, GCSRA

**Perspectives** Dr. Priti Adani, Chairperson, Adani Foundation

Shri H. R. Dave, Dy. Managing Director, NABARD Shri Gyaneshwar K. Singh, IAS, Jt. Secy., MoCA

**Special Address** Mrs. D. Thara, IAS, CEO, GCSRA

**Keynote Address** Dr. J. N. Singh, Chief Secretary, Gujarat

## <u>Welcome Address</u> Shri Pankaj Kamliya, Chief Operating Officer (COO), Gujarat CSR Authority

Shri Kamliya welcomed the dignitaries on the dais and all the participants to the 3rd National CSR Conclave, 2019. He acknowledged the contribution of several partners in GCSRA's journey of creating awareness, facilitating CSR professionals to take up model projects and setting new benchmarks in the arena of CSR. He stated that with the 3rd edition of the Conclave, over 100 good CSR practices across Gujarat have been documented in a series of 3 Coffee Table Books and a rich knowledge depository has been established in the form of an interactive web portal. He invited all the special dignitaries and participants to contribute to the deliberations and hoped that the Conclave will be a thought provoking and productive event for all.



(in pic: Shri Pankaj Kamliya, COO, GCSRA inaugurating the  $3^{\rm rd}$  edition of National CSR Conclave)

#### <u>State and Industry Perspectives</u> Speaker 1: Dr. Priti Adani, Chairperson, Adani Foundation

Dr. Adani began by acknowledging the commendable role that GCSRA has played over the last couple of years and the remarkable progress it has made during this period. GCSRA has performed several roles with equal ease – of a guide for mid-sized businesses to direct their energy towards national development, an initiator in worthy experiments and a referee to adjudge the outstanding CSR practices. Dr. Adam noted that many cornerstone ideas that pivot good CSR in the country have reverberated from Ahmedabad and Gujarat. These ideas seek transformation, linkages with Sustainable Development Goals (SDGs), worthiness of experimentation, forging private public people partnerships (PPP), all with a purpose of

keeping CSR focused on the needs and aspirations of the most underserved populations. The SDG centric theme of the CSR Conclave 2019 was also commented upon to be very appropriate and topical. Gujarat has been a pioneer in diverse fields of development viz. institution of the Panchayati Raj, cooperative model of milk production, PPP in the port sector and many more. While these achievements need to be applauded, the challenges in appreciating issues of people at the fringes of the economy and society are varied and need to be understood and recognised. People who assess CSR projects for granting awards accord importance to replicability and scalability, which are necessary elements of CSR projects. However, recounting her experience in CSR, she remarked that the context of every problem is unique and unless that is understood and appreciated, it may keep the change agents busy in implementing activities without arriving at a solution. Elaborating on her point, Dr. Adani mentioned that her involvement in CSR activities at Mundra indicated that the context of



(in pic:Dr. Priti Adami, Chairperson, Adami Foundation during the inauguration of National CSR Conclave)

change for fisherfolk, farmers, cattle breeders and women is unique and different programmes are required for all these groups to do justice to the CSR goals. Adani Foundation has, in the last few years, initiated CSR activities in the states of Jharkhand, Chhattisgarh and Odisha. The needs and CSR priorities across these states are visibly different. This calls for use of different working styles. All the activities undertaken by Adani Foundation are also linked to addressing SDGs.

Over and above the need for setting different goals and using appropriate methodologies across ce several other challenges. There are eds and it is well beyond the capacity

of CSR resources to provide all the inputs. It is very important to identify targeted interventions that will work with greater efficacy in a given situation. Interventions could focus on effecting behaviour change, filling of gaps in the public service delivery system or on infrastructure. Each intervention will require a specific knowledge base and process flow to succeed and it is in the area of exploration and co-learning from experience that the contribution of GCSRA, as well as similar agencies, becomes very valuable.

Dr. Adani acknowledged the contribution of GCSRA in enriching the understanding of CSR implementation by studying and analysing several outstanding projects. GCSRA has not only focused on studying and honouring commendable CSR projects and initiatives; it has also implemented them. The speaker mentioned a few noteworthy projects - the project on diversification of agriculture in rural areas to enhance the income of farmers focused on refurbishing the defunct and dilapidated water harvesting structures, improving irrigation, introducing drip irrigation and improving the quality of seeds. Another project focused on

assisting children with disabilities. Moving beyond provision of therapy and education, it attempted to link them to the skill sector, resulting in high social return on investment (RoI). In busy urban hubs, projects like the Restroom Complex are an example of sustainable investment which can be replicated by public bodies such as panchayats and municipal corporations.

The speaker cautioned against engaging in run of the mill expenditure-driven CSR with minimum impact. Without the requisite innovativeness, flexibility, adoption of new technology and dovetailing of resources for a programme, CSR will run the risk of becoming just another decentralised budget, doing the same things on a beaten path. While recognising the importance of timely compliance with statutory obligations, Dr. Adani drew the attention of the audience to two significant aspects: 1) most businesses experience cycles of profitability, while CSR generally demands steady spending and 2) compulsion of time can worsen the tendency to somehow spend the obligated amount. She was of the opinion that the duration of three years stipulated under the rules is a reasonable time-frame for compliance.

Dr Adani commented that the purpose of CSR would be served to a great extent if well-defined and workable models of intervention are created in a specific ecosystem. Examples are available in different parts of the country. Interventions are being made in the areas of non-conventional schooling, provision of fortified meals in the mid-day meal programme (MDM) and access to club foot treatment. This will open new opportunities to address problems in a "surer and more pinpointed way". These models can be replicated on a larger scale by public authorities as they have the requisite resources. Foundations need to try to excel in their passion for the cause, show steadfastness in commitment and the courage to experiment, focusing on improving the lives of those groups who most need attention and support.

Dr. Adani concluded her speech with the hope that the deliberations at the Conclave would generate many new and vital ideas that will help in the attainment of SDGs and an improvement in the lives of people.

# State and Industry Perspectives Speaker 2: Shri H. R. Dave, Dy. Managing Director, National Bank for Agriculture and Rural Development (NABARD)

The speaker, at the outset, applauded the innovations of and initiatives taken by the state of Gujarat - GCSRA being one of them - that would create the thought process among other states to consider the possibilities of building synergies. On behalf of NABARD, Shri Dave thanked GCSRA for the opportunity of being a partner in the organisation of the Conclave.

Speaking about NABARD's goals, he mentioned that as a development bank for rural India, it seeks to ensure that access to financial services is available to all and access is not limited to merely opening a savings account, but also to creation of livelihood opportunities. Out of its profits, NABARD spends nearly 500 crores on various livelihood activities. For convergence, NABARD does not require the CSR money that corporates set aside for

themselves as that is a mandatory, statutory requirement for them; however, NABARD can definitely collaborate and partner with them. Emphasising on the benefits of collaborating with the corporates, he mentioned that not only do corporates bring a private sector flavour to the development process, they also help identify the gaps and areas for improvement in the NABARD assisted projects that it implements with civil society organisations (CSOs). This helps in fostering transparency in its processes. NABARD works with over 5,000 partners and has a due diligence process for selection of projects and partners. To build synergy and promote convergence, it invites corporate support in implementing activities that NABARD is not funding for a specific geographical area. Citing an example, he mentioned that in areas where NABARD's partners are working on watershed development, corporates could converge and provide health and literacy services to the same families. In Gujarat, NABARD spends about 30 crores annually on development projects and through CSO partners reaches to about one lakh families. 37 top corporates of India have signed a memorandum with NABARD on the principle of convergence – this is a win-win for all partners involved; by partnering, a corporate would get the benefit of receiving an appraised project and an implementing partner.

Highlighting the priorities of NABARD, specifically for Gujarat, Shri Dave remarked that there is a need to build models for climate change adaptation. Climate change is likely to have a devastating impact, particularly in rural areas and especially on agriculture. Before the monsoon in 2017, NABARD reached out to 1 lakh villages across the country through a water campaign focusing on water conservation and harvesting and enhancing water use efficiency. The results were tremendous, though not so much in Gujarat and Maharashtra as 'water' was already on the agenda of these two states. People in



(in pic: Shri. H.R. Dave, Deputy Managing Director, NABARD during the inauguration of National CSR Conclave)

other states prepared their own water resource maps and, in many places, the Mahatma Gandhi National Rural Employment Guarantee (MGNREG) programme is converging for revival of existing water bodies and construction of new water bodies.

Referring to the Prime Minister's comment, Shri Dave shared that the tribal families of Gujarat do not just want roads but 'good roads' to help them transport their produce to neighbouring areas without much damage to their vegetables and fruits. In Gujarat, philanthropy has been a part of society much before CSR Regulations came into effect. Interventions have to go beyond philanthropy and cater to the specific needs of people. They need to be carefully planned and structured to address current challenges viz. skill development and livelihoods. There is a need to have a long-term perspective. NABARD looks forward to several new partnerships to promote synergy and convergence.

# State and Industry Perspectives Speaker 3: Shri Gyaneshwar K. Singh, IAS, Jt. Secy., Ministry of Corporate Affairs (MoCA)

Shri Gyaneshwar Singh expressed his pleasure to be at the GCSRA Conclave that was expected to deliberate the road map of CSR and give its recommendations to the Government of India (GoI) for the next stage, where the government is trying to review the CSR philosophy, rules and paradigm. As a regulator, GoI has taken a step that is unique in the world. CSR is a part of the country's rule book which is not the case in other countries. Philanthropy is a well-established practice in the business community throughout the world; however, CSR in India is called 'Strategic CSR' i.e. the CSR spend is structured and a framework has been provided as a part of the Company's Act, 2013. The framework outlines which type of companies fall under its ambit, how much and how they need to invest their money in CSR. CSR Committee is a very important entity that has to formulate the CSR policy, allocate funds and monitor the spend. The recommendations of the Committee for CSR projects and activities are put up to the Board for approval. CSR has to be accepted as a part of the larger corporate governance framework, where the Board plays an important role of oversight and control, while the government plays a facilitative role through developing a framework for disclosure, accountability and corporate governance.



(in pic: Shri. Gyaneshwar K. Singh, Joint Secretary, Ministry of Corporate Affairs, GoI during inauguration of National CSR Conclave

The data available with the government on CSR during 2014-17 indicates that about 20,000 companies that are reporting on CSR have spent more than 40,000 crores on CSR activities, with 24%-27% of this spend coming from the public sector undertakings (PSUs). The relevance of CSR is especially pertinent in the context of the current debates on business and

its philosophy. While India is at one end of the spectrum with USA on the other, the EU falls somewhere in the middle. One extreme point of view is that maximisation of profits for shareholders is the most important for businesses. In India, the Company's Act refers to the duties and responsibilities of the Board and Director of a company. The Directors are responsible to the Board, the employees, the community and the environment. This scope of business has not been defined anywhere else in the world. In India, the change in the trends in business signifies a movement from shareholder to stakeholders. Other countries are attempting to study the Indian business models. Companies no longer consider CSR as an expenditure or a burden; it has become a part of the corporate value. India has moved away from the philosophy propounded by Milton Friedman where he said that "CSR of business is to make profit, which is its primary goal." India has moved away from this perspective – business is for a purpose, profit is a by-product, business has to be sustainable & inclusive and profits will follow. CSR spend is seen as a long-term sustainability and long-term value of a firm as opposed to short term profit.

In another initiative, the GoI has issued the National Voluntary Guidelines (NVGs) in 2011. Under its nine principles, different aspects of business philosophy have been discussed. In 2012, SEBI made it compulsory for the top 100 companies to report for market capitalisation; which was raised to 500 in 2015. One of the principles for reporting is linked to business and human rights. In July 2011, worldwide, there was a debate that business has to be accountable to human rights. United Nations Council of Human Rights (UNCHR) declared a set of Guiding Principles of Human Rights - the 'Protect, Respect and Remedy' Framework. If this framework is matched with the NVGs, India is already practicing these elements. Top 500 companies are already reporting on these lines for the past 3-4 years. The MoCA has revisited the NVGs and these will be issued as National Guidelines (NGs). The word 'voluntary' will be removed. With the changing business philosophy, reporting for large sized companies will no longer be voluntary. With the support of Securities and Exchange Board of India (SEBI), the procedures for the extent and type of reporting for different types of companies (big, medium and small) will be streamlined and a reporting framework will be developed. This is crucial for aligning with the globalised world where the business paradigm is changing and there are debates of developing a legally binding treaty on business and human rights.

India has its indigenous model where it works towards 'Responsible Business Conduct' which includes CSR, business and human rights and National Guiding Principles. In December 2018, the Confederation of Indian Industries (CII) has issued guidelines for businesses that require each company to announce a human rights policy. This involves developing a framework, due diligence, providing remedial measures etc. The MoCA has set up a high-level committee under the chairmanship of the Secretary, Corporate Affairs to revisit CSR Act, policy, rules and implementation mechanism to recommend changes. Stakeholder consultations will be held to inform this process.

An analysis of CSR spends over the last 4 years shows that the trends are skewed. Maharashtra, Gujarat and Andhra Pradesh have the maximum CSR projects. Education, health and rural development receive the maximum focus. It is important that a need assessment exercise is carried out before implementation. There is a need for a platform to match the demand and supply. The Ministry has introduced a CSR portal to leverage technology for social impact analysis. Watchdogs and activists can visit the projects in their district to see how they are being implemented.

Shri Singh shared that the MoCA also proposes to announce National CSR Awards where 20 companies will be selected in different categories to create a positive and encouraging environment for CSR. There is a need to develop the ecosystem for CSR, develop the capacities of implementing CSOs and leverage IT for the desired impact. The purpose of CSR has been to leverage the strengths of the private sector for development, use their managerial efficiency and capacity to innovate and develop partnerships with them. GCSRA is a unique platform that is working towards developing an ecosystem for CSR by bringing together the corporates, government and NGOs to address development priorities of the state. It is also contributing to the body of knowledge through publishing good practices and disseminating information. A National Foundation for CSR has been created at the national level on the lines of GCSRA.

The MoCA recognises that the private sector has an important role in working towards attaining SDGs that the government has committed to achieve. A High-level Committee has been formed to align CSR with the SDGs which provide a globally accepted framework and are easy to measure.

# Special Address: 'CSR Conclave 3<sup>rd</sup> Edition: The Journey so Far' Mrs. D. Thara, IAS, Chief Executive Officer, GCSRA

Mrs. Thara, the CEO of GCSRA, welcomed the dignitaries and all the participants to the Conclave. She shared that a pre-event workshop was held a day before the Conclave on the theme of 'smart and sustainable agriculture'. At this workshop, one of the participants commented that "worshipping and respecting the earth, sky, water and air is like worshipping God." He rightly highlighted that respecting these four elements would signify that one is moving on the path of sustainable development.

Speaking about GCSRA, Mrs. Thara shared that it was conceptualised in December 2014, and became operational in April 2015. GCSRA has a staff of 6 full time employees and a CEO who spends one fifth of a week in CSR activities. The team operates in a common meeting space and not through secluded chambers. It works in an enthusing environment. She applauded the efforts of her predecessors, Shri A.M. Tiwari and Shri M. Sahu who did some out-of-the-box thinking to conceptualise a platform such as GCSRA and thanked the government for giving it the space to grow and blossom. While it is a flexible organisation, that does not deter it from taking some hard decisions. It has maintained the integrity of saying 'no' to ideas that do not seem workable though they may seem impressive and also refusing big money as spending huge sums of money meaningfully is often a rather difficult task.

Speaking about the focus of GCSRA interventions, the speaker shared that at times, the team assesses how an existing good initiative can be implemented in other areas and how it can be improvised; at others, it helps in creating synergies and tapping resources, both financial and otherwise, for a scale-up of small projects. All the team members of GCSRA handle different verticals. They visit the field and meet people, develop projects and then put it up to the companies. GCSRA has taken a conscious decision to be in the background, not seek visibility or exercise 'agency' and work in partnership, recognising and giving full importance to the partner. It seeks to work in a partnership mode where the company is provided

guidance, receives reports and information on benefits of the project and gets the visibility. The partner company is expected to personally monitor progress.



(in pic: Smt. D. Thara, IAS, CEO, GCSRA speaking on GCSRA's Projects during inauguration of National CSR Conclave

Using visuals, Mrs. Thara shared some of the completed and ongoing projects of GCSRA:

- 1. Enhancement of livelihoods through augmentation of water and other resources.
- 2. Khoj museum set up in Ahmedabad seeks to develop a scientific temper among children with a historical perspective, where different exhibitions are organised for students from time to time.
- 3. As a part of an educational intervention, 9 to 10 schools in Tapi were provided with tablets. Children manage the use of the tablets and an implementing partner visits the schools to identify maintenance issues, the manner in which they are being used and issues in distribution of this resource among children.
- 4. To promote livelihoods, projects have been undertaken in partnership with NABARD and other partners to repair the dilapidated check dams, tending to 2,600 acres and impacting about a thousand farmers. Water accumulating in dolomite mines in Chota Udepur was augmented and it has helped reverse migration in the villages. There are several such mines, opening up the possibility of 3,000 hectares of land for irrigation. Women entrepreneurs have also been groomed in developing neem-based pesticides.
- 5. Urban Restroom complex inaugurated in Surat in January 2019 attracts 400 footfalls in a day. It has been designed for people who visit the city just for a day. This ambient facility was created with support of the Surat Municipal Corporation who provided the land. The complex has provisions for newspapers, TV, snacks counter and bathing and toilet facilities. This has helped people to meet their needs, improve sanitation and make

- available a facility at affordable rates. Similar projects have been taken up in Ankleshwar and Rajkot.
- 6. Vocational training is another vertical wherein girl trainees from slum areas are equipped with knowledge of the multiple varieties of cereals, lentils and other foodstuff and are provided the skill of preparing multiple cuisines. All the trainees have been placed at salaries ranging from Rs. 18-20,000. Skilling programmes have also been initiated for children with special needs.

Some of the new ideas that GCSRA wishes to explore are:

- 1. Developing 'Drone entrepreneurs' for drone-based pesticide spraying to reduce the negative effects of pesticides on humans who spray them on farms
- 2. Teaching judo to girls: It has been found that judo has a positive effect on their nutritional needs and consumption patterns.
- 3. Encourage saving of grains or other materials in kind by self-help groups (SHGs) to promote drought resilience

Mrs. Thara concluded by reiterating that GCSRA would like to work on several projects but not on very high resource intensive projects as "we don't want to fail big; we want to fail small and succeed big."

#### **Keynote Address**

#### Dr. J. N. Singh, Chief Secretary, Government of Gujarat (GoG)

Dr. J. N. Singh acknowledged the different perspectives on CSR provided by the previous speakers. He went on to elaborate the different functions of the government vis-a-vis CSR. Speaking about its regulatory function, he said that the government maintains law and order and collects taxes for performing its social responsibility towards people. He used the term Government Social Responsibility (GSR) to explain the government's role in promoting development in all aspects of health and nutrition, education and other sectors. He reiterated the government's invitation to the corporates to come forward for social responsibility not for doing philanthropic activities, but to seek their expertise in management, cost efficiency, product efficiency and productive implementation of rural development projects. Corporates can play an important role, through CSR, in achieving the SDGs.

Dr. Singh shared that the SDGs and the CSR Rules were formulated around the same time. With overlapping themes, it has the potential to create an intersected model for sustainable growth. In the years to come, coordinated efforts of government and corporates will help reap the much needed benefits for the marginalised populace. The speaker complimented GCSRA for having brought this alignment to the fore.



(in pic: Dr. J. N. Singh, Chief Secretary, Government of Gujarat (GoG) during his address at the inauguration ceremony of National CSR Conclave

Over the years, there has been a visible change in the way corporates look at CSR. The CSR committees and Board are passionate not only in allocating funds for CSR but also ensuring that these funds are properly utilised. Dr. Singh applauded the trend setting role that GCSRA has played in the CSR arena and hoped that it will be a source of inspiration for other states. Under the able leadership of its founders, GCSRA has: 1) evolved into a credible platform for involving and engaging with private players and PSUs in Gujarat who are facing difficulties in implementing CSR activities; b) created a provision for various CSR funds with contributions from eligible companies and PSUs to channelise them to address the sectoral priorities of the GoG; c) implemented innovative ideas such as the Urban Restroom Complex in Surat, and setting up of skilling centres and the use of dolomite mine waters for irrigation of 3,000 hectares in Chotaudepur resulting in doubling of farmers' incomes; d) played a significant role in dissemination of knowledge through organising Conclaves, awarding and documenting best practices of CSR through the Coffee Table Book and publishing the State of CSR in India Report. Dr. Singh hoped that the 2 days of the Conclave would provide an opportunity for exchange of perspectives, ideas, experiences and to network.

#### Release of the Annual State of CSR Report 2019

Dr. Singh, and other dignitaries on the dais, released the *India CSR Report 2019*. It has been written by two leading development practitioners, Mr. N Srinivasan and Mrs. Girija Srinivasan, with the support of M.S. University, Vadodara. The report chronicles the CSR journey since the advent of the CSR rules, attempts to capture the learnings and challenges, case studies of successful practices and directions for future. The report has been published by SAGE Publications.



**Session Theme** 'CSR and Sustainable Development Goals-

> Divergence for **Businesses:** Convergence or

Conundrum'

Day 1 (21 February 2019) Session 2

Time

India

11.00 am - 12.15 pm

**Session Format** Keynote Address, Presentation, Perspective Sharing &

Open House

**Keynote Address** Mrs. Nadia Rasheed, Dy. Country Director, UNDP

**Presentation** 

Shri Ashwini Saxena, COO, JSW Foundation Shri Pranav Pandya, Co-founder & Chairman, Dev IT **Perspective Sharing** 

Ltd.

Shri A. M. Tiwari, IAS, Addnl. Chief Secretary (Home),

GoG

Shri H. R. Dave, Dy. Managing Director, NABARD

#### **Keynote Address** Mrs. Nadia Rasheed, Deputy Country Director, UNDP India

Ms. Rasheed initiated her presentation by sharing a brief background of SDGs. The SDGs and the 2030 agenda for sustainable development were agreed upon by world leaders in the year 2015. The agenda was set not only by high level policy makers, but also by strong global grassroots efforts that collated people's responses on the kind of world they wanted to live in. The SD agenda has 17 goals framed around five main areas: 1) how do we better the lives of people through health and education by tackling inequalities; 2) how do we ensure that we

have a sustainable planet and that we tackle challenges like climate change; ensure that we have clean air, clean water and resources that our future generations need for leading healthy lives; 3) how do we grow opportunities, jobs livelihoods for people; 4) how do we ensure that people are able to live in a peaceful, harmonious society; 5) how do we work in a partnership and collaborative mode, with the government, private sector and the civil society. The agenda seeks to make sure that everyone is part of the development efforts and that there is a focus on reaching the most marginalised groups.



(in pic: Ms. Nadia Rasheed, Deputy Country Director, UNDP speaking on SDGs at the National CSR Conclave

India has played a spearheading role in shaping the SDGs; hence the synergy between them and its own national development efforts. It is also one of the first countries to volunteer for a national review of the goals, a commitment made both at the national and state levels. An ambitious agenda such as that set by SDGs requires additional resources for its implementation. The UN estimates that an additional 2.5 trillion dollars are needed each year to deliver on the commitment made. Many governments cannot achieve the goals on their own and hence the participation of the private sector is being sought to ensure the achievement of these goals. The private sector has a critical role to play in supporting the effective implementation of programmes, in introducing innovation, focusing on results and impact and in the scaling up of efforts.

The speaker drew the attention of the participants towards the theme of the session that focuses both on convergence and divergence. She shared that at times there are trade-offs where choices have to be made; for example, expansion of agriculture might mean that biodiversity is impacted. Governments make these decisions all the time. However, the SD agenda looks at how we can move forward on the social, environmental and economic agenda simultaneously. There is often an impression that the private sector focuses on short term financial gains and long-term value creation is a secondary priority. Yet, there are strong examples of how the private sector has taken a lead in looking at how business practices can lead to long term sustainability and long-term value creation. The CSR Act is a progressive and important law and private sector companies have demonstrated how they can be a champion and use this opportunity to be at the forefront of contributing to the SDGs.

Ms. Rashid shared about a partnership between UNDP and companies such as Hindustan Coca-Cola Beverages and Hindustan Unilever on plastic waste management. The initiative attempts to create a circular economy for plastic waste, making sure it is recycled and reused and the lives of the waste pickers are improved by ensuring fair wages, better living conditions and access to social services. Another initiative with the IKEA Foundation looks at how girls and women from underprivileged communities can be supported through skilling to improve their livelihood opportunities and to improve the lives of their communities. One million girls and women are being supported to link up with employers and help match their aspirations with the jobs in the market.

### <u>Lead Presentation</u> Shri Ashwini Saxena, COO, JSW Foundation

Shri Saxena mentioned at the outset that the JSW Foundation has consciously aligned all its project management work and systems to the SDG targets. SDGs do have trade-offs, are contextual and would need to be decided based on the necessities of the area, the developmental priorities of each location and the human lives that are going to be impacted. Public Private Community partnerships (PPCP) can play a critical role in making such decisions. Unlike MDGs, SDGs are all interconnected and any intervention cannot focus on just one goal. A holistic perspective is required in achievement of the goals.

Setting the contextual framework, the speaker said that the people – profit – planet concept is understood by all and sustainability remains in the core of this whole idea. He went on to elaborate why businesses should be relevant and concerned about SDGs. The Global Economic Forum's Global Risks Report, 2019 lists the top 10 risks:

- 1. Extreme weather events (e.g. floods, storms, etc.)
- 2. Failure of climate change mitigation and adaptation

- 3. Major natural disasters (e.g. earthquakes, tsunami, volcanic eruption and geomagnetic storms)
- 4. Massive incidents of data fraud/theft
- 5. Large-scale cyber attacks
- 6. Man-made environmental damage and disasters (e.g. oil spills, radioactive contamination, etc.)
- 7. Large-scale involuntary migration
- 8. Major biodiversity loss and ecosystem collapse (terrestrial or marine)
- Water crises
- 10. Asset bubbles in a major economy

While water has been a recurrent and persistent theme since the 70s; climate change has begun to find a mention over the last few years in the risk reports and challenges of the geo political situations in terms of international migration; and the challenge it is going to pose for manufacturing processes and the way businesses are going to expand and operate in different locations.



(in pic: Mr. Ashwini Saxena, COO, JSW Foundation

The speaker mentioned that it is estimated that the achievement of the Global Goals shall create business opportunities to the tune of US\$12 trillion. Hence, businesses have a significant space and a significant relevance, both from a risk perspective as well as from an opportunity perspective, to be aligned and working towards the attainment of the SDGs.

Government has three key roles of an Enabler, Regulator and Provider. CSR contribution is less than a fifth of the budget of any line department of the GoI. The role of the private sector is not that of a vendor/supplier of inputs as conceived in the MDGs era but of a cofunder in some instances and more

importantly of a key partner and innovator. When the role of private sector as an innovator is discussed, start-ups have an important role to play in the attainment of SDGs. The speaker shared about 40 different kinds of technologies that have been developed using the IT and health service interface to make health services affordable and accessible to the unreached. These also use IT as an interface to collate all data for effective decision making. The private sector has an important role in promoting innovations that not only enhance their own business value but also improve the societal value, leading towards attainment of the SDGs in a more holistic manner.

Himachal Pradesh, Kerala, Tamil Nadu, Chandigarh and Puducherry are among the front runners in attainment of the SDGs. States also differ in the capital investments made. Jharkhand is at the top getting 41% of the total investments in the country followed by Gujarat at 23% and Maharashtra at 12%. There is no direct co-relation between business investments and attainment of SDGs. Himachal Pradesh gets 0.01% and Kerala gets 0.05% of the total investments but are front runner states in terms of SDG progress. A PPCP model is required for attainment of SDGs. The speaker concluded by highlighting that a

relationship of trust and transparency between the government, private sector and communities and enhanced social capital are necessary prerequisites for attaining SDGs and its targets.

# <u>Perspective Sharing by Panellists</u> Panellist 1: Shri A. M. Tiwari, IAS, Addnl. Chief Secretary (Home), Gujarat

Shri Tiwari initiated his presentation by highlighting the value of CSR for corporates. He stated that the core role of a corporate, undoubtedly, is to earn profit for its shareholders as it is owned by them and the shareholders expect returns. The CSR Rules mandate a spend of 2% of the returns on stipulated activities. Many consider it as a burden. However, in the pre-CSR era, corporates were seen spending considerable amounts for social causes. More than half the ponds and wells in Gujarat were built by the rich without any compulsion of the law. It created a visibility and name for their company. Speaking about the current scenario, Shri Tiwari observed that in many organisations, the HR or the compliance heads (where CSR rests) are not sensitised towards the benefit of CSR for corporates. Departments live in their cosy and comfortable silos. CSR should be the responsibility of the strategy head of the company. Wherever CSR has been linked up with the company's strategy and overall goals, it has opened many doors.



(in pic: Shri A.M. Tiwari, IAS, Addl. Chief Secretary (Home), Government of Gujarat sharing his perspective

There is considerable similarity between the SDGs and the list of activities permissible as CSR. Whatever is done in CSR will impact the SDGs. What needs to be explored is the extent and way in which it can impact. The total spend on CSR by corporates is far less than the government budgets. To illustrate, the annual budget of the education department of GoG is around 30,000 crores and the country's total CSR fund is 15,000 crores. Education and health receive 60%-70% of the total CSR funds. It is not possible to effect transformation and change with such limited resources. It is important, however, to ensure that the spend is meaningful and impactful.

Shri Tiwari shared some parameters used by GCSRA in the assessment of CSR viz. innovation and value addition of the initiative, scalability, net social return, measurability and contribution to addressing a felt social need. He highlighted the need for corporates to innovate and create models and share them with the government to scale up.

#### Panellist 2: Shri H. R. Dave, Dy. Managing Director, NABARD

Shri Dave reiterated the point made by the previous speaker about the limitation of the CSR funds in addressing the challenges that India faces. Focusing on what CSR can do, the speaker stressed on its potential to bring in the private sector perspective: a different way of analysing challenges, generating alternatives and finding workable solutions. The strengths of the corporates coupled with the government's resources can help work towards attainment of the goals. He outlined three key areas of corporate involvement through CSR:

- 1. CSR must try to influence the government to promote large scale replication of scalable projects that have proven to be successful on a small scale. It must also try to influence the way governments behave and execute their projects for optimum use of their financial and human resources.
- 2. Businesses must pay due attention to climate change for their own survival. Corporates can contribute in promoting climate literacy at the grassroots and in complimenting the plans prepared by the government at the national, state and district levels.



(in pic: Shri H. R. Dave, Dy. Managing Director, NABARD

3. Corporates can contribute in developing rural entrepreneurs, who would be front runners for agri start-ups and rural start-ups. NABARD has set up a fund of 500 crore to promote rural ventures. Shri Dave stressed on the need for CSR to step into this arena and build capable local level institutions in Gujarat to promote and scale up capacity building for entrepreneurship.

Shri Dave summed up by saying that CSR cannot replace government. Partnerships and synergy are required between the two for impact creation. It is important to utilise available opportunities, converge and mainstream workable initiatives for a larger impact.

# Panellist 3: Shri Pranav Pandya, Co-founder & Chairman, Dev IT Ltd.

Shri Pandya began by observing that the dictum of "for good and welfare of many translates into happiness for many" is ingrained among business entrepreneurs of Gujarat. Many of their initiatives are aligned with the SDGs, even though they not be aware of what SDGs are. The small and medium



(in pic: Shri Pranav Pandya, Co-founder & Chairman, Dev IT Ltd

enterprises (SME) are one of the driving mechanisms by which the lower base of the populace can be impacted, especially when it comes to efficacy or understanding of the SDGs. Gujarat's PPCP model has clusters of SMEs.

All the SMEs were driven by MDGs to a large extent. SMEs are similarly the way to go forward in terms of driving the SDGs. The speaker shared that his company, Dev IT focuses on education, especially in tribal areas, to redraft content delivery and make it engaging and impactful.

#### **Open House**

**Q.** Can we develop a framework for doing CSR activities? In the same way as we have stated that 2% of the profits should be shared, can we also state which activities should be done and where, based on the priorities of the area? At times, one takes technology to an area and it leads to unemployment. What is the way out for that?

**A. 1** The CSR committee of every company has to upload the CSR framework on its website. However, many companies do so only because it is a requirement, making it a meaningless document that is not linked to the need assessment or priorities of the local area. The CSR rules do not insist that a company has to work on all the areas in Schedule VII. Corporates

are expected to choose activities for CSR based on their requirement and design their intervention accordingly.

Some 35-40 years ago, bank unions did not permit installation of computers and threatened to go on a country wide strike. They feared that computers would replace them and make them redundant and they would lose their jobs. Today computerisation has



provided people with an immense ease of operating the banking system. There was a similar resistance for introduction of tractors in farming. Introduction of technology may result in a change in skill set required but experience suggests that mechanisation has always created more employment. (*Shri A. M. Tiwari*)

**A.2** Technology adoption is not going to adversely affect manpower requirement. Technology requires re-skilling and re-aligning and is manpower augmentation. (Shri Pranav Pandya)

**A.3** Need assessment for interventions is done by individual organisations. GCSRA can come up with a wish list of the government and locate possible interventions in different parts of Gujarat. Single window clearance is not doable because the resources available are limited. Engaging with farmer producer organisations to help improve their management and market linkages could be an area of interest for private sector. (Shri H. R. Dave)

**A.4** The beauty of CSR is to make sure that a company's work is contextual and aligned to the immediate requirements of its neighbourhood. The CSR guidelines and circulars that have been issued, all emphasise that the company should decide what it wants to do; what it wants to focus on, be responsible and happy about what they have done. Any further regulation or tight fisting is not advisable. (*Shri Pranav Pandya*)



(in pic: Shri A.M. Tiwari, IAS,Addl. Chief Secretary (Home) felicitating Ms. Nadia Rasheed, Deputy Country Director, UNDP India



**Session Theme** 'Paradigm Shifts: Policy Changes w.r.t CSR:

The Future Direction'

**Day 1 (21 February 2019)** Session 3

**Time** 12.15 pm – 01.30 pm

Session FormatPresentation, Panel Discussion and Open HouseChairpersonShri Gyaneshwar Singh, IAS, Jt. Secy., MoCA, GoI

**Presentation** Shri Sudhir Sinha, CEO, CSR Inc.

Panellist 1 Shri Nixon Joseph, President & COO, SBI Foundation
Panellist 2 Shri Naveen Soni, Vice President (CSR), Toyota

Kirloskar Motor Pvt. Ltd.

Panellist 3 Shri Binoy Acharya, Founder Director, Unnati

### Opening Remarks by the Chairperson: Shri Gyaneshwar Singh, IAS, Jt. Secy., MoCA, GoI

Shri Gyaneshwar Singh began by sharing the approach followed by the MoCA in policy formulation. While updating the NVGs, these were uploaded on the Ministry's website to seek feedback from the community. More than 700 comments were received from academicians, researchers and activists and deliberations were held for 10 to 12 days to understand them. The suggestions were incorporated in the revised guidelines that are slated to be issued soon. Similarly, a committee has been set up on CSR and comments are being invited from civil society, academicians, implementers and businesses. This is an ongoing process. The Ministry believes that without civil society and without ownership of the processes, the intended impact of CSR cannot be achieved.



(in pic: Shri Gyaneshwar Singh, IAS, Jt. Secy., MoCA, GoI opening the session with his remarks

The CSR Rules were initiated in April, 2014 and during the last few years, the major focus has been on sensitisation and encouraging corporates to reinvent. A broad framework was provided for undertaking CSR activities and the implementation framework formed a part of corporate governance. In 2015, a High-level committee recommended that the focus on

sensitisation and awareness should be continued until data is available to suggest what specific actions need to be undertaken. The speaker enumerated some of the challenges faced in CSR implementation over the last four years:

- 1. After 4 years of passing of the CSR Rules, the available data indicates different trends. Many corporates were seen spending close to 4% of net profit even before the Rules were formulated. It was a part of their ethos of giving back to society. Post the legislation, it has been seen that some companies use a 'tick box' approach and are not implementing it in the desired manner. At times, companies explain their non-compliance with the excuse of being unable to find a good project. The 'comply and explain' clause was introduced initially to allow corporates time to get used to the new concept and create space for the ecosystem to develop. It was not anticipated that this clause would be misused. Enforcements have been started for corporates who are not taking the legislation seriously and more than 300 prosecutions have been filed in the court.
- 2. The philosophy of CSR is partnership. The private sector is being asked to provide social goods as the government believes in the philosophy of a 'multiplier effect of social transformation'. The focus is on looking for opportunities where an input will generate higher output. The purpose was to use the corporate sector not only for their money, but also for efficiency and capacity for innovation so that the impact of the total fund is much higher than the amount invested. Another objective was for the private sector to take ownership in providing for social good and changing the business philosophy. Business must also be responsible for inclusive and sustainable development. There is a long way to go before this objective can be achieved. If implemented well, CSR can be a game changer for rural India, especially for those left out of the development framework.

Responding to some of the queries raised regarding CSR implementation, the speaker provided the following clarifications:

- 1. The choice of beneficiaries should be governed by whether the intervention is going to make a difference in their lives and the actual need for the service/intervention.
- 2. The clause, for implementing CSR in the area where a company works, is not binding.
- 3. Corporates should develop a framework and guideline and coordinate to avoid overcrowding of activities in one area as well as duplication of projects. In order to do strategic CSR, it is essential to do a need assessment in a cost-effective manner. A baseline will be useful in assessing impact, but a framework needs to be developed for it.
- 4. On the need for having a third-party social audit of the CSR interventions, the government believes that corporates can suggest the kind of social impact assessment that should be undertaken. It would be desirable to develop a framework that is self-regulatory and does not allow government interference.
- 5. Unless business philosophy changes, CSR will not be implemented in its true spirit. There are many companies that are not listed on the stock market and do not report on the NVGs. It is important that their compliance burden is not increased. At the same time, 'responsible business conduct' is no longer a choice; it is a necessity for competing at the global level. There is a need to work towards developing the ecosystem in a way that there are enough people who can implement projects; design them and conduct evaluations. There is also a need to develop a CSR exchange portal that brings all the

stakeholders together; where people can access each other's details, competencies available, activities being undertaken and possibilities of entering into partnerships.

#### The CSR Rules: Policy Changes and the Paradigm Shift Presentation by Shri Sudhir Sinha, CEO, CSR Inc.

Shri Sinha, at the outset, stated that his organisation CSR Inc. seeks to promote transformational CSR over transactional philanthropy. He added that the narrative of CSR in India is equated with philanthropy and that this philanthropy is completely transactional at present. It is not making any desirable impact on society. Almost five years have passed since the Act came into force and the basics of CSR still continue to be debated.

Sharing some of the observations of CSR Inc. from its Satyagraha initiative, he shared that: 1) CSR has gone off track, especially after the Act came into force. It now needs to be nourished and nurtured a little more responsibly. 2) CSR is not fulfilling its desired objectives, philosophies, ethos and spirit - it is being implemented in a transactional mode. 3) has space been invaded commercialisation and marketisation (for brand building) via CSR whereas the purpose was to benefit society without thinking of the business; glamourising of CSR and within that, glamourising of



(in pic: Shri Shri Sudhir Sinha, CEO, CSR Inc.)

poverty, disease and hunger and glorification of CSR.

Defining the ethos of CSR Satyagraha, Shri Sinha said that "It is a Gandhian way to bring 'transformation' to enable 'change' in approaches to CSR for achieving lasting impact. The mission of CSR Satyagraha is to get companies to hold steadfastly to the core principles of CSR, doing right and doing it right every time. It is a pan India initiative and a peaceful campaign on CSR."

CSR Inc. has been sharing its observations on CSR through organising stakeholder panchayats in the industrial hubs. At four such meetings, nine pre-identified issues with regard to the CSR Act and the Rules were discussed and stakeholders' (SHs) views were collated on the recommendations made by CSR Inc.:

- 1. <u>Comply or Explain</u>: It was recommended that the provision of giving reasons for not having spent the stipulated 2% on CSR should be removed and some penal provisions introduced for non-compliance. (Total agreement among all SHs)
- 2. <u>Carry forward of unspent amount</u>: Government should allow carry forward of the unspent amount with a sunset clause of 3-5 years. However, such amounts should have a limit and the aggregate amount should not go beyond X amount at any point of time. The surplus from X amount could be invested in any of the flagship programmes of the

- government. An escrow account can be opened in a bank for the carry forward amount. Companies should be accountable for developing a transparent system of maintaining such accounts, which will be subject to an audit. (Total agreement among all SHs)
- 3. Activities done in the normal course of business: It was recommended to allow the limited use of products and services for CSR activities with some caveats and preconditions. Further, the cost of products and services should be free from profits and monetised. Companies must disclose the use of products and services in their report. (The opinion of the stakeholders was divided.)
- 4. Need for a definition of CSR: The definition of CSR is interpreted by companies based on their own convenience and understanding. It was recommended that CSR may be defined with reference to National Guidelines (NGs) while Section 135 relating to philanthropy can be termed and defined as 'corporate philanthropy' for supporting 'inclusive growth and development' that reduces economic and social inequalities and be responsive towards all stakeholders, especially the disadvantaged, vulnerable and marginalised. (Total agreement among all SHs)
- 5. <u>Employee Volunteering</u>: The government should allow volunteering under CSR since many individuals who could potentially contribute to society are being left out; volunteering should be permitted with some caveats and pre-conditions. Monetisation of volunteering should be done, based on the market cost of the job and not the time cost of the employees. (Rejected by stakeholders)
- 6. <u>CSR Reporting Framework to be made more comprehensive</u>: The present format must be improved as it is 'spend centric'. A comprehensive reporting format is required that addresses and meets the needs and requirements of regulators/markets on NGs/Business Responsibility Report, environmental responsibility, SDGs and CSR with the same penal provision under section 134 (3) (o). (Total agreement among all SHs)
- 7. Preference to local Areas: It was suggested that the present clause be amended to read: "Provided that the company will give priorities to the local area in which it operates and/or areas that are socio-economically deprived and underdeveloped for spending the amount earmarked for CSR activities." Preference does not mean that it is mandatory for the companies to work there and this should be rearticulated and reframed. (Total agreement among all SHs)
- 8. Should Schedule VII be more specific: Schedule VII should insert a purpose statement on its top viz. "Activities undertaken by the company shall eventually benefit the poor, the marginalised, the vulnerable and weaker sections of society and help the nation to meet its development priorities to reduce inequalities and promote inclusivity. They should be planned such that they meet the needs of the underdeveloped communities and underserved areas and address the state's or nation's priorities." (Total agreement among all SHs)
- 9. <u>CSR Audit for Transparency</u>: Although nobody wants to be measured or audited, it is important to know how CSR is performing and whether it has made the intended impact. (Total agreement among all SHs)

The speaker concluded by underscoring the need for a junior Ministry for looking into the policy matters and implementation of CSR.

# <u>Panellists' Views on 'Paradigm Shifts: Policy Changes w.r.t CSR: The Future Direction'</u>

## Panellist 1: Shri Naveen Soni, V. President (CSR), Toyota Kirloskar Motor Pvt.

Shri Soni started by observing that in 2013, corporates were at very different levels in their understanding of social responsibility; even after five years of the Act, the variations continue to be visible. The Act has helped set the basic framework: the amount and in which broad areas corporates should make their CSR spend.

Corporates are committed to give shareholders, a key stakeholder, the maximum possible value. Some corporates have begun to move from operational to strategic CSR; maybe to leave behind a legacy or make a mark or move from transactional to transformative CSR. Toyota Kirloskar, the company represented by the speaker, has made a shift from output to outcome to impact oriented and finally sustainable CSR.

The government and the corporates are the major stakeholders in CSR, which has provided an opportunity to both to be on the same side. The NGOs also have a role to play and the common aim is to serve the society. The speaker agreed that corporates bring in innovation in CSR; in addition, when specific programme interventions are made to create social assets and effect social and behavioural change, the corporates have good examples of incubation-al studies. These case studies can be adopted and if the government desires, standardised to provide direction to the



(in pic: Shri Naveen Soni, V. President (CSR), Toyota Kirloskar Motor Pvt. Ltd.

entire region. The interventions should also be aligned with the SDGs. It was also suggested that CSR must be detached and distant from the core business of a company. This will help prevent misuse of the law.

Sharing an example, the speaker said that an automation company spending all its energies in developing schools for driver training cannot be construed as its CSR. If it addresses the environment, education and sanitation needs of the local community, specifically for people who may not be in a position to buy its product, it can be termed as CSR. The speaker concluded on the note that all good case studies need to be collated through a portal or other means for enhancing and sharing of knowledge.

#### Panellist 2: Shri Nixon Joseph, President & COO, SBI Foundation

The Panellist dwelled on the CSR practices of banks and similar organisations and the challenges they face. He observed that CSR, corporate governance and ethics are all interrelated. If one is ethical, s/he will be socially responsible and this will add to the quality of one's corporate governance; good governance is likely to take care of social responsibility and sustainability.

Amendment of the Companies Act has provided a system and structure to CSR. The State Bank of India (SBI) has been doing CSR since 1973 in the form of innovative banking. Most of these efforts were philanthropic in nature. After the Act was passed, SBI registered its Foundation. While the bank continues to focus on philanthropic activities, the SBI Foundation is looking into long-term, sustainable projects. The fund available for CSR is very limited compared to government budgets; hence, there is a need to be innovative, creative and to create a multiplier effect with the limited resources.



(in pic: Shri Nixon Joseph, President & COO, SBI Foundation

The speaker shared about some of the projects being implemented by the SBI Foundation. In one such project 'Gram Seva', 50 remote villages across the country have been identified with an aim to work towards their holistic development and make interventions aligned with the SDGs. The Foundation spends 16 lakhs/ village annually and is trying to create a multiplier effect. Through a community information centre, each villager is connected to the operational government schemes. An attempt is also made to get the maximum possible resource from the government (national and state) and the district

authorities. It has been able to generate more than 7.5 crore of funds from the government towards the development of these villages. The villages are linked to skill training in the rural self-employment training institutes and with credit facilities to augment their livelihood.

In another project, the 'SBI Youth for India Fellowship¹, a hundred highly educated youth are identified every year and provided fellowships. They go to different villages, do a baseline study and a need assessment and intervene in any one area. At the end of 13 months, they are expected to come up with sustainable and scalable projects. Many of these Fellows continue to engage with the development sector even after the Fellowship period. Some have left highly lucrative careers to effect social change.

Concluding his speech, Shri Nixon shared that CSR cannot be limited to only 2% of net profit. In all its operations, a corporate must be ethical and socially responsible.

## Panellist 3: Shri Binoy Acharya, Founder Director, Unnati Organisation for Development Education

Shri Acharya emphasised at the outset that Acts and Rules cannot lead to change. He agreed with the point made by the previous speaker that if one is ethical in one's business operations, everything else that a company does will be ethical. He stated that he believes in a reformist approach and does not subscribe to punishment for non-compliance in CSR. At the most, names of those not complying can be displayed on the website of the Ministry.

It is important to appreciate that corporates know how to do business but are not familiar with the terrain of contributing their profits for social development and change. The Act is just 5 years old and CSR funds are limited to the tune of Rs. 14-15,000 crores. Responding to

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<sup>&</sup>lt;sup>1</sup> http://www.youthforindia.org/

a suggestion of a previous speaker, he felt that there is no need to create a separate ministry for CSR. Many a times, corporates do not differentiate between activity and policy. Also, many do CSR for 'svantah sukhay' – for their own pleasure; they do not have any idea whether they are making any impact, especially related to the 17 SDGs. Every individual in the civil society must be contributing in the achievement of any one or more of the 17 SDGs.

Shri Acharya underscored the importance of conclaves such as this, meetings and dialogues in making CSR more strategic. 'Strategic' does not mean being more innovative or creative. One may be creative, but not strategic. It is important to see how the Rs. 15,000 crores of

CSR funds can be used to make a difference. Referring to the SBI Foundation initiative of 'Gram Seva', he highlighted the need for convergence. SBI is investing 16 lakhs/village for 50 villages every year. The Ministry of (MoPR) Panchavati Rai has a massive programme for decentralised governance viz. the Gram Panchayat Development Plan (GPDP). Convergence between SBI Foundation and MoPR can help develop / refine an agenda for strategic interventions. Similarly, government is investing huge sums of money in education; corporates have to strategise and (in pic: Shri Binoy Acharya, Founder Director, UNNATI develop interventions that can help to improve



Organisation for Development Education

the existing school system. The speaker suggested that instead of creating isolated examples of success, it would be more strategic to work towards improving the system. The government has huge fund allocations and convergence can help reach these funds to the people who need it most.

In addition to the CSR Act, the MoPR has also issued other guidelines. For instance, the corporates are not aware about the National Guideline for Responsible Business Conduct issued in 2018. The Guideline has nine principles and the fifth principle states that we must work around the issues of human rights. There is a need to debate, discuss and educate all the stakeholders working on CSR to develop a common understanding on human rights issues. In conclusion, Shri Acharya stressed on the need to rethink the role of CSR committees and not burden it with preparation and approval of yearly CSR plans and activities. Instead, they should develop a CSR policy framework and guidelines for at least 3-5 years.

#### Closing Remarks of the Chairperson: Shri Gyaneshwar Singh, IAS, Jt. Secv., MoCA, GoI

The NVGs are currently applicable to only 500 companies and are voluntary. The MoCA is working to make them mandatory and enhance their scope of applicability to a larger number of companies. The purpose is not to punish corporates for non-compliance but to encourage reporting. The MoCA has to file cases for non-compliance as the Parliamentary Committee wants information on companies that are not following the rule book. There is a provision for withdrawing cases if a corporate makes amends in implementation of its obligations. A law needs to be taken seriously by those to whom it is applicable. However,

since CSR is guided by the philosophy of partnerships, one needs to work on a framework of trust and camaraderie.

#### **Open House**

- **Q.** Currently, MoCA is taking care of profitable companies. Do you think that Limited Liability Partnership (LLP) and partnership firms should be brought under the ambit to use their expertise for the betterment of CSR compliance?
- **A.** You are suggesting that the business philosophy must change and everyone must contribute in a different way. The point will be considered. (*Shri Gyaneshwar Singh*)



(in pic: Shri Pankaj Kamliya, COO, GCSRA felicitating Shri Gyaneshwar K. Singh, Joint Secretary, MCA

**Session Theme** 

Day 1 (21 February 2019) Time Session Format Chairperson

Presentation Panellist 1

Panellist 2

Panellist 3

'Challenges in CSR Implementation: Programmes or Partners'

Session 4

02.30 pm - 04.10 pm

Presentation, Panel Discussion and Open House Shri P. K. Gera, IAS, MD, Gujarat Alkalies &

Chemicals Ltd.

Shri Nirbhay Lumde, Director (CSR), CGI

Ms. Neelima Khetan, Group Head - CSR,

Vedanta group

Shri Ashoke Joshi (IAS Retd.), Ex-Chairman,

The Srinivasan Services Trust

Shri P. N. Roychowdhury, (IAS Retd.),

Executive Director, Adani Foundation

### <u>Challenges in CSR Implementation: A Practitioner's Perspective</u> Presentation by Shri Nirbhay Lumde, Director (CSR), CGI

Shri Lumde based his presentation on his experiences and the challenges faced by him as a practitioner through his eight-year association with CSR, concentrated mainly in urban settings and with IT companies and multinational companies (MNCs). He spoke about the diverse challenges faced in four categories viz, 1) corporates 2) programmes 3) implementing partners and 4) role of the academia in monitoring & impact evaluation.



(in pic: Shri Nirbhay Lumde presenting on a Practitioner's Perspective of CSR

1. <u>Corporate arena</u>: The key challenge relates to the ownership of CSR. In a large company, it is unclear whether the ownership and accountability should lie with the Board that is responsible for compliance or the HR department or the Company Secretary who submits the Board report. It is very difficult to convince the Board and other internal stakeholders for implementing strategic CSR as the definition varies from person to person. It is equally challenging to decide whether the CSR should be decided based on the intended impact or linked merely to annual programmes and budgets and

compliance. CSR practitioners focus on what works best for the companies, while also giving priority to the needs of the communities. Companies also struggle with geographical limitations and it has been seen that implementing CSR in the surrounding areas of a company is taken very seriously. In most of the MNCs, the scope of CSR is limited to urban peripherals and especially in slum areas. There is a lot that can be done in rural and tribal areas. Companies are not familiar with the social development space. It is equally important for companies to align themselves with the government's initiatives and complement the latter's efforts as the CSR spend is miniscule compared to government budgets. It also makes sense to bring technological interventions that can help improve the efficacy of solutions. Emphasising on the importance of collaboration, the speaker said that although there are many companies in the CSR arena, collaborations are rare. All are working in their own silos. It is time that collaborations begin to happen.

- 2. <u>Programmes</u>: A good number of projects being put up for approvals do not have a logical framework nor do they speak about theory of change. Earlier, the focus was merely on implementation of projects but now new-age agencies are coming up and things are changing. He emphasised the need for platforms such as the Conclave, which provide information on the success stories that can be then shared with the Company's Board. It is important to read about the programmes, to understand the path they have taken and how they have been implemented instead of taking up programmes on an adhoc basis. Some of these programmes are also not aligned with employee volunteering and there is no focus on enhancing employee participation.
- 3. <u>Implementing partners</u>: There are two types of partners; the conventional partners who have been working at the grass root level for 3-5 decades but have not ventured in the urban segment and the private implementing agencies. A mix of both is good and a right balance between the two is required to have the desired impact. There is usually a low trust quotient between the corporates and the NGOs. The Board often raises questions if the proposed budget is higher than the annual turnover of the NGO. In addition to seeking a grant, it is important for implementing agencies to begin looking at 'organisation development' as an important aspect of CSR. Like the corporates, the implementing agencies also work in silos, resulting in duplication of programmes. It is important that they begin to collaborate to enhance impact.
- 4. Role of the academia: The speaker stressed on the importance of research and on the need for CSR practitioners to have access to literature that should be read to understand social development, theory of change and the indicators of change that one is talking about. The Board members and CSR personnel need to be educated to review the path being adopted and understand the intricacies of change how it can happen and the time that it takes to effect change. The CSR professional development courses that are available in the market are very expensive. There is a need and high demand for affordable programmes of 2-5 days and these can be floated by academic institutions. There is room for research and documentation and capturing and publishing impact stories. There is also a need for serious research that focuses on impact measurements.

#### <u>Panellists' Views on 'Challenges in CSR Implementation: Programmes</u> or <u>Partners'</u>

## Panellist 1: Shri P.N. Roychowdhury, (IAS Retd.), Executive Director, Adani Foundation

Speaking on the topic 'Programmes or Partners,' Shri Roychowdhury stated that to be effective and impactful, there is no choice other than doing programmes. The understanding of what constitutes a programme is varied: some call it transformational CSR, while others

refer to it as strategic CSR and yet others refer to it as Satyagraha CSR. No matter how it is defined, it is important to have a vision of the change that is desired and clarity on the targets that are set, the action and the operational plans. implemented, a programme will lead to some output followed by an outcome. Outcomes are finer than outputs and need to be analysed. Subsequently, the final impact would have to be assessed and the learning used to execute the same

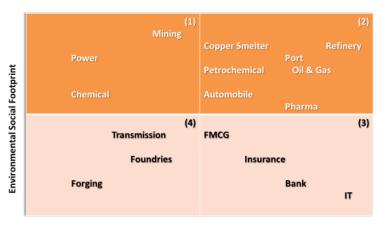


(in pic: Shri P.N. Roy Chowdhury, IAS (Retd.), Executive Director, Adani Foundation

programme at the same place or another place or share information with others, as is being done through the Conclave. No CSR can be done without a programme in place.

The speaker also dwelled on the popular discussion on the choice of location for doing CSR; it could be in an urban or rural area or near the company's site. The decision is dictated largely by the dynamic of the industry. It is not a free choice. To illustrate, the speaker referred to a 'two forces model of P & R'.

## **Industry Space & CSR**



Long term Robust Cash flow

The model has four quadrants. On vertical axis, there industries such as mining which high have economic, environmental and social impact. Of these, the mining industry has the largest social impact, followed by power and chemical industries. On the horizontal axis. industries are placed according to their cash flow quality. Does the industry have long term steady cash flow or is it subject to cyclic variations? When one considers the industries in the

quadrant, power industry appears a little lower than mining and chemical. In India, power generation does not have a very high profitability, leading to an uncertainty in cash flows. In the second quadrant, industries such as refineries, ports, oil & gas have a high environmental and social impact and have a steady cash flow. Followed by this are industries such as insurance, IT and premium banks that have a very high cash flow and very little

environmental footprint. In the fourth quadrant are industries with a low cash flow and low impact, such as transmission, foundries and forgings. An analysis of the above model would help understand what kinds of programmes are chosen by each type of industry. The industries in the first quadrant would focus on local community, go for partnerships and opt for a limited number of well-chosen programmes that touch the heart such as programmes for women's cancer. The petrochemicals industry in the second quadrant would also focus on the local community but would do bottom up planning as they have a steady cash flow. They can therefore afford to have a long-term perspective plan and develop five-year long programmes. The technology and the banking space can use a spatially distributed approach. Banks and IT companies have not fully explored these opportunities. Since their impact is not limited to any one place, they could go anywhere and be technology driven. The fourth group would prefer event-based activities. For impactful CSR, programmes are essential and within programmes, some events may be embedded but isolated events and non-programmatic approach would not be impactful.

Some expectations that CSR can fulfil are as follows:

- a. Creation of innovative models that can be adopted in larger social space, for example non-conventional schooling (Waldorf or Jiddu Krishnamurthy schools), smokeless kitchen (as has been done in Tiroda in Gujarat) and introduction of new varieties in horticulture (pomegranate cultivation in Gujarat has made it a leader on this front)
- b. Filling critical gaps in sound public programmes eg. helping a Nutrition Resource Centre to be functional (by engaging with mothers and motivating them to bring their children for nutrition supplements) and setting up a model Anganwadi
- c. Perspective change of a substantial community: examples of economy in ground water use in coastal areas, swachhagraha, encouragement of low-chemical agriculture

However, he also cautioned that transformation takes time and it is unreasonable to expect it to happen in four years.

Commenting on partnerships, the speaker said that this aspect has not yet been developed. In his opinion, corporate - corporate partnerships will never be formed because they see CSR as a brand proposition, a goodwill proposition and license-to-operate proposition. These cannot be shared between two corporates. Corporate-NGO partnerships can be formed but are not popularly visible and the examples are limited. NGOs and corporates may have varying interests. NGOs may also not have a foothold in geographical areas where corporates wish to work or the proven expertise that the corporate considers essential for implementing a programme. Further, a lot of synergy is needed at all levels between two organisations working together as otherwise people at the bottom feel frustrated. Sharing of goodwill is equally difficult as NGOs also survive on goodwill. Many NGOs are good at event management but not necessarily in implementing large scale programmes.

Concluding his views, the Panellist suggested a few ingredients that will enable partnerships viz. shared vision, objectives and responsibilities, collaborative working to achieve a common goal, shared development, review and evaluation of work, knowledge sharing, mutual learning and mutual accountability.

The rules of engagement can be defined as follows: appropriate engagement mechanism, shared governance, attention to process, open and transparent communication, sharing of credit and recognition, clear lines of accountability and timely & joint resolution of issues.

The speaker concluded by mentioning the obstacles to partnerships viz. incompatible vision, goals and objectives (one is interested in events while the other is interested in impact), inadequate ownership, lack of trust, unwillingness to share risk, poor communication, inflexibility and conflicts due to cultural differences. If these are taken care of, there is a hope that in future NGO-Corporate partnership would work.

#### Panellist 2: Ms. Neelima Khetan, Group Head - CSR, Vedanta group

Sharing her thoughts on partnerships, Ms. Neelima commented that the first decision that companies need to take is whether they wish to go into independent implementation or into partnerships with the 'Not-for-profits'. She added that contrary to the view of the previous speaker that the examples of corporate-NGO partnerships are limited, data collected nationally by NGOBox suggests that more CSR money is being spent through partnerships than spent directly by companies themselves. But, a significant amount of CSR money is still being spent directly by companies' CSR arms. One big change that the CSR law has led to is that these two sectors have begun to communicate with each other.

Traditionally, the role of civil society was to be independent of the government and the 'For profit' space and keep alive a different kind of conversation; however, the 'Not-forprofit' engaged with the government a little more and much less with 'For-profit' while 'For-profit' have never engaged with the 'Notfor-profit'. The five years of the journey of partnerships has led to optimism and has created a space for learning to work with each other. Moving beyond a vendor-vendee relationship into a true partnership



(in pic: Smt. Neelima Khetan, Group Head-CSR, Vedanta Group

relationship is not easy. It is difficult to work with a spirit of equality. Those who have the finances feel that they can control the money and the conversation. Social sector is seen as a space that anyone can work in. At all levels, people in the For-profit generalise and have an opinion on what needs to be done to fix a problem in the social sector.

The speaker further added that at times people make the mistake of thinking that NGO's are generalists and will not be able to bring in the required expertise. However, it is important to understand that even doing a small thing in a community like running a pre-school centre or running a small school for underprivileged children is not simple. Corporates equate specialisation with bringing technology into a programme or with organisations that are experts in one specific sector. However, it is important to understand that even the best of managers will not know how to go and talk to the community. It would take them years to understand the dynamics of power and become as proficient as the so-called generic NGOs who work in communities. Many of the challenges in these partnerships stem from the fact

that there is a huge trust deficit on both sides. This needs to be acknowledged and efforts made to communicate and work with each other.

Taking her point further, Ms. Neelima stated that "the corporates tend to fall flat when it comes to aligning with the government and not so much when it comes to aligning with societal priorities." Regardless of which government it is, when it decides on the priorities, be it Swachh Bharat or toilets, one sees every large corporate signing up for building toilets. In the speaker's opinion, aligning with the government is not something that is missing nor is the urban space overcrowded. She agreed that a large number of companies tend to stay limited to their geographies, restricting the possibilities of partnerships. Some corporates find it difficult to find NGOs in marginal and unknown areas where they want to work; in other cases, it may lead to a focus on specific areas at the cost of neglect of others. Despite this disconnect, the change in the scenario over the last five years has created hope for bridging this gap.

Speaking about the important aspect of 'scaling up', Ms. Khetan observed that "nothing takes away from the value of an initiative if it cannot be scaled up." Since the CSR money is relatively very small compared to government budgets, it is probably better if it is spent in doing something bold and innovative and in doing something different without worrying whether it can be scaled up. As per her views, the scaling-up filter is the worst filter from which to look at a potential partnership or a potential project.

Commenting on employee volunteering, Ms. Khetan added that it is the corporates priority. It is not the priority of the 'Not-for-profit,' neither is it the priority of the programme. To do a good quality initiative, it is not important to have developmental tourists wanting to spend a day a week to do something and feel good about it. It creates a burden on the NGO to accommodate the volunteers and do things to make them feel good about themselves. Many of the IT companies have gone beyond the 'one day a week' type of voluntary engagement. Infosys allows its employees to go away for six months at a time.

The speaker elaborated on two challenges shared by previous speakers:

- 1. Matrix for measuring impact: The challenge is not linked to the lack of capacity or dislike of the 'Not-for-profit' to measure their work. It emanates from the fact that most of the times, the corporates are looking for a matrix which will be visible in a shorter time horizon, whereas the 'Not-for-profit' work on an agenda. Citing examples, she added that if one was working with dalits on equality, it would not be easy to assess whether the caste relations have changed and become a little more equal. This challenge would also hold true in the case of women empowerment. These issues have long term horizons and the 'Not-for-profit' work towards such horizons. The corporates, on the other hand, would like to see the change taking place in time frames of 6 months to a year. Conversations are required to work together with the 'Not-for-profit' to see if there can be intermediate outputs / outcomes, which can be assessed and both partners can show something to their Boards and also feel that they are on the right path. She suggested that good academia and practitioners should work on breaking long-term change signals into short term that are agreeable to all.
- 2. <u>Requirement of speed</u>: The corporate work rhythms are very different. When two gears meet and one gear spins faster than the other, they need to at some point come together.

In the corporate context, responding to an e-mail by the end of the day is important. Everything is measured by the turnaround time (TAT).

In conclusion, the speaker was very positive about the CSR space. Challenges will arise as two different cultures are coming together. Working in isolation would be very boring. She ended on the note, "keep watching this space and keep working on this space."

# Panellist 3: Shri Ashoke Joshi (IAS Retd.), Ex-Chairman, The Srinivasan Services Trust

At the outset, the speaker underscored the importance of addressing a problem in detail and developing clarity on 'how' it needs to be addressed so that one can avoid working constantly in a mode of experimentation. Secondly, no matter how big a corporate is, it cannot financially compete with the government. It is important therefore to forge collaborations and work in partnerships.



(in pic: Shri Ashoke Joshi, IAS (Retd.) Ex-Chairman, The

Speaking about the Srinivasan Services Trust, the speaker shared that for its work with 5,000 villages, it spent 18-20 crores on CSR; this being more than the stipulated two per cent. The Trust was able to leverage 12-15 times of this resource from the government and other sources. The partnership succeeded because the Trust did not look to claim credit. There is no scarcity of funds. It is important to leverage and utilise them properly.

The speaker emphasised the importance of nding practical solutions to problems of the community. One of the PSUs with whom the

Trust had partnered suggested giving RO system to schools. The Trust declined as it felt that providing a proper drinking water facility to the entire village would be more useful. Children spend only part of the day in school and would not have access to the safe water source once they were at home.

Citing another example of his visit to a tribal village in Maharashtra, he shared that he met a family that had 18 members, of which nine were ill and all were suffering from diarrhoea. All that was required was that the wells are cleaned up. Setting up RO plants would not have been practical as the village did not have power supply. The Trust arranged for cleaning up the wells and got the communities to agree that they would not throw rubbish around them. In the past ten years, not a single case of diarrhoea has been reported in the village. Finding relevant, long lasting and affordable solutions is more important than focussing on technical solutions.

Shri Joshi went on to highlight the importance of 'equality' in partnership. The speaker underscored the need for engaging and dialoguing with the communities, of sharing information that can help them to appreciate the benefits of a programme so that they voluntarily participate and not just for acquiring a service or facility but also in monitoring it

and ensuring its maintenance. Getting the community to make a financial contribution is also important to build a sense of ownership. It is important not to use CSR as a vehicle for one's brand equity, but for the upliftment of the community. The speaker concluded by emphasising the importance of building trust and collaborative initiatives.

# Concluding Remarks by the Chairperson: Shri P. K. Gera, IAS, MD, Gujarat Alkalies & Chemicals Ltd.

The chairperson urged the corporates and NGOs to reflect on what they can do to prevent their beneficiaries, who have limited financial resources, from spending on liquor, smoking and other wasteful expenditure on ceremonies. He shared that in order to fulfil these needs, people take huge amount of loans and are in debt for long periods of time. He urged the participants to think of ways of moving away people's expenditure pattern from 'what they do to what it should be'. Laws cannot help change this situation as it is a matter of individual choice. No change will happen as long as people keep making such expenses on vices and ceremonies unabatedly.



(in pic: Shri P.K. Gera, IAS, Managing Director concluding the session with his remarks

#### **Open House**

- **Q.** We discussed about partnerships between corporates and NGOs. Do you see partnerships evolving in the years to come between the top 500 companies and the sub 50 lakh CSR spenders in their common areas of work? Do you see that synergy happening?
- **A.1** Pareto analysis of the SDG goals in an area should decide the CSR projects for that area. Because if drinking is a problem in the local area, then that should come out as a CSR project. We need a statistical analysis for the project selection. (Shri Amit Mehta)
- **A.2** It would be very desirable if it happens. The functional division has to be very clearly defined. It would probably be easier to form such partnerships in developing a one-time

infrastructure like a model 'Anganwadi', where both share the finances spent. In such cases, sharing of goodwill is easy and contract supervision is easy. It will be relatively more difficult to enter into partnerships for programmes of livelihood and behavioural change. (*Dr. Roychowdhury*)

**A.3** I have seen companies along a supply chain come together, because in any case they work together and are business partners.

Regarding another problem of drinking among the poor as cited before, we need to understand it at a different level. We are seeing the poor as stupid, that they do not know what to do with their finances and that they are wasting their money on drinking and their daughter's marriage. My fundamental belief is that no one is stupid. Poor is not equal to stupid, just as rich is not equal to smart. The reason people spend so much on the wedding of their child is linked to issues of identity and respect. If we are raising the bar and setting standards for a wedding, the poor will also stretch themselves. They indulge in such behaviours because their identity is shaken and not because they are ignorant and stupid. (Ms. Neelima Khetan)

**Session Theme** 'Public-Private-Community-Partnerships for

Development'

**Day 1 (21 Feb. 2019)** Session 5

**Time** 04.30 pm – 05.45 pm

**Session Format** Presentation, Panel Discussion and Open House

**Chairperson** Dr. Madhukar Gupta, IAS, Addnl. Secretary, Dept. of Public

Enterprises, GoI

**Presenter** Shri Nitin B. Jawale, IAS, MD, IPICDL

Panellist 1Mrs. D. Thara, IAS, CEO, GCSRA and MD, GSIDCPanellist 2Shri A.M. Tiwari, IAS, Addnl. Secretary (Home), GoG

Panellist 3 Shri Shailesh Patwari, Chairman, Naroda Enviro Projects Ltd.
 Panellist 4 Shri MSD Bhattamishra, Executive Director (CSR), NTPC Ltd.

# <u>'Learning From Across State Experiences'</u> Presentation by Shri Nitin B. Jawale, IAS, MD, IPICDL

Shri Jawale's presentation focused on the initiatives taken by the state of Odisha in streamlining CSR.



 $(in\ pic: Dr.\ Nitin\ B.\ Jawale, IAS, Managing\ Director, IPICOL\ presenting\ on\ CSR\ initiatives\ in\ Odisha$ 

<u>CSR Spending in Odisha</u>: In the last couple of decades and especially during 2000-2010, Odisha witnessed a spurt in industrial development and mining activities owing to various international factors. Consequently, many companies started coming to the state and there was an increase in revenues. In the next decade, the CSR legislation was passed. Until 2014, most of the CSR spending was not well planned, was lopsided and not yielding expected

results. The speaker shared some trends that made the government take corrective measures, in a facilitative capacity. Some of them are as follows:

- 1. The total CSR spend from 2014 to 2018 was Rs. 1,719 crores, of which 90.45% (1,555 crores) was spent on three sectors viz. education and skill development (610 crores); healthcare (506.16 crores) and rural development (438.54 crores). These three sectors assumed priority as Odisha was transitioning from a backward to an industrial state. The balance 9.55% (164 crores) was spent on environment, national heritage, sports, gender equality and empowerment, armed forces, slum area development and relief fund. No expenditure was incurred on technology incubators.
- 2. In the three main sectors with maximum CSR spend, more than 90% was towards building brick and mortar structures a school building for education or a dispensary for healthcare. No attention was given to how to run that school or dispensary. It appears that the works were undertaken more in the interest of the executants than the beneficiaries. The average spending per project was much less than what is required to make an impact.
  - Rural Development: 1894 projects (23.15 lakh per project)
  - Education & Skill Development: 1232 projects (49.53 lakh per project)
  - Healthcare: 1390 projects (36.4 lakh per project)
  - Environment: 413 projects (17.27 lakh per project)
  - Sports: 310 projects (17.57 lakh per project)
  - National Heritage: 225 projects (6.93 lakh per project)
  - Gender Equality & Empowerment: 181 projects (5.68 lakh per project)
  - Armed Forces: 24 projects (2.54 lakh per project)
  - Relief Fund: 18 projects (30.8 lakh per project)
  - Slum Area Development: 13 projects (49.9 lakh per project)
  - Technology Incubators: Nil
- Companies would at the most involve their associate NGOs in the CSR spending without consulting with other stakeholders. There was collaboration with other companies or government agencies.
- 4. In all the priority sectors like education, skill development, healthcare and rural development, funding was provided both by the GoI and the state government. The possibility of duplication, leading to wastage of expenditure, was high.
- 5. There are about 30 districts in Odisha. The top ten districts take away 90% of the CSR spend. The clause of peripheral development is applicable to mining companies but most other companies were also concentrating their work in the district or block where they were located. Skewed CSR spend patterns were observed across districts and within districts. The spending in the KBK+ districts was extremely low.

Aligning CSR Spending with State's Priorities: a CSR Council was constituted on June 27, 2017 to institutionalise CSR activities undertaken by the corporates in the state. It is headed by the Chief Secretary of the state. Members include the Development Commissioner and Secretaries of departments related to industrial development and implementation of welfare schemes. About ten companies and NGOs are also represented in this council. The functions of the Council are:

1. Recommend projects proposed by departments and districts to the corporates

- 2. Biannually assess CSR activities undertaken vis-à-vis the developmental agenda
- 3. Encourage corporates to undertake baseline and impact assessment of the projects undertaken
- 4. Review the information reported by corporates regarding CSR activities and provide feedback to them on the efficacy of CSR interventions
- 5. Assess the good practices of corporates that can be replicated in the State
- 6. Institutionalise Annual CSR White Paper and CSR Awards

Principles followed by CSR Council in recommending projects:

- 1. Ensure more equitable distribution of CSR projects and reduce disparity
- 2. CSR Projects proposed in the 'KBK+ districts' (11 districts) to be prioritised
- 3. Only projects of a certain size that could create visible impact, to be recommended: <u>KBK+ Districts</u>: Projects of value of more than 5 lakhs and for <u>other Districts</u>, projects of value more than 10 lakhs

<u>Vision, Policies and Modalities</u>: Developing a vision document for CSR in Odisha and stakeholder identification and baseline assessment survey for target districts/blocks were accorded prime importance. By 2016, a CSR White paper was launched.

<u>Partnerships Building and Stakeholders Involvement</u>: Policy, corporate, knowledge and outreach partners were identified as members for the CSR Council and the State Government engaged them in reviewing CSR activities and providing feedback, bringing in transparency and synergy in the CSR activities undertaken by the corporates. Innovative and mega projects in CSR could be planned through partnerships.

#### <u>Awareness generation and Knowledge Management initiatives:</u>

- 1. GO CARE portal instituted
- 2. CSR Awards announced to encourage and recognise organisations for their commitment to CSR
- 3. Awareness generation through campaigns and workshops

## <u>Responsibilities of the Corporates in Reaching the Unreached Districts:</u>

A systematic road map was provided by the CSR council to the corporates to develop a CSR targeted strategy, identify the right partners, form a dedicated team for CSR activities, align the CSR spend with the development need of the state and if required scale up CSR spending in a particular area or particular part of the district, collaborate with other corporates in the area, work along the priority areas of the state and then measure and report the long term impact of a CSR activity. It was emphasised that all spending should bring in some change.

GO CARE Portal: A lot of work went into building up the knowledge repository for the portal. Efforts were directed at getting data from the field, from the district administration, from the stakeholders and from the companies and the same was uploaded on the GO CARE portal. The portal was launched in December 2017. After the launch, a number of workshops and awareness activities were organised and in November 2018, a knowledge paper was published.

The speaker concluded his presentation with a demonstration of the GO CARE Portal. The portal imparts synergy and transparency to the CSR activities being undertaken by the corporates in Odisha. It provides the corporates with a platform to dovetail their CSR activities with the developmental priorities of the state. The CSR projects (year wise, district

wise and category wise) can be accessed on the portal. Using an interactive tool, a list of CSR activities can also be accessed. It is regularly updated by the corporates.

# Opening remarks by the Chairperson: Dr. Madhukar Gupta, IAS, Addnl. Secretary, Dept. of Public Enterprises, GoI

Commending Odisha on its initiative, Dr. Gupta said that the GO-CARE experiment should set an example for other states. He applauded similar initiatives taken in Gujarat and Haryana. Dr. Gupta reiterated that the government has consciously not imposed a cess of 2%; instead, it has left it to the corporates to decide where and how they want to spend their profits for CSR. The money has to be spent as per the law and the guidelines and the Board of a company is the final authority to decide which activities should be undertaken. Their decision needs to be facilitated and they must be apprised of the options and the priorities.

The speaker mentioned that the theme of the session focuses on the roles of the government in CSR. It can be a facilitator, a partner or a regulator or all three. The key purpose of CSR is



(in pic: Dr. Madhukar Gupta, IAS, Addl. Chief Secretary, Department of Public Enterprises, GoI)

to bring in the efficiency of the corporate sector. Departments of the government were converted into corporations, based on the belief that the latter are more efficient than government departments. Some of the industries are located in remote tribal areas the backward states. The trained manpower in these units is idle after their work hours. Leveraging the efficiency of the corporations and private sector, expertise of their manpower and their marketing networks can be beneficial for CSR.

Department of Public Enterprises, GoI) The government has the intent to be a facilitator. Consulting the stakeholders or target groups is important. The decisions on what should be done have to be linked to what people require. There may be a huge difference in the perceptions of the 'doers' as opposed to the 'receivers'. It may result in things or services being provided that people do not want. Gujarat and Odisha have indicated their readiness to assist in and facilitate different aspects of CSR through forming the CSR Authority/ CSR Council. The government can help CSR implementers by indicating areas of priority.

Speaking about the role of government as a regulator, Dr. Gupta mentioned that everything is related to the CSR Act. Many things being done in the CSR space are legally untenable. For example, one off events like tournaments cannot be funded under CSR. Work has to be done in either a programme or project mode and be sustainable. CSR funds need to act as force multipliers. The possibilities of convergence are increasing and the potential is immense.

There are companies that spend as much as 15% of their profits and there are others that are not making huge profits but spend out of their commitment. Ultimately the public sector exists for the public good and its profits have to be deployed for the greater good of society. The government will act as a regulator if it is forced to. The speaker concluded on the note

that the government's role should be less of regulation and more of facilitation. Partnerships can be considered, where required.

# <u>Panellists' Views on 'State's Experiments and Experiences on CSR:</u> <u>Governments and its Roles: Regulator, Facilitator or Partner'</u>

#### Panellist 1: Mrs. D. Thara, IAS, CEO, GCSRA and MD, GIDC

Mrs. Thara initiated her speech with the view that in CSR, based on the requirements of the situation, the government has to play all the roles: of a regulator, facilitator as well as a partner. It may need to regulate initially until companies become aware of what they are required to do in CSR. Some companies need the push as they are still not mandated and can continue to explain non-compliance and get away with it. A regulator cannot get good work done. After an initial phase of regulation, subsequently it has to perform the roles of a facilitator and partner.

The government's role in CSR is not in terms of deciding what projects to take, how it will be done etc. but more at a strategic level. Giving an example, the speaker shared that if a corporate wants access to a government school building undertake education an programme, approaching the government directly may not lead to results. Routing the request through GCSRA is likely to yield positive results since it enjoys credibility with the government and can facilitate partnership between the government and the implementing agency. Although government faces criticism from every section



(in pic: Smt. D. Thara, IAS, CEO, GCSRA

of society, it can still raise resources due to the credibility it enjoys. The government is still considered accountable; it will take years for a private sector company to build such credibility. Hence, the government can play a facilitative role in such instances.

When the government wants to become a partner in implementation, it cannot continue to be a regulator or a facilitator. It has to be ready to accept the loss and gains of a particular project. Government needs to shoulder the responsibility knowing that a project can swing both ways. This is possible in the CSR space as the funds are untied; a project can be implemented on a pilot basis with a possibility that it may succeed or fail. CSR becomes a feedback mechanism for the government to understand the field realities. The government can also leverage technologies and innovative ideas provided by the private sector.

In conclusion, Mrs. Thara said that the role that the government plays will depend on the context, on the company and on the will power of the institution. GCSRA has so far played the roles of a partner and facilitator, but not of a regulator.

## Panellist 2: Shri A.M. Tiwari, IAS, Addnl. Secretary (Home), GoG

Presenting his views on the roles that the government should play in the CSR space, Shri Tiwari highlighted some constraints: a) the private sector or a corporate is concerned about ownership of the work and is apprehensive of the government taking all the credit; b) achieving convergence in the government system is complex, as the government consists of isolated and airtight silos and sub—silos, and hence, inter-departmental coordination and collaboration is difficult; and that c) the government and private sector differ in the importance that they accord to the outputs and outcome of projects.



(in pic: Shri A.M. Tiwari, IAS, Addl. Chief Secretary (Home), Govt. of Gujarat

The speaker shared that it is not difficult for the state government and GCSRA to play a regulatory role to ensure implementation of CSR. As for partnerships between the corporates and the government, Shri Tiwari felt that this is not feasible as partnerships can happen with equals or close to equals. After much deliberation, GCSRA decided to play the role of handholding of agencies by training programmes, organising conducting sensitisation events, one to one meetings and sharing publications and creating a website. The Authority has also played the role of bringing together the private sector and implementing agencies and building mutual trust by highlighting

the characteristics and strengths of the implementing agencies. It has also helped in connecting the funding companies with organisations that can implement projects in their area. GCSRA has also been providing support for monitoring the programmes and projects.

In conclusion, Shri Tiwari shared a model that has been implemented in Gujarat that has created a multiplier effect. The government has provided financial resources and the corporates have helped in execution of the government programmes by providing manpower. This is an example of a symbiotic relationship where both parties get credit, credibility and the public purpose is served.

#### Panellist 3: Shri Shailesh Patwari, Chairman, Naroda Enviro Projects Ltd.

Sharing his thoughts on the theme of this session, Shri Shailesh stated that the government is a function of a political process wherein the lawmakers are chosen by the citizens; and the government in power has a vision and direction that often changes with a change in the government. He shared the results of a survey of Global Justice that indicates that of the 100 top-most income earners and asset owners, 69 are business houses and 31 government. Income of 10% of the best and highest taken together surpasses the governments of the globe. The worth of business houses, their access to resources



(in pic: Shri Shailesh Patwari, Chairman, Naroda Enviro Projects Ltd.)

globally, the qualified manpower they have, their methodology of taking decisions and flexibility are assets which cannot be ignored.

In addition to the three roles that the government can play in CSR, the speaker spoke about a fourth role. The government could identify certain work and assign it to a concerned industry/business. The latter can always approach the government if it requires any facilitation. The gaps in the attainment of human development indices can be identified and private enterprises brought in to fill these; areas where they have a greater expertise can be allocated to the private sector. Application of technology and creating infrastructure were cited as examples.

In conclusion, the speaker endorsed the view that partnerships between unequals are not pleasant. The government is a bigger entity compared to business houses. Many activities are done to achieve targets and because it is required. Companies need to invest their heart and passion in CSR, without which it will lose its flavour.

## Panellist 4: Shri MSD Bhattamishra, Executive Director (CSR), NTPC Ltd.

The speaker shared his views on the role of the government and emphasised that it must provide targets to the industry. Majority of the funds are utilised to provide health and



(in pic: Shri MSD Bhattamishra, Executive Director (CSR), NTPC Ltd.)

education services. Corporates should be directed to invest in other areas requiring attention. These could include environment, ensuring availability of safe drinking water, investing in quality teacher training institutes etc. GCSRA can help push corporates to fill this gap.

Speaking about some positive initiatives, he shared about the setting up of a GIDC Park at Sanand for women's empowerment. Secondly, innovators have been linked with corporates to promote collaboration and in initiation of start-ups.

GCSRA has been a trend setter in the area of

CSR and it must work to ensure that CSR funds (approx. Rs. 600 to 700 crores) in Gujarat are spent judiciously.

**Session Theme** 'SDGs and CSR: SDGs 3, 5 & 6: Enabling Good

Health & Hygiene Amongst the Citizens'

Day 2 (22 February 2019) Session 1 (Breakaway Session 1)

**Time** 09.30 am – 10.45 am

**Session Format** Presentation, Panel Discussion and Open House

**Session presenters:** 

ChairpersonShri Kaustabh Basu, ED, Social Sector, PwC IndiaPresentationDr. Laxmi Bhavani, Chief, UNICEF Gujarat State

Panellist 1 Shri Apoorva Oza, CEO, AKRSP India

Panellist 2 Ms. Rinika Grover, Head CSR & Sustainability, Apollo

**Tyres** 

Panellist 3 Shri Mathan Varkey, Head, Resource Mobilisation, The

**Akshay Patra Foundation** 

Panellist 4 Ms. Archana Joshi, Director, Deepak Foundation

# <u>Opening Remarks of the Chairperson: Shri Kaustabh Basu, ED, Social Sector, PwC India</u>

The Chairperson introduced the theme of the session and remarked on the importance of reviewing whether the interventions / initiatives of the corporates with the government are already aligned or whether an alignment is required with the three SDGs (3, 5 & 6) at the time of designing them.

Goal 3 is concerned with healthy lives and focuses essentially on public health. There are some interesting alignments with health systems but ultimately the capability of health systems to deliver and achieve the targets related to maternal and child health, combating HIV/AIDS, TB etc. is very critical. It is also necessary to see whether the CSR interventions are aligned with the gender programme that the national government runs along with various departmental or ministerial programmes for empowerment and building capacities within society. Similarly, the alignment of CSR initiatives with the government's focus and targets needs to be reviewed for WASH, a very critical component in achievement of the public health targets.

In addition to the SDGs, the government runs mission mode programmes and CSR regulations prescribe activities that can be undertaken which sync with them. It is important to see how in this ecosystem, corporates, CSOs and other innovators can come together and partner to help achieve some of the SDGs and targets.

# 'SDGs 3, 5 & 6: Enabling Good Health & Hygiene Amongst the Citizens' Presentation by Dr. Laxmi Bhavani, Chief, UNICEF Gujarat State

Dr. Bhawani began her presentation by emphasising that by 2030, 17 SDGs with 169 targets need to be achieved. Nutrition is an integral component in ensuring health and hygiene. In addition to SDGs 3, 5 and 6, it is important to also consider SDGs 1 and 2 which talk of poverty and elimination of hunger and ensuring food security; and goal 17 which focuses on partnerships for achieving the goals in a timely and more sustainable manner. Together, all these SDGs can contribute to health, nutrition and hygiene for all. The speaker shared some important statistics from Gujarat pertaining to health indicators.

Child mortality trends in Gujarat: Neonatal mortality (NMR) contributes to 63% of the Under 5 mortality per 1000 live births (U5MR). Every year in Gujarat, an estimated 25,488 newborns die within 28 days of birth. There is a need to accelerate the pace of reduction. The targets that have been set are very ambitious and have to be brought down to 5 by 2030. Inequities in NMR are very high, particularly in Gujarat. The NMR in Saurashtra is relatively better at 18 deaths per 1000 live births; in



(in pic: Smt. Laxmi Bhawani, Chief, Gujarat State, UNICEF india

Kutch it is 38; in the northern plains it is 35 and the highest at 43 in the south eastern plains. In rural areas, the NMR is higher (27) as compared to urban NMR (13).

<u>Maternal Mortality Rates (MMR)</u>: An estimated 1,200 mothers die every year in Gujarat and MMR is 91 per 100,000 live births. The SDG target is to reduce it to 45 by 2030.

#### Nutritional Status of Children, Adolescent Girls and Women in Gujarat

- Children o-5 yrs.: 39.3% are underweight; 38.5% are stunted; there is 26.4% wasting and 9.5% severe wasting (Source: NFHS-4 2015-16). This will adversely affect the learning abilities and capabilities of children, affecting thereby the intergenerational cycle of poverty. Malnutrition is the underlying cause in 45% of the under-5 child deaths and needs to be addressed.
- Adolescent girls (15-19 yrs.): 52.6% are thin as per Body mass index (BMI); 57.4% are anaemic and 2.1% are severely anaemic (Source: RSoC, 2014 BMI, NFHS -3 Anaemia).
- Women (15-49 yrs.): 47% are thin as per BMI; 54.9% are anaemic (Source: NFHS 3 BMI, NFHS 4 Anaemia). This impacts not only the mothers and the MMR but will also result in low birth weight among children and their mental development.

## Water, Sanitation and Hygiene (WASH) outcomes in Gujarat (in percentage)

- Access to improved drinking water: Total: 90.9; Rural: 89.4; Urban: 92.7
- Access to improved sanitation: Total: 64.3; Rural: 47.0; Urban: 85.3 (Source: NFHS 4-2015-2016). Gujarat has performed well on both these aspects. It has almost achieved the SDG targets for rural sanitation; however, it is important that the use of facilities by all families is sustained and continuous efforts will be required to ensure this.

Early Childhood Development (ECD) is SMART investment: The speaker underscored the need for investing in prenatal programmes, targeted towards the earliest years (0-3 and 4-5) and pre-school programmes that yield long term returns on investment. Investing in holistic ECD programmes can improve individual adult earnings by 25% per year; yield more than a 13% return in reduced poverty and income gaps and contribute to increased prosperity and economic competitiveness. The RoI on Reproductive, Maternal, New-born, Child and Adolescent Health (RMNCH+A) would be an estimated US\$120 for every US\$1 spent. Similarly, for every dollar invested in nutrition, a country can get 16\$ in return. In the African and Asian countries, the GNP has been boosted by 11%. It has also prevented nearly half of child mortality, has increased school attainment by at least one year and wage rates by 5%-50%, depending on the nutritional range. It also makes children 33% more likely to escape poverty as adults. In the WASH sector, for every dollar spent, there is a gain of US\$

4.3. Gains in quality of life include improved school attendance, greater privacy, safety and dignity – especially for women, children and the elderly – and a greater sense of dignity for all. Inclusion of menstrual hygiene management showed that it can help women stay in work and ensure gender equality in the workplace. Inadequate WASH is associated with global economic losses of US 260 billion \$ every year, largely due to lost time and productivity.

Some of the critical challenges in achieving the SDG targets are as follows:

- Inequities and disparities in the state of Gujarat in the tribal, coastal and peri-urban areas result in low and skewed social indicators
- Rapid urbanisation with inadequate social development infrastructure, quality & services (especially health)
- Human resource gaps in sanctioned positions of administrative, technical and non-technical cadres at all levels
- Shortage of skilled human resources across all sectors
- Greater focus on quick 'One-time wins', events and campaign-based initiatives; long term approach and initiatives are lacking.
- Poorly regulated and monitored private sectors: a large number of deliveries (60% of 97% institutional deliveries) are conducted in private institutions and hence there is a need for proper regulation and monitoring of services provided by the private sector.
- Sustaining Open Defecation Free (ODF) status structural issues (quality of construction, single pit toilets, disaster resilience designs); behavioural issues (all family members not using regularly, unsafe child excreta disposal)
- Providing access to WASH facilities for families outside baseline survey, migrant families and new families

Some ongoing interventions include:

- Labour Room Quality Improvement Initiative (LaQshya) programme; Obstetric ICUs; Technology enabled Community Health Operations (TeCHO+); RMNCH+ etc. for strengthening of health systems, capacity development, improved coverage with quality services, supply chain management, supportive supervision and reducing equity gap
- Maternal, Infant and Young Child Nutrition (MIYCN); Facility & community-based management of acute malnutrition; anaemia control programme (Sabla & PURNA); community-based interventions for improved practices; ECD; supportive supervision for improving quality and coverage of nutrition services; mobile based application for data management and counselling etc. for improved nutrition
- Swajal; water safety & security; Solid and Liquid Waste Management; institutional WASH interventions (Anganwadis, school and health facility); ODF with Social and Behaviour Change Communication (SBCC)

There is a need to collaborate with the government, identify gaps and avoid duplication of activities, complementing the efforts of the government to effectively contribute to the results in a more sustained manner.

Some more opportunities:

- SDGs have given the mandate for collaboration with development partners
- High Rate of GDP and adequate financial resources that can be capitalised
- Technology (e.g. Telemedicine, Mobile based applications like TeCHO+)
- Presence of academic institutions and vibrant civil society organisations
- Mandate to PRIs for developing decentralised GPDP and mobilise resources from 14-15<sup>th</sup> Finance Commission

• Resources under CSR for developing sustainable models for improved service delivery for replication

The following actions were suggested for CSR investments:

- Adopting districts, talukas or gram panchayats and implementing comprehensive programmes using a holistic strategy for improving health & nutrition including WASH of children, adolescents and women
- Build capacities of frontline service providers and improving the quality of health and nutrition care in the private sector
- Area specific interventions for e.g. providing mobile Anganwadi centres, mobile health services, referral transport, toilets, infrastructure in coastal areas and hard to reach areas like the salt pan communities
- Provision of supplementary care workers (HR gaps), infrastructural gaps, add on facilities/materials/tools & equipment
- Volunteers for improved outreach services (Village Health Nutrition Day or VHND Mamta sessions; ODF monitoring)
- Adolescent empowerment with a focus on health and nutrition along with employability and life skills
- Interventions for urban poor and marginalised groups for child survival & development
- Different approaches/ flexible technological options to deliver health, nutrition and WASH services specially in urban slums, remote tribal habitations, salt pan areas
- Technology for improved service delivery for capacity development, fortification of food processing and faecal sludge management
- Digitalisation of Recording and Reporting mechanism
- Improving Menstrual Hygiene Management (MHM) service delivery to reach adolescents, especially in rural and tribal areas
- Improved business practices: setting up of state-of-the-art health and nutrition centres and WASH facilities; maternity leave and policies to promote exclusive breastfeeding for six months; crèche in the premises for children below 3 yrs. and restrooms for expectant mothers and breastfeeding rooms.

#### Panellists' Views

#### Panellist 1: Ms. Rinika Grover, Head CSR & Sustainability, Apollo Tyres

Addressing the issues in health sector, specifically pertaining to the situation of HIV/AIDS in India, Ms. Rinika shared that even though the overall rate has decreased, a lot of work still needs to be done. The government expenditure on AIDS is 1.5% of the GDP and it needs to be increased to 2.5%. Considering that the total global spend on healthcare is 6%, the spend on HIV/AIDS is still low. It is not only important to provide access to healthcare services but is equally important to ensure quality in the services provided. In 2016, 2.5 million deaths were attributed to lack of access



(in pic: Smt. Rinika Grover, Head CSR and Sustainability, Apollo Tyres

to quality services. There is a large gamut of services and infrastructure that is available. It is

necessary to see what corporates can do and how their initiatives can be dovetailed with the ongoing services.

Talking about the initiatives taken by Apollo Tyres in the healthcare field, the speaker shared that the company provides a preventive healthcare service for the trucking community. The trucking community was selected because of their business linkage with Apollo Tyres. The drivers have a rigorous working life where they do not have healthcare services available at their doorstep. The programme started in 2000 with an aim to provide such service at the trans-shipment hubs, where they spend a considerable amount of time. Apollo sought to provide AIDS awareness and treatment for sexually transmitted diseases (STDs) to the drivers. The programme has since expanded to also include provision of awareness on TB and other non-communicable diseases (NCDs) since in India, about 60% of the healthcare issues are related to NCDs. Additionally, services are also provided for prevention and cure of diabetes, high blood pressure and vision care. While proper vision is important for drivers to avoid accidents, there is a lot of resistance in them to accept any vision related problems. Of the people tested for vision, about 55-60% have refractive errors. The programme seeks to make them aware about the advantages of wearing spectacles. Generic healthcare services are also provided to the drivers. There are 31 such healthcare centres in 19 states across the country. These centres are located in the trans-shipment hubs where certified doctors, counsellors, paramedical staff and optometrists are available. There is a standardised format for service provision and working in collaboration with partners is a key strategy. Over the 18 years of its programmatic intervention, Apollo has built and fostered relationships with National AIDS Control Organisation (NACO), the State AIDS Control Society (SACS). Partnerships have also been fostered with corporates like Ambuja Cements and Ashok Levland for optimum utilisation of resources as they also aim to reach out to the driver community for their healthcare needs. SLR group has also agreed to provide spectacles on subsidised rates.

# Panellist 2: Shri Apoorva Oza, CEO, Aga Khan Rural Support Programme (India)

Shri Oza's observations were centred on the kind of partnerships that can be fostered and innovations that can be designed for multi-sectoral interventions. At the outset, he pointed out that when one talks about the health sector, one tends to think of doctors, hospitals, service providers and medicines that constitute mainly the curative component of health.



(in pic: Shri Apoorva Oza, CEO, Aga Khan Rural Support Programme (India)

Sharing about some of AKRSP 's interventions, he mentioned the setting up of about 15,000 biogas plants that help save women from inhaling the smoke from the chulha and thus helps to protect their health. The organisation has also set up laboratories for clean water and focuses on sanitation as a key intervention area. There is a dearth of facilities in Gujarat for testing bacteria and chemicals in water. Since the pollution control measures being adopted are inadequate, especially in areas in close proximity to industries, the quality of water available for drinking is worsening.

AKRSP also promotes millet production in Dangs and other districts that are very high on malnutrition. These are the only areas left in Gujarat which grow millets on a reasonably large scale. However, the growth of millets is declining because the market system is not supportive. Factors such as availability of rice at cheaper rates through the public distribution system and influence of media are affecting the millet consumption patterns among the younger generation. Hence, AKRSP has been focusing on revival of millets as they are nutritious and healthy. Such interventions are not commonly considered as work on health, even though they have a direct bearing on it.

The speaker underscored the need to look at health from a dimension which is away from the typical mind space dimension of service provision and focuses on how a healthy society can be created. If one has created a health society and a healthy environment, there will be more healthy citizens. Comparing India's performance to Bangladesh on several indicators such as diarrhoea management, MMR, IMR and nutrition, he observed that the latter has performed much better even though it has a much higher population density and half of India's per capita income. Bangladesh did not have money for hospitals and decided strategically to work on preventive aspects of health on a large scale. It achieved ODF about a decade before India. It has better potable and cleaner water than India. Significant work has been done with mothers and on community mobilisation.

Shri Oza shared an example from village Potada in Mangrol block of Junagadh district, where AKRSP has been working with groups of women and adolescent girls for over 4-5 years. A young 15-year-old girl, due to AKRSP's community extension work and the exposure she received on menstrual hygiene, developed the confidence to reject the ideas that were handed down to her by her mother that made her feel dirty during her periods. She had been informed by her mother of all the things she could not or should not do during the periods and had not received any biological explanation. In a meeting, she announced publicly that she would make efforts to inform her peer group and spread awareness on the aspects she had learnt about.

Health is an outcome of all that one does and hence it requires a multi-sectoral approach. If people consume pesticide laden food, there will be consequences. It is important to take steps to provide incentives to farmers for not using pesticides in their crop. AKRSP is working with 7,000 organic farmers in Madhya Pradesh and is struggling to get a mark-up of 15%-20% for all the products they have because the players are not enough and they are not offering a regular, consistent price. The farmers avoid using pesticides as they do not want to pollute the land, soil and water; but they also need resources to feed and educate their children. If they do not get a good price and the productivity goes down, they would discontinue the practice.

The speaker highlighted the need for an integrated approach with four planks viz.:

- 1. <u>Community mobilisation</u>: Issues related to health are of a personal nature and need to be addressed through face to face community mobilising by talking to women and adolescent girls.
- 2. <u>Clean water</u>: The facilities for proper testing of water are not in place and the data on status of clean water is not available. The laboratories available with AKRSP show that in some places, the water contamination is as high as 70%.
- 3. <u>Agriculture and sustainable agriculture</u> and pesticide free agriculture: Measures to incentivise and promote sustainable agriculture and encourage and promote women farmers have to be developed. It is ironic that 70% of the agriculture operations are done

by women and yet 50% of them are anaemic. It suggests that they are not allowed to grow what they would like to grow and they do not have the first choice of consuming what they grow.

4. <u>Incentivising markets</u>: AKRSP promotes bio pesticides. A woman in Mangrol has become an entrepreneur and has been taught how to manufacture the bio pesticide. She refers to it as 'Amrut Pani' and has a sale of Rs. 15,000 a month.

If all these four pillars or planks are in place, the approach can be considered as integrated. Else, it will be a piecemeal, curative approach that will involve a large spend on hospitals and doctors, who are scarce, especially in rural areas. The solution is to have a healthy lifestyle, give people a healthy environment so that ultimately, there are healthy citizens.

## Panellist 3: Ms. Archana Joshi, Director, Deepak Foundation

Ms. Joshi shared about the Maternal and Child Health project implemented by Deepak Foundation to reduce infant and maternal mortality. Sharing its journey and observations of the challenges and the process followed, she stated that the project was initiated in 2005,

much before the CSR Rules were passed. At the time, the concept of reduction of IMR and MMR was in line with MDGs. Both MMR and IMR need a big database and a big denominator. For a big denominator, a large scale is needed and to have the same, the intervention sought to cover about 20 lakh population. There were apprehensions both in the government and the Foundation about the roles of the latter and how the goal would be achieved. The project sought to activate the system within the government, operational and withdraw gradually. The team at the Foundation included people with social work and public health background who were not used numbers and figures and were very



(in pic: Smt. Archana Joshi, Director, Deepak Foundation

uncomfortable in tracking information and documenting it. An increase in institutional deliveries was seen as an important indicator of progress as it was believed by experts that increasing institutional deliveries would solve all the problems of IMR and MMR. The data was being tracked and a huge investment was made in developing a system of data collection at different levels. Functionaries were trained in collecting village-based information which was collated at different levels - in a cluster of 20 villages, at the block and district level and finally at the state level. The idea was to share this information at each level and use it for decision making.

The perception of the nurses' role was limited to immunisation. Sensitising the community on the need for institutional deliveries was very important and hence the information on the number of pregnant and nursing mothers, infant and maternal deaths was shared through wall paintings and other mediums. At the cluster level, information was shared with the nursing staff as they were very insecure that a cadre of grassroot functionaries will take away their jobs. Many of the home deliveries used to be documented as institutional deliveries. Hence, it was important to share this data and make them comfortable. Motorcycles were given to all the tribal women to cover a catchment of 20 villages and provide timely

information. An MIS system was developed at the block level. At the time that the project was being implemented, connectivity and information sharing using software were not common. Nevertheless, output reports were prepared and shared with the block officers. Often there were variations in the number of maternal and infant deaths recorded by the government officials and those recorded by the community. The number of deaths had to be validated with the district collector and the District Development Officers. Deaths were under-reported to the tune of 50% due to the following reasons: women who delivered in a specific village may not have been residents of that village and hence were not included in the counting; if women delivered outside the village and it resulted in her or the infant's death, it would be counted and women who died in the district hospital were not counted as it was accounted for in the hospital records. Validating the numbers collected at the community level with district officials helped to provide an accurate picture and real time information of IMR and MMR. In the process, some of the public delivery systems were also strengthened. The idea was to create a demand at the community level so that the government could respond. However, the supply side did not keep pace with the demand created. There is a need to strengthen the public systems and make sure that the poorest of the poor, who tend to seek services from a government facility not only receive it but also get a good quality service, as this is the only source of free services for them.

The speaker concluded by emphasising the role of the corporate sector in strengthening the government systems and in developing systems for monitoring & evaluation and data verification.

# Panellist 4: Shri Mathan Varkey, Head, Resource Mobilisation, The Akshay Patra

#### **Foundation**

Shri Varkey set the tone by emphasising that the best solution to a problem is to prevent it. He stressed on the importance of food for health and wellbeing. Talking about his



(in pic: Shri Mathan Varkey, Head, Resource mobilisation, The Akshaya Patra Foundation

organisation, he mentioned that the word 'Akshay Patra' comes from the Mahabharata; it was an urn given by Krishna to Draupadi with the promise that the food will never run out. The by-line of Akshay Patra is 'unlimited food for education'. It is a 19-year-old organisation that provides hot midday meal to government school children in partnership with the government. Today, it has 43 kitchens across 12 states. The meals are steam cooked, hygienic and ISO certified and reach out to 14,000 schools, 1.7 million school children and 1.5 lakh Anganwadi children every day. It is the world's largest school meal programme run by an NGO. In

Gujarat, it has six kitchens, one each in Ahmedabad, Baroda, Surat, Bhavnagar, Bhuj and Kalol that feed 4.2 lakh children in 1,535 schools and 50,000 children in 2,000 Anganwadis every day.

The way in which the initiative has scaled up is a model and is being taught to students at the Harvard University. The findings of a survey show that the meals have resulted in an increase in attendance. 27% of the children shared that they are coming to school only for the food. It has also had a positive impact on performance of the children, the body mass index

(BMI) as well as the upper arm circumference. For 37% of the children, it is the first complete meal of the day that they receive. The long-term plan is to close the programme, with the hope that children no longer require to come to school for a meal. The speaker concluded by sharing about a programme 'Feed the Future Now' that was launched a year ago. It brings together people and corporates who are doing proactive work to combat malnutrition and feed the hungry on a common platform, and also recognises and acknowledges their contribution.

**Session Theme** 'SDGs and CSR': SDGs 1, 2, 4, 8 & 9:

Educating & Skilling a Future Ready Work Force for

**Combating Poverty** 

Day 2, 22 February, 2019 Session 1 (Breakaway Session II)

**Time** 09:30 -10:45 am

Session FormatPresentations, Panel Discussion and Open HouseChairpersonMs. Veena Padia, Director, District Mineral FoundationPresenterMs. Anita Rajan, COO, Tata Strives, Tata Sustainability

Group

Panellist 1Ms. Gayathri Vasudevan, CEO, Labour Net ServicesPanellist 2Ms. Sonia Shrivastava, Head – CSR, Samsung IndiaPanellist 3Shri Santosh Abraham, VP, Skills, NASSCOM

Foundation

# SDGs 1, 2, 4, 8 & 9: Educating & Skilling a Future Ready Work Force for Combating Poverty

## Opening Remarks by the Chairperson: Ms. Veena Padia, Director, DMF

Ms. Veena Padia, in her opening remarks, emphasised the gap between demand and supply in education and skilling sectors, and the need to discuss how these gaps can be filled in the informal and semi-formal sectors as well as in higher education. It is anticipated that the labour force will grow by several million over the next few years; 90% of them being in the informal sector. Considering this, it needs to be seen how and what can be done to help bring



(in pic: Opening Remarks by Smt. Veena Padia, Director, DMF State Nodal Unit)

an improvement in their lives. On the demand side, many face exclusion due to their educational backwardness, status in society and other factors affecting their choices, decision making, levels of confidence and the quality of their lives in general. They are unable to match up to the expectations of the companies and firms. On the supply side, companies are unable to find people with relevant skills for their job requirements. Companies also tend to seek people with right attitude and good communication skills. At some level, many

companies especially in SME sector are not willing to provide in-house training for re-skilling and up-skilling.

SDGs 1 and 2 talk about combating poverty and food security while SDG 4 focuses on quality education, diversity and inclusion. As far as quality of education is concerned, there are several gaps in the levels of learning outcomes across all the levels of education. In conclusion, Ms. Padia suggested public and private sector partnerships must be forged in creating infrastructure, promoting inclusiveness and sustainable initiatives to promote innovations.

# Presentation by Ms. Anita Rajan, COO, Tata Strives, Tata Sustainability Group

The speaker pointed to an urgent need to prepare for the future world of work. Everything is automated today, including factories. Many jobs will be lost, but new jobs would be created. Illustrating her point, she shared that in Mumbai, a ban was imposed on plastics and people manufacturing plastic bags protested. It led to the development of a new material and plastic bags have been replaced with beautiful bio-degradable bags and new organisations started for production of the latter.

In the emerging and growing 'Gig economy', one would see shared spaces where people are working part time and freelancing. There is also a move towards 'platform economy'. Uber & Ola are examples of platform-based companies. They hold a platform that is being linked to entrepreneurs and taxi drivers. Collaborations are also happening between formal and informal sector. Tata Chemicals runs a large SHG programme which has translated into a market initiative called 'Okhai'. Ladies tailor and embroider garments



(in pic: Smt. Anita Rajan, COO, Tata Strives, Tata Sustainability Group)

that are sold in the market through online marketing. Such collaborations are going to lead the way. Hence, the poor India and the rich India are coming together through such platforms. Commenting on the implication of these changes for young people, the speaker said that companies such as Tata's and Mahindra's would not be the future job givers; they would provide jobs only for professionals at higher levels. The masses would get contracted to some organisation, which the prime company outsources its work to. The middle layer, the contractual workforce and the contractors are going to produce the jobs in future. Women are dropping out of the workforce year after year, because we do not have enough solutions and options for part-time work and home-based work for them.

A huge amount of re-skilling would be required in the area of automation. The roadside technicians are no longer equipped to handle cars such as an Audi, Mercedes or even a Toyota as they are not familiar with its technology. There is a whole set of labour force which needs to be up-skilled and re-skilled to tie it to this technology. Secondly, low skilled jobs which can be automated will disappear; people who input data into computers would no longer find jobs. Artificial intelligence will replace them. There is a need to think of and plan for specialised jobs. Technology has had a huge impact on businesses. Nike crowd sources

advertising ideas and then creates programmes. The music platform 'Saavn' provides music for free and it earns money through advertisements. This is a completely different model. If one looks at e-commerce, one can see ease of payments, aggregators moving from products to services to financial services; for example, Paytm can also pay for a life insurance. Internet of Things (IOT) is helping one to connect to one's body through sensors. Technology is therefore disrupting all types of businesses. The future lies in bringing these untouched people into the economy.

While many technological changes have happened, one needs to see whether similar changes are evolving in our systems of education, skilling and faculty of teaching skills. It is important that they too are disrupted in the same way. What should be the educational skills 5 to 10 years from now? Expressing her thoughts, the speaker shared that "the educational pipeline is leaking and leaking badly. Almost 50%-60% of the students are dropping out." The leak needs to be plugged, the leakage stopped and people leaking out need to be provided with livelihood options and further leaks need to be prevented.

It is necessary to consider what types of jobs can be given to people who have dropped out or have some levels of education but have not completed school years. Logistics sector is emerging and will grow in the coming years; jobs, for example, in warehouses, as drivers for transmitting goods from one state to another will be required. Hospitality sector is being disrupted. If one has an apartment, it can be sublet to guests and using the Airbnb model, one can become an entrepreneur sitting at home. There are some livelihoods that may not have existed before. Electric cars are coming which is a completely new scenario, for which we need basic level training. 'Okhai', the platform for women embroiders, needs platform-based training. Ms. Rajan stressed on the need to look at livelihoods that touch the masses and not the creamy layer as the latter can find slots for themselves.

In order to prevent leakage, the syllabus needs to be disrupted. Currently, it focuses on rote learning and does not teach students the modern skills of creativity, collaboration, and communication. High schools need to link up preparing students for jobs. Life skills and technical skills should be taught during standards 9-12. Students should be given options in courses of photography, automation, AI etc. and be guided and then allowed to make their career choices. In colleges, internship should be made mandatory, because the next step for college students is a job. If the college provides an opportunity to go to a working environment, gets the student connected with a company, the student will be picked up by the company if s/he has the required skills. There would be no need for them to hunt for a job. Looking at the next 5-10 years horizon, the job of education is to prepare young people for the future by bringing new subject courses. The speaker highlighted that 100 smart cities are being conceived but the institutes teaching town planning or city planning are inadequate. Similarly, there is a focus on creating environment sustainability; not many institutes prepare young people for this or for environmental engineering.

The speaker shared some concerns and the way forward to address the current challenges. As per an estimate, there are 400 million people that need to be trained, of which 150 million are new trainees i.e. people who have no training. This needs to be achieved over the next 10-15 years. She added that at Tata Strive, the goal is to train 1 million people. If training one person requires Rs. 10,000, about 1,000 crores will be needed to achieve the goal and nearly 33,000 faculty will be required. Such resources do not exist, neither in terms of money nor in

terms of time. Hence, the old ways of training will need to be replaced by newer ones. Face to face teaching will no longer be workable. It is necessary to deploy technology and use models of blended learning that shortens the learning time; the 'Phygital Model' (the training of the hospitality is done in the classroom and the practicals are done through a tie up with a hotel), and where appropriate, the E-learning model. The path to such changes may be challenging but absolutely necessary. Tata's have been using technology, methodology and pedagogy to achieve targets. Ms. Rajan concluded by emphasising the need to not only desire change but also to "change ourselves."

#### **Panellists' Views**

# Panellist 1: Ms. Gayathri Vasudevan, CEO, Labour Net Services

The speaker reiterated the need to address the current issues in the job market. Learning levels are low at school and the nature of work is constantly changing. She went on to share the apprehensions that such changes lead to. When cotton was replaced by synthetic polyester, when bullock carts and horse carts were replaced with cars, there was panic about loss of jobs. Jobs got created in a different sector and there was transformation. It is relevant to understand who got the new jobs that were created and what happened to the sectors that were affected by the changes. Today, there is an ecosystem and communication that is transcending all that we are talking of. Ms. Gayathri also stressed on the importance of learning from each other and creating opportunities for peer learning.



(in pic: Smt. Gayathri Vasudevan, CEO, LabourNet Services)

Referring to the tenets pertaining to education, Ms. Gayathri spoke about one of them viz. peer-to-peer learning and experiential learning. In experiential learning, the entire vocation has been learnt on the job. You get paid for experience and not for certification. In countries such as Germany, Switzerland and Sweden, people are brought into the world of education and the world of work by the age of 10 years and they get to choose whether they want to go to academia or a vocation. By the time one reaches grade 5, one has made the choice. The credit transfer between education and vocation happens very smoothly. There is no social stigma

attached. Sharing her personal story, the speaker highlighted the inability of most people in our country to accept children if they opt for a vocational stream. There continues to be a stigma attached to many vocations.

All the SDGs are interrelated and addressing them will have an impact on society. To achieve the goals, collaboration between government and corporates, social enterprises and the 'Notfor-profit' is necessary. The modalities need to be worked out. Concluding her comments, the speaker stressed on the need to reflect and overcome our fear of accepting mistakes and of admitting & learning from our failures. The fear of social construct, social contract and fear of failure can be the biggest obstacles in achieving the SDGs. We need to learn from the private sector how to accept mistakes and learn from them.

## Panellist 2: Ms. Sonia Shrivastava, Head - CSR, Samsung India

Ms. Sonia began by commenting that "skilling is typically seen in a vacuum. It is not really connected to employment or entrepreneurship and this scenario will not lead us anywhere."

Sharing the initiatives of Samsung, she mentioned that it works in partnership with the Ministry of Small and Medium Enterprises (MSME) and the departments of technical education across 11 states to train young people in the repair and trouble-shooting of



(in pic: Smt. Sonia Srivastava, Head-CSR, Samsung

electronic consumer goods. There is a conscious effort to be inclusive; women and the differently abled are encouraged to participate in these trainings. The placement rate is 71% and most of the trainees are able to get good jobs. Samsung has not been able to ascertain how many trainees have become entrepreneurs. A number of new jobs are likely to be created in areas which use technology like IOT, computer intelligence etc. The company currently works with 5 IIT's and plans to reach out to 40 over the next year to provide skills to young people in new areas, be it machinery, artificial

intelligence or any others. Providing counselling to young people on the kind of skills they should have or the career they want to choose is another important area that needs to be addressed. With the support of the Ministry of Labour, Samsung will set up India's first Centre of Excellence for Career Counselling in Greater Noida. The Centre will create standards for psychometric assessments, training and counselling. It will help young people to identify the skills they are naturally more inclined towards and are happier to be in, as well as in articulating their career choices. Suggestions would be provided to the incumbents for employment opportunities. In addition to focusing on skills required by the market, the Centre will also pay due importance to help young people identify their needs, strengths and aspirations to maximise their potential in life. Paying attention to these dimensions is of utmost importance.

#### Panellist 3: Shri Santosh Abraham, VP, Skills, NASSCOM Foundation

The speaker began by sharing that one of NASSCOM's efforts has been to solve the problem

of access to training. People in Information Technology (IT) are probably guilty of ignoring the under skilled because IT does not attract anyone who is below a graduate. During the last year, IT had added 1,70,000 jobs for which there was a pool of at least a million people. There is excess supply available in the market. NASSCOM Foundation is actively working with industry partners to ensure that people can find jobs. It believes that the next set of jobs will come from the SMEs and there is a need to provide skills to people to get into SMEs. The work scenario is going to be very different in the future. The SMEs



(in pic: Mr. Santosh Abraham, VP Skills, NASSCOM Foundation

are doing an amazing job in the areas of Artificial Intelligence (AI), IOT etc. It is important to consider training a workforce with such skills.

NASSCOM is trying to establish blended learning models, where there is a standard facilitation in the beginning, online blended learning, and hands on training. One of the automotive companies approached NASSCOM to assess how the job ability of Industrial Training Institute (ITI) courses can be increased. Referring to the gap in skilled force that can cater to the latest technology driven cars in the market, Shri Abraham mentioned that the Foundation has introduced a blended curriculum where it aims to "create some communication network modules based on IOT or clusters etc. and leave that as an idea. Let the ITIs run the tests and let them be able to read the output of the tests and learn how repairing is done in the automotive industry." Trainees are not expected to code for all these things, but to learn how to service the car that has electrical intelligence. Another set of people will be required to write the codes to create these clusters; for example, how do the speedometers or the fuel gauges talk to the machine or to the car and how does the car selfdiagnose. These are areas which will need excessive skills, where the engineers and other professionals will need to be included. The focus needs to be on creating those segmentations where there is futuristic learning, where there are enough opportunities for everyone involved so that they get enough jobs.

NASSCOM is also involved in social innovations (SDG 9) for creation of jobs and ensuring better delivery of skills. The speaker shared an example of an organisation 'Skill Training' that uses a blended learning methodology. Painters, plumbers or someone wanting to learn mobile repairing can learn online and receive practical training through organisations with whom they have tied up. They can pay online through Paytm, go through the videos and learn all the skills at the centre; having completed this process, they can then apply for certification. Such models provide flexibility - learning can be anytime – and at the end certification is assured.

NASSCOM has started an initiative called 'Future of Skills' where it is looking at reskilling the entire workforce in the IT industry so as to move on to roles which are much more productive; this probably does not fall in the ambit of CSR but companies do it because talent is imperative for them. A B2C (business to consumer) version of 'Future Skills' will be opened to colleges and universities where the students will learn the basics of future skills, so that they can then take a specialised course.

NASSCOM is also working on standards of training. They are now doing NSCO (National Standard Classification of Occupations) at level 3 and 4. Apprenticeship can now be explored under CSR, with a few caveats. Under a web portal, apprenticeshipindia.org, the GoI, NHPC and all the sector skill councils like NASSCOM, DSSI, etc. are putting up jobs and on the job training opportunities for apprentices and providing for re-imbursement. There are incubators for apprentices, where one needs to pay only 70% of the minimum wages in the 1<sup>st</sup> year, 80% in the 2<sup>nd</sup> year and 90% in the 3<sup>rd</sup> year. There is a cost advantage factor in this model that is helping companies to get new talent, train them in the company and place them. The speaker concluded by saying that "this is what the future is going to look like. It is imperative that the industry innovates for better infrastructure and better opportunities."

# Concluding Remarks by the Chairperson: Ms. Veena Padia, Director, <u>DMF</u>

Ms. Padia shared about the work on skill development being undertaken by the District Mineral Foundation, under the Department of Industry, in a public-private partnership. Under the scheme 'Pradhan Mantri Khanij Kshetra Kalyan Yojana' (PMKKKY), considerable resources are available. In Odisha, Jharkhand and Chhattisgarh, it is close to Rs. 400-500 crores/district as the lease holders are expected to pay certain percentage of the levy towards the welfare of the mining community.

Within 2 years since the scheme started in 2015, there was a lot of untied money lying with the government at the state and the district level. Most of the states have used this money to develop roads and infrastructure. Gujarat, on the other hand, developed a strategy to work on key strategic areas by doing a gap assessment in the mining affected areas. Skilling was identified as a major strategy and within that the focus was on requirements of the mining affected community. 14 sectors were identified (e.g. the operators or excavators, technician's requirement for higher level training, automated construction, healthcare and tourism) and focused on. Over 10,000 people in 2,000 villages were assured of employment over a period of one year. This model is being followed by other states. The most important aspect was that due attention had been paid to several aspects of training, formal registration and setting up a separate portal to ensure transparency. Diversity, governance and rights were accorded special attention.

A Centre for Excellence in Mining has been set up in partnership with TATA-Hitachi, with equal partnership between the government and TATA-Hitachi. It will re-skill and up-skill people who are already trained to enhance their incomes and absorb them in mining companies.

## **Open House**

#### **Q.** What future are we looking at?

**A.** If we look at future of work, I will speak about what NASSCOM is doing. We have identified about 55 job roles that will come into being in major verticals like 3D printing. The question is whether there are enough manufacturers, service centres, software design components or applied material research for the upcoming field of 3D printing. There are multiple future opportunities that are coming in. We are in the future. Jobs are always tied down to skills, but right now it is very cognitive. The way you work has changed. The concept of office does not exist in workplaces like the Gig economy; one might be working for three companies simultaneously. How does one move out from the security of a 9 to 5 job, being able to accept jobs which are only for 3-4 hours? A mindset change has to happen and that is where the future of the jobs is going to be. (Shri Santosh Abraham)

**Session Theme** 'CSR Awards Ceremony'

**Day 2, 22 February, 2019** Session 2

**Time** 11.00 am -12.00 noon

**Session Format** Welcome Address, Presentation on the Process of

Selection of Awardees, Video documents, Presentation of Awards, Release of the Coffee Table Book and Restroom SOP publications and Address of the Hon'ble

Governorshri of Gujarat

Welcome Address Mrs. D. Thara, IAS, CEO, GCSRA

**Video documentation** GCSRA

**Release of publications** The Hon'ble Governorshri of Gujarat **Keynote Address** The Hon'ble Governorshri of Gujarat

## **Welcome Address**

## Mrs. D. Thara, IAS, CEO, GCSRA

Mrs. Thara welcomed the Hon'ble Governorshri of Gujarat on the occasion of the GCSRA 3<sup>rd</sup> National Conclave and CSR Awards ceremony. She also welcomed all the other dignitaries on the dais: Dr. Madhukar Gupta, Ms. Swati Lalbhai, Shri P. K. Gera, Shri Gyaneshwar Singh and Shri A.M. Tiwari. She extended a hearty welcome to all the participants at the Conclave and hoped that they would have a good experience and develop an understanding of good CSR practices.



(in pic: Smt. D. Thara, IAS, CEO, GCSRA welcoming Hon. Governorshri of Gujarat, Shri O.P. Kohli for the awards ceremony

#### 'The CSR Award: A Process'

# Address by Shri Abhishek Tripathi, Director, PwC India

Introducing the GCSRA's third edition of the CSR Awards, Shri Tripathi shared that GCSRA was conceptualised for enabling cooperation and participation between the corporates and the government to benefit the marginalised community, while also helping them comply with the CSR Rules. He added that while GCSRA works towards grounding impactful projects

with strong partnerships, there is a vast pool of running/executed projects that are worthy of sharing, from the perspective of scaling up these experiments. The CSR Awards, 2019, comprise of two categories namely:

- 1. Sustainable and impactful CSR projects
- 2. Cohesive & strategic CSR Partnerships

The first category was further bifurcated into two sub categories (a) Large and (b) Medium and Small companies, on the basis of the size of the company in terms of the profits earned.

A rigorous process was adopted in selecting the awardees and it involved a four-tier assessment:

- 1) Preliminary scoring based on CSR Award Evaluation Tool: 30%
- 2) Field Assessment Weightage: 30%
- 3) Presentation before the Screening Committee and final selection by Jury: 40% (10% by committee and 30% by the Jury)

Companies were required to submit an application in a pre-designed format for the two different categories and were also asked to upload substantiating documentation if any, by end of November 2018. A total of 36 application forms were received by GCSRA from 31 companies, which is indicative of the tough eligibility criteria for the awards. Using specially developed evaluation tools, the PwC and GCSRA teams jointly conducted a preliminary evaluation and shortlisted the applicants. The evaluation tool comprised parameters aligned with each



(in pic: Shri Abhishek Tipathi, Director, PwC speaking about the awards process

award category. The evaluation process involved a review of the application and the supporting documentation (videos, pictures, and case studies), impact assessments, other felicitations etc. submitted by the companies.

Based on the preliminary scoring, 17 applications were shortlisted for site visits. Site visits were conducted jointly by the GCSRA-PwC team to validate the impact claimed by the companies in their application. Post field validation and a second level field scoring, an interim assessment was done and 16 of the 17 applications were forwarded to the Screening Committee members for each award category. All these applicants were asked to make presentations before the Committee.

The screening committee comprised eminent CSR and social sector professionals:

- Chair: Shri AM Tiwari, IAS, Additional Chief Secretary (Home), GoG
- Members: Mrs. D. Thara, IAS, CEO, GCSRA; Ms. Arti Kanwar, IAS, Resident Commissioner, GoG; Shri Sudhir Sinha, Senior Advisor, PwC; Shri Binoy Acharya, Founder, UNNATI Organisation for Development Education; Dr. Laxmi Bhawani, State Head, UNICEF Gujarat and Ms. Urja Shah, President, SETCO Foundation.

Subsequently, top five companies from (a) Sustainable & Impactful CSR (Large), top two from (b) Sustainable & Impactful CSR (Small & Medium), and top two companies from (c) Cohesive & Strategic Partnership (Large) were selected for final discussion and selection by the Jury. The eminent Jury comprised a mix of administrators, corporates/Corporate Foundation representatives and included:

• Shri M. Sahu, IAS Retd., Ex-Chairperson, GCSRA and the former Additional Chief Secretary (Industries and Mining Dept.), GoG; Shri Ravi Puranik, former CEO, Hindustan Unilever Foundation, Ms. Swati Lalbhai, Trustee, Atul Foundation and Ms. Rita Teotia, IAS, Retd., Chairperson FSSAI.

The Jury members were apprised of the award process. During the Jury meeting, the GCSRA-PwC team shared a summary of each shortlisted project, followed by its video-documentation. A closed room discussion between the jury members culminated in drawing up a list of the top winning projects in each category. The speaker concluded by wishing good luck to all the participating companies and hoped that the initiatives in Gujarat will continue and become an example for other states to replicate.

#### **Video Documents and Presentation of the Awards**

Hon'ble Governorshri of Gujarat presented the following winners with the CSR awards. Video documentation of work done by the award winners was showcased at the Conclave.

1. Sustainable and Impactful CSR Award

Category: Large Company

Winner: **Apollo Tyres Ltd:** The 'Navya' project of the organisation in Limda is aimed at SHG formation, capacity building and enterprise and marketing support that extends to 1,900 women across 52 villages. It has facilitated a 100%-200% increase in their incomes over a period of 5 years.



(in pic: Hon. Governorshri of Gujarat, Shri O.P. Kohli giving the Sustainable and Impactful CSR award to Apollo Tyres team

2. Sustainable and Impactful CSR Award

Category: Small and Medium Company

Winner: **Finar Limited:** The education project reaches out to more than 3,200 students across 40 schools of Sanand district and provides both awareness and infrastructure support on health & hygiene, with scholarship programmes targeted specifically



(in pic: Hon. Governorshri of Gujarat, Shri O.P. Kohli giving the Sustainable and Impactful CSR award to Finar Ltd. team

at the girl child. It has helped raise attendance levels and fostered a positive attitude towards learning.

3. Cohesive & Strategic Partnership Category: Large Company

Winner: **Gujarat Pipapav Ports Ltd**: It reaches out to smallholder farmers in 34 villages of Amreli district through its Water Resource Management project. It has encouraged Participatory Irrigation Management by enhancing water resource conservation and management and by adopting lift



(in pic: Hon. Governorshri of Gujarat, Shri O.P. Kohli giving the Cohesive and Strategic Partnership award to GPPL team

irrigation scheme for facilitating the optimum use of water. It has also created locally relevant and sustainable community institutions and demonstrated visible and distinct impact measurement.

## **Release of Coffee Table Book**

Shri O.P. Kohli, Honourable Governorshri of Gujarat, released the GCSRA Coffee Table Book, 2019, comprising of 17 best case studies of the CSR projects of participating companies.



(in pic: Hon. Governorshri of Gujarat, Shri O.P. Kohli giving the Sustainable and Impactful CSR award to Finar Ltd. team

#### Release of GCSRA publication on SOPs for Urban, Public Restroom Complex

Shri O.P. Kohli, Honourable Governorshri of Gujarat, subsequently released the GCSRA publication on SOPs for Urban, Public Restroom Complex. The Public Restroom Complex project seeks to take the perception of public toilets beyond their essential use as a toilet facility into hallmark of public spaces that achieve standards in public health, and envisions a quantum improvement in terms of the design, the facilities and the operations and maintenance of the public toilets to create a national and global model worth aspiring for.

The project recognised standardised instructions in the form of SOPs as imperative for ensuring quality in keeping the restroom complexes clean.



(in pic: Hon. Governorshri of Gujarat, Shri O.P. Kohli giving the Sustainable and Impactful CSR award to Finar Ltd. team

## Address by the Honourable Governorshri of Gujarat, Shri O.P. Kohli

"Mrs. D. Thara, CEO of the Gujarat CSR Authority, winners of the prestigious awards and distinguished guests. It gives me immense pleasure in addressing you all again at the GCSRA's National CSR Conclave, which has now prolifically moved onto its third year. I take this opportunity to praise the dictum of the conclave which states 'Aligning SDGs with CSR to influence change' and focuses on distinguishing commendable CSR projects that have gone beyond just the mandate, are impactful and have community at their core. These projects are evidently leading to scalable impacts that include transformation of an individual and a community for the better.

I would also like to take this opportunity to speak about GCSRA's intent and direction that has proven to be a promising model in the current development scenario. This unique structure has potential to strongly weave in private and government institutions into a cohesive framework that calls for countrywide replicability.

The Indian mandate to spend a share of profits on earmarked development issues has proven to be a yardstick for the corporates to showcase their willingness to give back to the society. With several projects now in place that suffice for the mandate, corporates have also been trying to address the global goals of development through this; by aligning with the SDGs. Corporates are now not only active in addressing the government directive, there are organised efforts to contribute to the global challenges of poverty, education, health and the alike. The United Nations' appeal to the development institutions in the world has also hit the corporates rightly; many corporates are now keenly advocating inclusion of SDGs in their overall CSR framework. The activities listed in the Schedule VII also complement the global goals of development. Be it projects related to skill development or education, health or infrastructure, the prime motive is to ensure prosperity of all living beings.

Although all the institutions including corporates, are working in a coordinated spirit, validation continues to remain a question mark. The government policies and corporate missions are now linked with the global goals, but a larger impact is yet to blossom. With India now ranked 116 in the SDG index on a list that includes 157 other countries, immediate actions and partnerships is the need of the hour. Collaboration of civil society, government agencies and corporates can rightly pave a strategic path to move up in the ladder of SDG index, also contributing to the last SDG in the list of 17 goals.

The SDGs and the CSR Rules happened around the same time thereby empowering the corporates to invest resources towards eradicating global challenges. With overlapping themes, the SDGs and CSR have potential to create an intersected model for sustainable growth. And in the years to come, coordinated efforts of government and corporates will help reap the much-needed benefits for the marginalised populace. This syncing was waiting to happen, later if not sooner, and I wish GCSRA the best for having brought this alignment to the fore.

CSR, now moving into its fifth year since the 2014 mandate; there have been instances of benchmark programmes going beyond mere reporting to including the top management in the planning process. A programme that reflects the vision of the titleholders has much to deliver in terms of sustainability and scale and hence, participation of the Board in planning becomes central. This planning for CSR has now moved into a more strategic phase and calls for accountability of the stakeholders. The notable works of corporates such as Tata Sustainability Group present enough clues of efforts that are sustainable and community centric. Other prominent names with CSR presence in the state are UPL, GHCL and Ambuja Group (and others), which have demonstrated willingness to back the state's mandate competently. There have been contributions in the individual capacity going beyond the mandate as well. There was always a common motive that drove the efforts of quoted corporates and individuals, which was to transform communities into sustainable units.

GCSRA, in this current year, has again demonstrated its resolve in recognising developmental efforts of corporates in the state of Gujarat. I was informed about the contesting projects which had put the jury in a bind, a dilemma, to explore the possibility of even declaring a joint winner. However, to maintain distinction among the best and create an aspirational high for these awards, it was finally decided to identify 1 unique winner in each category.

Apollo Tyres Limited, one of last year's finalists as well, continues to showcase exemplary work in the domain of women empowerment through its project Navya, which has been declared as the best project in the category of Sustainable and impactful CSR project. The project, I heard, has been successful in empowering women through creation of SHGs in Vadodara and facilitating their social empowerment as well as economic advancement, through farm and non-farm livelihoods support. Finar Foundation won the award for its education programme aimed at holistic development of the students. I sincerely appreciate the efforts of Finar Foundation and the company's leadership who have invested their personal time to work towards creating an enabling environment for the students.

Gujarat Pipavav Ports Ltd. has won the award in Cohesive and strategic CSR project for its water management programme. The company has been effective in knitting significant partnerships with notable resource institutions in the state and facilitate the farmers in achieving better productivity and incomes, through formation of community institutions,

water management and crop diversification. Some other corporates worth mentioning this season are Grasim, which implements its village transformation project directly and strives to impact the rural household in a multi-sectoral manner, Nayara Energy also attempting to do the same via creating a local workforce of para professionals. Companies like Coastal Gujarat Power, which continue to work on grassroots issues impacting the community, in spite of incurring operational losses, also need to be applauded.

Partnerships that yearn for large scale impact will have government and corporate at the centre with the latter complementing state schemes leading to envisaged impacts. This not only highlights government's policies but also showcase the willingness of corporates to be a part of the larger ecosystem for change. Moreover, many a times, a corporate has been evident in tweaking government schemes to best suit its resources, or to address the gaps of existing schemes. This has underlying positives for the proposers who save on time and efforts to plan a programme. NGO and corporates, together, are strong enough to reach the deprived population. Relying on a grassroot institution helps to ease out on-ground challenges. Engaging a specialised NGO results in creating an impact that reaches out to the farthest beneficiary, rather than just a haphazard sprinkling support.



(in pic: Hon. Governorshri of Gujarat, Shri O.P. Kohli addressing the attendees during GACL Gujarat State CSR Awards ceremony

I personally believe an approach that blends strategies with the right mix of resources will result in an efficient programme, hence benefiting the community sustainably. I sincerely advocate partnerships of such nature and encourage corporates and allied institutions to learn from the best models of such programmes. GCSRA, under the aegis of Government of Gujarat has been effective in strengthening like-minded partnerships and in bringing under one roof, a gamut of development planners and practitioners. Its foremost focus has been to bring in small and medium level enterprises under the arch of CSR and assist them in developing projects that reap sustainable impacts.

I, once again, take this opportunity to extend my wishes to the winners of the Gujarat CSR awards and complement their sincere efforts to make positive change in the community. The untiring efforts of GCSRA and the esteemed jury designated to select the best models from a bunch of bests is also commendable and appreciated. I sincerely congratulate the participating corporates who applied for the awards and believe that every participating entity is a winner in a distinct manner.

Before closing, I thank the Gujarat CSR Authority for their continuous efforts to even the platform of CSR in the state. GCSRA has come up a long way in consolidating diverse efforts which complement the government mandate. I wish that GCSRA continues to recognise and felicitate programmes that have potential to be called as model for other corporates to learn and replicate. In the coming years, I wish to see institutions of similar capacities coming together to make informative dialogue exchange and in turn, learn from each other to ensure sustainable communities in the state. Jai Hind!!

#### **Vote of Thanks**

Mrs. D. Thara thanked the Governorshri, Shri O.P. Kohli for presenting the GCSRA Awards, 2019 to the winners and said that it was an honour that they could receive their awards from his hands as "all of us look up to you for this kind of honour." She thanked him for inspiring and guiding GCSRA all through and handling the baton of the CSR Conclave and Awards for the past 3 years. Mrs. Thara thanked the other dignitaries on the dais: Shri Gera for his guidance; Dr. Madhukar Gupta for sharing his wide experience; Swatiben for being a part of the Jury and guiding GCSRA; Shri Gyaneshwar Singh for attending this event; and Shri A.M. Tiwari for laying the path and helping to consolidate GCSRA over the years. Finally, she thanked all the companies who participated in the award process and expressed a hope that more SME companies would participate in the future. Mrs. Thara thanked all the participants and the organising team for their contribution in making the event a success.



(in pic: Smt. D. Thara giving the Vote of Thanks

**Session Theme** CSR Masterclass

**Day 2, 22 February, 2019** Session 3

**Time** 12.30 pm – 01.30 pm

**Session Format** Keynote Address, Panellists' Views and Open House **Moderator** Prof. Himadri Sinha, Xavier Institute of Social Service

**Keynote Address** Shri Sudhir Sinha, CEO, CSR Inc.

Panellist 1Shri Nirbhay Lumde, Director – CSR, CGIPanellist 2Shri Amit Mehta, CEO, MAA FoundationPanellist 3Shri N. Srinivasan, Ex-CGM, NABARDPanellist 4Shri Chetan Patel, Council Member, ICSI

# <u>Opening Remarks by the Moderator: Prof. Himadri Sinha, Xavier Institute of Social Service</u>

Prof. Sinha, in his opening remarks, appreciated that the CSR award ceremony provides an idea of the work that has been done by the awardee organisations. In recent years, CSR has seen a shift from anthropocentric focus to ecocentric focus. In addition to considering how CSR is impacting human lives, there is also a need to focus on its effect on ecology. Prof. Sinha added that if the spirit of ecosystem is satisfied, it will lead to incremental benefits. In the case of organic farming, for example, its practice will not just lead to prosperity but to incremental prosperity.



 $(in\ pic: Prof.\ Himadri\ Sinha,\ XISS\ giving\ the\ opening\ remarks\ for\ CSR\ Masterclass$ 

# <u>'CSR and its Evolution'</u> Keynote Address by Shri Sudhir Sinha, CEO, CSR Inc.

Speaking on CSR and its progress from biological to anthropocentric and humanitarian evolution, Shri Sinha mentioned that though CSR has evolved considerably, it still has a long way to go.

The three key pillars or parameters of evolution are:

- Understanding of CSR
- Drivers/Purpose of CSR
- Approach

Understanding of CSR: CSR has evolved and moved away from shareholder to charity and philanthropy. In recent years, the government has provided a framework for compliance and CSR is currently in the compliance phase. It now needs to move from compliance to actualisation. People like Ratan Tata and Azim Premji have reached the stage of selfactualisation. They created wealth and understood that it is for society and should be given back to it. Just like Gandhian philosophy



(in pic: Shri Sudhir inha, CEO, CSR Inc.

believed in trusteeship, they have also become trustees of their wealth.

<u>Drivers/Purpose</u>: Prior to the 90s, most companies and specifically those in the manufacturing sector were doing CSR, corporate philanthropy or community development programmes mainly because they wanted a 'social license to operate' their business. They wanted to mitigate the challenges being faced from the community and this motivated them to get into social responsibility. Some companies like the Tata's, Birla's and Lalbhai Group were pursuing their philosophy of doing business, and believed that whatever they take from society must go back to it. In the 90s, when India opened up its economy and Indian companies entered the western markets, they had to follow the requirements of that market and the customers to perform on social parameters. This led them to adopt some nuances of social responsibility. The drivers of CSR have evolved since. Shri Sinha endorsed the views of a previous speaker who stressed that if one is moral, one will be responsible and if one is responsible, then everything else will fall in place. The evolution of CSR has to reach this level of drivers.

Approach: Approaches are key to CSR. The approach to CSR has been and is humanitarian and is characterised by sympathy but not empathy. There are processes of dehumanisation i.e. injustice, discrimination, exploitation, oppression and violence, which are common phenomena in the corporate sector. Issues associated with dehumanisation need to be addressed if we consider ourselves involved and responsible corporate citizens. Using practices that are dehumanising at one end and spending part of one's profits on CSR on the other, are incompatible with each other. There is a greater need for empathy.

The evolutionary shift that is envisaged for CSR over the coming years is as follows:

• Shareholders to 'stakeholders'

- Charity to 'strategic/social justice philanthropy': development has to be inclusive, with an emphasis on reducing the growing inequalities linked to growing economy. Until space is created to make the community or society a partner, development cannot be sustainable.
- Voluntary to 'mandatory': Since most businesses were not performing their social responsibility voluntarily, the government had to make it mandatory. There is a need to move from this phase to self-regulation.
- Fair weather approach to 'core business practice': Although the Act stipulates that only if one is making profit, there is a need to contribute towards social responsibility; however, social responsibility must be an integral part of one's business and linked to revenue rather than profit.
- Social Mask to 'DNA of the Business'

The principle of "From each according to his ability, to each according to his needs" should guide the evolution of CSR philosophy. The speaker suggested that corporates should continue to ask themselves the following:

- Is the pedagogy of CSR right at this point of time?
- Is CSR meeting the core objectives?
- Is CSR responsible, just & fair?

### **Panellists' Views**

# Panellist 1: Shri Nirbhay Lumde, Director - CSR, CGI

Shri Lumde began his speech by highlighting that social development, more so working with people, takes time and hence one needs to be patient. CSR, as a mandated practice, is only four years old and many corporates and private entities are slowly moving towards social development. It is a new terrain for them; moving beyond numbers and engaging in discussions around development and gaining community confidence and acceptance during

the course of interventions is not easy.



(in pic: Shri Nirbhay Lumde, Director-CSR, CGI)

There has been a move among corporates from being merely 'compliance driven' to being 'project driven'. It is hoped that five years down the line, discussions will centre on being 'impact driven'. Engagement at the Board level is visible and in principle there is agreement among corporates that they need to do more for the communities than what is being done. Speaking about the dilemmas of CSR practitioners, the speaker said that on the one hand, the Board expects them to show quick results, on the other, they also have to gain the confidence of the community about their intentions.

CSR programmes are either short term or long term. It is important to have a vision about the direction that a CSR programme needs to take. There should be clarity on why a particular intervention or focus area has been selected. Sharing an example, Shri Lumde said that CSR needs to be looked at in a broader perspective. While its engagement may initially be in one aspect of a sector, it is often required to take up much larger programmes.

Citing an example of education, he shared that an intervention targeted to improving school education may also have to address the nutrition related concerns of children if that is a factor affecting their regularity in school. It may also be necessary to work with mothers and the larger community as the problem of nutrition is not just at the school level but also at the family level.

Many corporates with large CSR budgets focus on doing work in their surrounding areas. A good number of corporates with medium and small budgets have a huge opportunity to do pilot projects. It is time to create small successes and sharing them with others so that others do not need to re-invent the wheel.

There are plenty of opportunities in CSR for collaboration: between corporates, with implementing agencies and also the academia. These collaborations can be forged if there is an openness to accept each other, despite philosophical differences and being competitors. Taking support of the government is also critical, as CSR funds are miniscule compared to the government spend. In conclusion, the speaker said that there is a long way to go and collaborations can pave the way for increasing the impact of CSR.

## Panellist 2: Shri Amit Mehta, CEO, MAA Foundation

Shri Mehta emphasised on some gaps that need to be addressed in CSR:

- 1. The top 500 companies are contributing to 90% of the CSR spend. These companies are highly structured and have created separate Foundations or CSR cells. There are thousands of SMEs and the small profit-making companies that are merely complying with the CSR mandate. There is a need to tap the 10% companies, focus, educate and integrate them into regional forums and conclaves where they get to learn and educate themselves on SDGs, their CSR intent and their impact.
- 2. Each district can do a Pareto analysis of the 17 SDGs and identify the top ten challenges and develop collaborative 3-year plans in addition to the existing programmes. This has to be done in consultation with the district administration to avoid overflow of CSR in some areas and achieve more equal distribution of resources. In future, the government's
  - social matrices and probably tools like AI can be used to gauge the district level challenges related to SDGs and mechanisms developed to engage NGOs, corporates or the CSR implementation agencies to support the district administration in these areas.
- 3. There are examples of practices that have been implemented, vetted and considered good enough to be awarded at the state level. Replication of such practices is required not just at the state level but also at the national level.



(in pic: Shri Amit Mehta, CEO, MAA Foundation)

4. Employees with a social fervour can be identified to volunteer in CSR projects as they will be more likely to contribute not just to the projects but also to the brand image of the company. However, it should not be made compulsory for anybody and everybody to volunteer.

- 5. Limited Liability Partnership (LLP) and other partnership firms, including Chartered Accountants are outside the ambit of CSR. They need not be mandated to spend 2% but can contribute by doing social audits or help CSR implementing agencies in their financial management. These firms are all profit making and can contribute if not in cash, in kind.
- 6. Companies need to step out of their comfort zones as it is easy to keep working on projects that are close to their hearts. There is a need to evaluate the efficacy of the long-term projects, to see if they have made enough modifications or if there is a need to alter them to address present day needs.

Summing up, the speaker observed that companies should always wear two hats: of 'business and increasing shareholders value' and the other of 'social responsibility'. He summed up with a quote of Azim Premji, "Corporates derive profits from the society and it is our moral obligation to give back to society".

# Panellist 3: Shri N. Srinivasan, Ex-CGM, NABARD

Shri Srinivasan presented some of his views on the genesis of CSR and its evolution. The idea of giving away part of one's wealth and earning is centuries old. CSR has now made it mandatory to do so. There is nothing wrong in the government asking corporates to contribute to society and to communities who in some ways, contribute to their thriving



 $(in\ pic:\ Shri\ N.\ Srinivasan,\ Ex\text{-}CGM,\ NABARD)$ 

business. There are industries which pollute, cause damage to the environment and extract natural resources beyond proportions. Doing CSR cannot atone such practices or lead to salvation. Remediation of the damage one causes in the process of doing business is probably a more basic responsibility. Spending the 2% is more about finding a sense of balance and equilibrium with the larger society. Speaking about the motivation for the 2% CSR spend, the speaker said that it can either generate pride or happiness. Pride is related more to

recognition and brand value or image of the company. Happiness comes more from seeing that one's interventions have helped change the lives of people. The ability to distinguish between these two is very important and will determine whether the CSR is socially responsible or not.

There is a distinct movement over the last few years in the way CSR projects are designed and implemented. Most processes that require interface with the local communities are time-taking. Making plans and committing resources is not the only important factor; acceptance by the community is equally important and will determine the results.

The speaker observed that over the last few years, there is an overpowering desire, especially among new entrants, to show that they have spent money on the accepted and known good activities. Schedule VII lists some of them. Now questions related to the value and impact of CSR are being raised. Barring a few corporates, there is no curiosity to focus on the impact; the tendency is to focus more on output or outcome levels. Some, who use impact

measurements, send a team to try and measure the impact, without engaging with the recipients of the activities. It is important that CSR fraternity begins to question if what was delivered was valuable enough for the community and were the solutions offered to the problems sustainable. When the discussion is about moving from charity to philanthropy, it is important to ask more questions about the nature of what has been done and whether systems have been put in place to help communities to sustain and take forward the work that was initiated.

The speaker mentioned three dimensions that he saw in different projects: 1) a deep interest in one's own reputation as a corporate; 2) going beyond the reputation and looking at the vulnerabilities of the area or doing a need assessment and responding to the needs and 3) having a vision for the future. There are a few corporates who are making thematically integrated interventions; for example, the 'Nanhi Kali' project of Mahindra or the 'Janam se Janani tak' initiative of JSW that addresses the life cycle needs of women. Such interventions try and comprehensively address a set of problems, maybe in a given small set of locations, and creating a model that can be replicated elsewhere. These are not scattered, one-time projects but aim for a meaningful impact. It is important to see whether corporates select projects based on whether it will contribute to their reputation or the ease with which they can be implemented; or they opt for the more difficult to do, but long-term strategic interventions.

How does one deal with the expectations from the corporates? Data shows that the top 500 companies account for 71% of the CSR spend. The remaining 10,000 companies account for only 29% of the spend. Can we treat these two sets of companies the same way? Almost 5,000 - 6,000 companies have a budget of less than 5 lakh per year. Can one expect that these companies will have a board level CSR committee or appoint a CSR professional to design programmes and measure impact in that amount? It is important that they fulfil their obligations; however, it is also important to appreciate that with their small budgets their nature of CSR will be different from the big companies. They should be allowed to work on small projects in local areas or else mechanisms can be devised by bodies such as GCSRA and of the CSR Council, Odisha, to pool their budget around themes that have been prioritised and use it to implement projects in partnership with implementing agencies. It is important to work on developing means to ensure participation of SMEs, without having to invest considerable time and resources with small budgets.

Commenting on how things are evolving in CSR, the speaker observed that over the last few years, the average size of the projects is coming down – a trend that is divergent. He was of the opinion that the average size of the projects should go up, because more and more corporates are realising that having numerous small sized projects is not good use of manpower. One may find collaboration between smaller and the bigger corporates. There is also greater technology integration coming in for process efficiency which will drive down the cost of administration.

There is pressure on the implementing partners to gather information of the kind that will help convince the Boards that the projects are making an impact in the intervention areas. There is also a move towards undertaking social audits. This should not be about what the corporate is doing. It is important to generate information on the purpose that an intervention has served, how would it have been different if the service being offered was not provided and the difference it has made from the perspective of the receivers. World over, there is a movement towards sustainable business practices. There was a mention of the

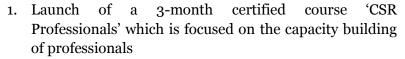
NVGs that focus on 'total responsibility' and not just social responsibility of the corporates. Companies that have global operations tend to, if they desire, produce Sustainability Reports. The issues they try to address are far beyond being just 'socially responsible'; they are concerned with what you do to the environment, child rights, human rights and much more. Such disclosures by companies will be effective only when customers and shareholders become aware of the impact of a business on the larger society and are able to use this information to discriminate between corporates based on their performance on these parameters and make their choices based on it. When this happens, MoCA will not need to monitor them.

# Panellist 4: Shri Chetan Patel, Council Member, Institute of Company Secretaries of India (ICSI)

Shri Patel shared data on CSR in India and the role that ICSI plays in the CSR eco-system. In India, CSR has been seen as a philanthropic activity. Instead of reflecting on how their profits should be used for CSR, there is a need to take a look at how profits are made. In light of the Companies Act, 2013 Section 135 companies are required to spend a specified amount

on CSR. There are around 20,000 companies in the net of CSR provisions and of these, 50% are not spending on CSR activities. Of the 1,000 top listed companies, around 900 companies are spending on CSR. Compared to 2016, the amount spent in 2017 has decreased.

The ICSI fraternity is committed to play a role in promoting and strengthening CSR activities. Some of its key activities and achievements are as follows:





(in pic: Shri Chetan Patel, Council member, ICSI

- 2. Instituted CSR Excellence award in 2016
- 3. Brought out various publications related to CSR with FAQs
- 4. Published issues of 'Chartered Secretary' on 'Social Audit and CSR'
- 5. Organises various residential programmes and workshops
- 6. Provided knowledge and logistic support to the High-level Committee constituted by the MoCA.
- 7. The President of ICSI is nominated in the steering committee of the National Foundation of Corporate Social Responsibility.
- 8. Company secretaries are providing services as employees and professionals to corporates for the better implementation of CSR.

# Concluding Remarks by the Moderator: Prof. Himadri Sinha, Xavier Institute of Social Service

The moderator summed up the key takeaways of the session:

1. In CSR, we need to move away from a 'compliance driven' attitude to a 'passion driven' and more 'socially responsible' attitude

- 2. More opportunities are required to make CSR large-project driven instead of small-project driven
- 3. It is important to experiment and try new ideas on a pilot basis and if successful, these should be replicated
- 4. Use collaborative approach, particularly for SDGs and focus on long term outcomes
- 5. Work on developing strategies for SMEs that are currently outside the ambit of CSR
- 6. Focus on sustainable projects

# **Open House**

**Comment:** I request GCSRA and PwC to collate the valuable inputs given by CSR practitioners and those working with the CSR eco-chain at this Conclave so that these can be used for improving the rules, policies and implementation of CSR. It would help if the recommendations can be collated based on the final ToR of the High-Level Committee. (Shri Gyaneshwar Singh)

- **A.** We will ensure that a comprehensive report is prepared and submitted to you with recommendations. Those who wish to submit their recommendations after the Conclave can also submit them to GCSRA or register their comments directly on the website of MoCA. (Shri Sudhir Sinha)
- **Q.** Many of the CSR activities are being executed by the HR professionals. There is a need to build their capacities to do better need assessment, impact assessment, prepare project design and document the activities. Does GCSRA plan to conduct such workshops?
- **A.1** GCSRA does organise training programmes for professionals in partnership with IRMA, Anand. We will definitely share the details when the next programme is announced. (Shri Sudhir Sinha)
- **A.2** I would request the academia to develop 1-2 month long CSR crash courses for the practitioners. It is time that we bring CSR into the academics in a structured way as there is a great need to get abreast with CSR happenings. (Shri Amit Mehta)
- **Q.** There are a few industries which are heavily impacting the environment and using the natural resources like mining, chemicals and others. Can we request MoCA to look into this and see that they are made to contribute a higher percentage for CSR spend?
- **A.** Never ask for more money for pollution because then they will pay in advance. (*Mrs. D. Thara*)

**Comment:** It will take time to reach the desired levels with respect to the 17 SDGs. As a country, we have to consider harnessing the energies and skills of the adolescent group as it is these young people who, after a few years, will get to work on these indicators and understand the real problems in the real context.

- **A.1** As far as SDGs are concerned, they have their own life. All the goals have to be achieved by 2030. Development is a continuous process and has to go beyond 2030 and investment in children is the best way to secure the future. (*Shri Sudhir Sinha*)
- **A.2** There is also a need to start this new concept of business philosophy that has been discussed for the last 2 days. The approach taught in MBA is still the bottom-line approach. The revised National Guidelines are going to be released soon where all the nine principles are talking about business philosophy irrespective of the size of a company. In future, we

need to have a dialogue with the academia to introduce this concept that business philosophy has changed or at least for India it has changed. *(Shri Himadri Sinha)* 

**Session Theme** Above and Beyond CSR: CEO Speak Session

on Taking

**Gujarat** Ahead

**Day 2, 22 February, 2019** Session 4

**Time** 02.30 pm – 04.00 pm

**Session Format** Keynote Address, Panellists' Views and Open House **Chairperson** Dr. Madhukar Gupta, IAS, Addnl. Secretary, Dept. of

Public Enterprises, GoI

**Keynote Address** Shri Deepak Mehta, Chairman & Managing Director,

Deepak Nitrate Limited

Panellist 1 Shri T. Natarajan, IAS, MD, GSPC Ltd.

Panellist 2Shri Ravi Kapoor, MD, Heubach Colour Pvt. Ltd.Panellist 3Ms. Nupur Bahl, CSR Head, Reliance Industries Ltd.Panellist 4Ms. Urja Shah, Executive Director, SETCO Foundation

# <u>Opening Remarks of the Chairperson</u> Dr. Madhukar Gupta, IAS, Addnl. Secy., Dept. of Public Enterprises, GoI

Dr. Gupta began by saying that people define development in different ways. He commented on the need to adopt a paradigm of development that is best suited for India - 'if it is not cost effective, it cannot be scalable or replicable'. Every five years, when the government is formed, the biggest question for the leaders is to decide what recipe for development should be chosen and how to define development.



(in pic: Dr. Madhukar Gupta, IAS, Addnl. Secy., Dept. of Public Enterprises, GoI

Based on his understanding of CSR and its evolution, especially in the Government of India, the speaker observed that "there is no nexus between SDG's and CSR legislation in our country. Had there been a nexus, other countries would have also introduced CSR. The umbilical cord is not there." Many a times, development is equated to construction and creating infrastructure. In reality, development is beyond buildings, big roads and big cars. A lot of infrastructure has been developed in the country that is lying unused or underutilised. It is important to see how what we call 'development' is impacting lives.

#### **Keynote Address**

# Shri Deepak Mehta, Chairman & Managing Director, Deepak Nitrate Limited

The keynote speaker began by observing that in Gujarat, social development is inherent in its culture. Caring for the needy has been interwoven even in the way we fought for freedom. Since hundreds of years, generation after generation, the rich in Gujarat and in Ahmedabad have always taken it on themselves to do something for society. Kasturbhai and Sarabhai families have made a great contribution in the creation of premier institutes in Ahmedabad. Social work has been an integral part of Gujarat. Many organisations such as SEWA, Bhansali Trust and Shroff Foundation Trust, Vadodara, have done commendable work in different parts of the state. Deepak Foundation, whom the speaker represented, was born out

of a crisis in Amreli, where due to the bursting of a dam, thousands of farmers who were dependent on animal husbandry lost all their cattle. In perhaps the first PPP model in the country, the Deepak Foundation and the Government of Gujarat worked together to rehabilitate every family that had suffered the loss of their cattle. This was the first exposure for the members of the Foundation outside of the world of chemicals, their main business, and the first time they were trying to understand matters related rehabilitation of the affected people.



(in pic: Shri Deepak Mehta, Chairman and Managing Director, Deepak Nitrite ltd.

The prime motivator for people during that time to do social work had more to do with the 'heart' and 'passion'. As more and more of these social activities got 'institutionalised' and as the next generation came in, questions began to be asked about the value addition impact of the activities. The business perspective and approach has always been to look at the benefit/profit vis-a-vis the investment made.

In business, prior to taking up a project, a market survey is done to assess the demand for a product. In CSR, the focus was on doing a need assessment to help decide if a service was required. Instead of listening only to the heart, one began listening to the mind. Another criteria used in selection of activities was its potential impact on people's lives. The Foundation runs several mobile hospitals and lakhs of patients are benefitting. It is now important to move to the next stage of impact and assess the nature of problems that the patients have. Interventions can then be based on this assessment. The advisory committee of the Foundation believes that unless the work being done can be sustained even after the Foundation exits from the area, the impact being made will remain limited to numbers of people benefitted. Efforts have begun to be made to use the learnings from industry in increasing the efficacy of CSR.

After the government made CSR mandatory, several companies within the ambit of the CSR Act began undertaking CSR projects. While this led to some good work, the responses to the mandated CSR also created not so very good impact. Sharing some reasons, the speaker mentioned that decisions about how much is to be allocated for CSR are usually taken in January as the spend has to be made by March. People were feeling compelled to complete it before the balance sheet for the financial year is out. NGOs started feeling that the best time to approach industries is between January and March to seek funds for CSR activities. The focus was on somehow completing targets and often short-term activities were taken up. Since CSR has an annual budget, the approach has always been to look at 'low hanging fruits'. What feels good or looks good is being given importance. However recently, there has been a move towards developing sustainable CSR programmes.

Shri Mehta drew some comparisons between India and Bangladesh. The latter became independent almost 25 years after India gained independence. In 1971, Bangladesh had a GDP rate of minus 14%. Today the GDP rate in Bangladesh is 7.2% while in India it is 7.1%. The pace at which Bangladesh is growing far exceeds that of India. The per capita income of Bangladesh is growing at three times that of India and by 2020, the per capita income of Bangladesh will exceed that of India. Speaking about the Bangladesh model and what they have done right, Shri Mehta said that one of the major difference lies in the way they have gone about doing social development. The BRAC institute, the Grameen Bank and the microfinance initiatives have created the path to ensure that more people have job capabilities. One of the fundamental reasons for it has been the mutual trust between the government and NGOs and their common thrust on development.

Fundamentally, it is important that more and more people have access to livelihoods and their quality of life improves. There are approx. 100 million people who will join the voter's list this year and they will all be looking for jobs. There is a need to collaborate with the government and with different associations to work in an integrated manner. It is time that companies went beyond doing CSR from the company's point of view and tuned into the nation's development priorities to develop long term plans. Developing mutual trust in collaborative spaces – between government and NGOs, between government and private sector and developing blue prints for sustainable change and development are some of the priorities of CSR. GCSRA can help in forging such partnerships between the different CSR players.

### **Panellists' Views**

### Panellist 1: Shri T. Natarajan, IAS, MD, GSPC Ltd.

The speaker began by pointing to the contradiction between 'being corporate and being social'. In Gujarat, the public sector involvement is quite high and unique in the country. Over the last two decades, however, the private sector has grown much bigger than the public sector undertakings. The speaker focused on some of the challenges faced by the corporate sector. In the private sector, one lives from quarter to quarter; the quarterly results are watched closely as if the entire future of the company depends on the quarterly performance – the profits made, shareholders value and prices in the stock exchange. A lot of energy is consumed in this and the focus on 'social responsibility' is lost. The current private sector players do not display the level of responsiveness to social issues that one saw among the business houses in the past.

There is more clarity among corporates when it comes to working with the government on development priorities. Some private players, including GSPC, are supplementing the government's efforts, for instance as to what is being done to provide mid-day meals through 'Akshay Patra.' This is being done directly by companies or through forming structures such as Foundations or Trusts. The idea is to enhance the government's



(in pic: Shri T. Natarajan, IAS, Managing Director, GSPC

pace of outreach to meet the requirements of the community. There are other corporates who play a complementary role. Last year, when the government introduced the 'Sujalam Sufalam Yojana' for de-silting and deepening of water bodies, it invited the corporates to participate. Both the government and GSPC contributed financially and GSPC provided support for equipment. Besides supporting the government, companies also create their own structures through forming CSR committees and implementing arms. During the severe floods last year in north India, GSPC independently provided relief to the affected, apart from supporting the government's initiatives.

Speaking about the way forward, Shri Natarajan stressed on the need to undertake long-term projects for better impact. The CSR spend needs to increase. For smaller companies, performance of the mandated CSR is a challenge due to the high overheads. There is a dependence on agencies; particularly, good quality credible NGO's which are needed to make a big difference in this particular context. The presence of authorities like the GCSRA is a good model to help address the challenges of smaller companies in doing CSR. It is important for the Boards of companies to give more time than they are, since CSR is one area where they can derive satisfaction, besides the profits that a company makes. Finally, there is a need for private sector to go beyond its own geographical areas, into interior, rural and tribal areas that remain underserved.

### Panellist 2: Ms. Nupur Bahl, CSR Head, Reliance Industries Ltd.

Ms. Nupur started by saying that in the context of development, it is important for us to ask the right kind of question. In the 90s, we were working on the MDGs and in 2015, we started focusing on SDGs. If one sees the targets for each goal, it is clear that the same issues education, health and poverty – that we have been speaking about for years continue to remain important. It is because these are things people need to live a good and comfortable life. It is important then to reflect on what is it that has not worked over the years. Despite the presence of the government, the expertise of the industry, ample resources, why do gaps exist? As members of the CSR ecosystem, there is an opportunity to combine the best of both worlds, to amalgamate business with the social sector, to bring in rigour and the discipline of the business sector and also work very closely with the community to change the narrative. The narrative needs to change from just 'giving away' to 'bringing in communities' to be 'partners in change'. Only if communities are involved as partners, can change be sustainable.

Sharing about Reliance Foundation, the speaker mentioned that it works across 18 states and is one of the largest Foundations in the country. Reliance was doing philanthropic activities even earlier; in 2010 the Foundation was established. Health, education and rural transformation are some of the key focus areas of its work.

In conclusion, Ms. Nupur underscored the need to leverage technology in **CSR** development in particular. Most of us have seen technology grow and develop over a period of time to its current form. But the current generation is born into the world of technology. Until 10-15 years ago, accessing data was a big challenge. If one needed data of a particular geography or a village, typically one would approach the concerned government department. Data is power and today it has become easy to access it. Information that can help to measure and track progress that we are making and that too in real time, is available. For instance, in food security, GIS mapping can help farmers to understand the



(in pic: Smt. Nupur Bahl, CSR Head, Reliance Foundation

changes in their farms. With technology, we have an opportunity to move from incremental changes to exponential changes and to make a rapid and a scalable progress across the country.

### Panellist 3: Shri Ravi Kapoor, MD, Heubach Colour Pvt. Ltd.

The speaker asked the audience to reflect whether CSR is something that we do because we have to do it or is it something that we do because we want to do it. He wondered if it is voluntary or mandatory as he has not heard of too many people getting legally sued or getting into trouble with the government for non-compliance. Terming it as a quasi-legal type of initiative, he observed that this was probably the right way to do it. Sharing data, the speaker said that the CSR spend over the last 5 years is estimated to be around Rs. 50,000 – 56,000 crores. In this, the top 500 companies contribute 90% of the total CSR spend; top 20 companies contribute 45% and top 10 companies contribute 35%. The speaker raised a concern about the concentration of the CSR spend to a few companies. CSR is a way of thinking and needs to spread in a much more equitable way.

Making some observations on the trends in CSR, the speaker shared that: 1) the level of compliance is on the rise and by the next year or the year after, the compliance in CSR is expected to increase to about 97%; 2) the major spend is on education and skill development (32%), followed by poverty and healthcare (30%), environment (10%) and rural development (12%). The spending is somewhat skewed. Geographically, Maharashtra leads the CSR spend (16%), followed by Rajasthan (6.18%), Karnataka (6%), Gujarat (5.28%) and the rest are in the range of 4%-5%.

The McKinsey report predicts that by 2045, India will be the third largest economy in the world. India has about 18% of the world's population, 2.8% of the land mass of the world, and 4% of the water resources in the world. The prediction can materialise only if we work together and put together all the resources of the country for maximum impact. The speaker

suggested the term PSR (People Social Responsibility) in place of CSR as he felt that corporates are formed of people. The speaker urged the audience to reflect on: 1) whether CSR spending by a company and fulfilling of the legal requirement is the only obligation that the corporates have and is it good enough OR Should the involvement move beyond mere compliance? 2) Are we only supposed to do that OR are we supposed to make sure that the money is well spent? Should the corporates, who have the skill sets and the organisational capability and the connections, be satisfied with spending the CSR money OR should the company get involved in a deeper way? 3) Are the corporates doing it by routine, compulsion OR do they think it is the right thing to do?



(in pic: Shri Ravi Kapoor, Managing Director, Heubach Colors Ltd.

The speaker elaborated that Schedule VII in the Act mentions several areas of importance for CSR, including environmental sustainability, economical balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and soil and water. Mentioning the apprehensions worldwide of the repercussions of water scarcity, he emphasised the importance of focusing on the 'water crisis' and working on sustainable solutions. There is a strong school of thought among intellectuals that the third world war is likely to take place because of lack of water or sharing of water or people blocking it. We see states in our country fighting with each other on issues of

water. In India, one bad rain and water scarcity can alter people's lifestyles. The industry will not have access to water if there is no drinking water for people's consumption. The industry has a huge obligation to address issues of 'water treatment, water recycling, water reuse, and desalination' and other critical areas. They can address them through CSR initiatives. The repercussions of not doing so can be serious. If taken up seriously, the gains would be phenomenal as one would be looking at recycling about 20%-40% of the water being used by the industry.

Sharing about Heubach, the company which the speaker was representing, he mentioned that it is a family company based of Germany with 600 years of history. Its survival for 600 years is an automatic testament to practicing some form of CSR in all respects. Illustrating the company's philosophy, the speaker shared that the company set up office in India in 1994-95 and since then, not a single dollar has been repatriated as dividend. All profits earned by the company have been ploughed back into the company in India; have helped in creating jobs, creating growth and in making wealth. This is one form of CSR in which "you make a commitment to a country and you plough back everything". He concluded by saying that "While one can't help everyone, everyone can help someone. You have to look at it in a positive way and do something for someone."

# Panellist 4: Ms. Urja Shah, SETCO Foundation

The speaker began by saying that she would focus on some aspects both from the corporate and the Foundation side and would speak about the importance of leadership and vision. She asked the audience if they had heard of the Merck and Mectizan case. She went on to share a story that has inspired her. In the 70's, a Nobel peace prize winner in Medicine, William

Campbell, discovered a compound that came from isolated soil samples in Japan and found that the compound had a withholding effect on worms. On researching further, it was seen that the compound could help in deworming of animals such as pigs and cows. A drug called 'Ivermectin' was developed and over the years, it performed very well. Around the same time, in many countries of West Africa, about 100 million people suffered from river blindness. This condition was caused by a parasite which embedded itself in the system, in the skin and in the eyes and in a few years caused blindness. Many villagers thought that getting blind was part of being old.

At some point, William Campbell realised that the worm found in the animals had a genetic code similar to the one that was causing river blindness in people in Africa. He decided to develop the drug further and approached the then CEO of Merck for assistance. The CEO was apprehensive that despite the huge amount of expenditure that the development of the drug would entail, not many people would be able to afford purchasing it. All those whom Campbell approached for funding has declined his request. Finally, the drug was developed, it



(in pic: Smt. Urja Shah, President, SETCO FOundation

went through the clinical trials, and it was ready to pass the FDA and Merck still did not have the permission to take it ahead. The CEO decided to seek WHO support in putting the distribution channels in place and monitor the drug. Having done that, he gave a green signal without informing his Board. The Board members of Merck found out about this next day in the newspaper and the stock prices of Merck went down.

The speaker shared the above story to illustrate the importance of the decisions taken by the leader of a company. The CEO, in this case, had to choose between his obligation to the shareholders whom he was completely accountable to and his moral obligation to create a drug that could potentially save 100's of millions of lives. The aspect that guided the decision was Merck's vision statement, viz. 'We are here to save lives, our patients come first, the profits will follow'. The constant consistency, with which Merck adhered to this vision, putting in lots of money into research and encouraging researchers to develop drugs for saving lives, defined Merck's CSR. It also helped to set standards for the pharma industry.

The speaker concluded on the note that 'there is no one size fits all approach to CSR'. The vision of the leadership is very critical when it comes to CSR, in terms of being engaged, being involved and also knowing where to draw the line. India is different and unlike the U.S., UK or Europe, it needs a different set of values or guidelines for CSR. These need to be developed for ourselves and that is where vision truly matters. Vision determines the impact that a company will have. Ms. Shah shared that SETCO, as a part of its CSR, is supporting SHGs and women empowerment. She felt that it was equally important to assess what measures the company was taking for its own women employees, to make it an equal opportunity and equal pay company, of exploring non-traditional avenues for women's livelihoods, of creating more opportunities for women to be in leadership roles. The CEOs of corporates can make a difference by defining such pathways.

# Concluding Remarks by the Chairperson: Dr. Madhukar Gupta, IAS, Addnl. Secretary, Dept. of Public Enterprises, GoI

The Chair observed that the importance of the contribution of private players in social development cannot be ignored. No country has been able to achieve the desired progress on its development, without the participation of the private sector.

Dr. Gupta remarked that when the GoI was trying to review what was going on in the CSR ecosystem, it was realised that after 4 years of the CSR Act, about 130 odd central public sector undertakings owned by the GOI were contributing nearly 30% of the total CSR spend (Rs. 4,000 crores) in the country; while thousands of private sector companies were contributing a little more than Rs. 10,000 crores. He stressed for the need for closer examination on this front and urged companies to reflect and introspect on these trends and the reasons behind them.

Dr. Gupta felt that if there is no difference between the interventions of corporates and the government; if the former is not more efficient and innovative in spending development funds, their involvement needs to be re-examined. If for every incremental rupee, the incremental output cannot be maximised or is more or less the same as what was being doing earlier, then CSR is not serving its purpose. CSR is about different stakeholders, coming together and bringing in their respective strengths for social development.

# **Open House**

- **Q.** We expected the CEOs on the panel to suggest ideas for the way forward and not merely share their perspectives.
- **A.1** A CEO's job is to set the vision and the execution has to be done by the implementation team who is accountable to set high standards. At a corporate level, we are here to foster innovation, look at models and what can be possibly done differently, to put in opportunities of best practice and then sharing those models for scaling up and entering into partnerships with government. That is the only way corporates can truly lead. Doing things in a blanket way cannot be the way forward for corporates. (*Ms. Urja Shah*)
- **A.2** While we plan for our own companies, we have been taking up issues with the government to see if an ecosystem can be created that could help both the individual industry and the region, as a whole. At the Collector level, plans are developed for a region by assessing the needs and industries are invited to participate, so that each player can complement the other. Even in CSR, some kind of a cooperative model has been developed. In Vadodara, six companies have collectively created a Trust called 'Swadesh' which looks beyond the focus of any particular company to create an impact in the region. In the future, there will be a lot more cooperation between the state and the private companies and also between different private companies. In industry, we are afraid of sharing the new things we are doing because we don't want them as competitors to be aware; in CSR there is likely to be more sharing. Bodies like the GCSRA can help identify role models and this will help us to start working together to see what can be done to improve the situation. (Shri Deepak Mehta)

**A.3** Many among us work with children with disabilities. People donate or contribute to their skilling and so on. One cannot have a single governance or prescription paradigm for such children. With not more than 150-200 people being trained to work with children with disabilities, many posts in the government schools are vacant. GCSRA realised these gaps and decided to collaborate with a group of organisations who work with children with disabilities to evolve a governance paradigm for children with disabilities. GCSRA has the time and energy to channelise and reflect on the efforts in progress and then engage with multiple stakeholders to develop the paradigm. Other corporates can subsequently pitch in to support. It is important to have an institutional mechanism for orchestrated efforts to have an impact. It has to change to a more professional and an informed decision-making role. (*Mrs. D. Thara*)

**A.4** The surest and safest way forward is to step up and have continued engagement and dialogue. Many times, we work in silos. There is a need to increase cross-engagement. Why don't corporates step up their own engagement? They should have events like this on their own. Development poses the biggest challenge across the world and there is no set paradigm. If governments have been finding it difficult, surely other stakeholders will also find it a challenge; but the more we discuss, the easier it will be to find a path. Reinvention of the wheel will be avoided. (*Dr. Madhukar Gupta*)

**Comment:** At Atul Foundation, when we talk to our CSR people, we always say that we must engage at an individual level. Because as Golda Myer says, "If not I, who? If not now, when? If not here, where?" (Ms. Swati Lalbhai)

**Q.** We Indians are not a very disciplined nation. If 2% is not spent by the corporates on CSR, we try and cajole them and ask for explanations. The government should put in some sort of punishment or guidelines for corporates who are not spending 2%. We see that SME's are not spending. What about them? There has to be a timeline for the government's plans to ensure compliance.

**A1.** We have been pulled up by the law makers and the members of the parliament on this issue. But we cannot go overboard. Things will settle down over time; surely the compliance rates have progressively gone up. Many people did not know what CSR meant. It takes some time to learn what needs to be done in CSR. In key areas such as health and education, people were sure of what they were doing. In other areas, such as conservation of heritage, art and culture, they were unclear. As people are getting surer of what to do, compliances are going up. The government is very much aware of the requirement of ensuring that corporate India spends and measures are being taken in that direction. (*Dr. Madhukar Gupta*)

**A2.** I think it is being executed brilliantly, because if you start punishing people, the question is: "Is it just giving the money or is it giving the money and putting your resources so that it is spent effectively." I think it is a good balance. If the government wanted, they could have put a 2% cess and the matter would be over. CSR goes beyond just getting and giving that money as it entails involvement of the corporate in each and every aspect of life in the community around you and the country. (Shri Ravi Kapoor)

# **Award Ceremony for Finalists**

Appreciation certificates were awarded to the following six finalists in the three categories of the GACL CSR Awards.

- Gujarat Industries Power Corporation Limited
- Coastal Gujarat Power Limited
- Hazira LNG Pvt. Ltd.
- Nayara Energy
- Grasim Industries Limited
- Motif Infotech

#### **Vote of Thanks & Closure**

Mrs. Thara concluded the Conclave by offering a vote of thanks. She observed that the two days had been very enlightening for all and that the involvement and participation was noteworthy. People brought in a lot of energy, shared information and many questions regarding CSR that have concerned people were debated. "Now CSR is not giving away something, it is partnerships with responsibilities and also bringing in technology."

Concluding the session, Mrs. Thara thanked the Chairperson and all the Panellists for their contribution. She also thanked the audience, the GCSRA team, PwC, Shri Sudhir Sinha and the student volunteers from Gujarat University.