

Proceedings of Seminar on “Social Responsibility of Corporate Sector towards Rural Transformation”

A Seminar on **Social Responsibility of Corporate Sector towards Rural Transformation** was held under the aegis of the Agriculture Finance Corporation of India, organized by L.B. Associates, Noida, on 22nd February, 2010 at Galib Conference Hall, SCOPE COMPLEX at New Delhi.

Mr. Halim Khan, IAS, DG-CAPART was the Chief Guest on the occasion. Mr. M. Manjunatha, Deputy General Manager and Incharge of Northern Regional Office AFCL delivered welcome address. The members on the podium included Ms. Anita Manchanda, Chief Executive-National Cooperative Union of India, and Dr P C Sabharwal, Director, Amity School of Rural Management.

The day-long proceedings were divided into four sessions for discussions, three panel discussions and the fourth being presentation from students from Amity University. The first session was titled *CSR Policies-Issues and challenges*; Session-II *CSR towards agri-rural livelihood- Initiatives & Lessons / Enhancing access and empowering community* and Session-III being *Way Ahead: Future strategies and recommendations for CSR towards agri-rural livelihood*.

In his address, the DG CAPART dealt on three main issues: Millennium Development Goals, Triple Bottom-line and Public Finance consensus. Discussing about NREGA (National Rural Employment Guarantee Act), he explained that this NREGA guaranteed that any able bodied person willing to work is able to earn a certain sum of money in a year. Calling it a paradigm shift, he said that this was a jump from an incremental increase to a quantum jump in income of the people at the bottom of the income level. It also helps in improvement of the land holdings of the people living below poverty line (BPL). The reason for this use of government assets for improving land holdings of private individuals was for the larger aim of ensuring food security of the 100 crore and more populace of the country. Touching upon CSR, he talked about the importance of the CSO/CSR activities, and the virtual platform being available on their website for anybody to present their creative ideas to improve upon. He also invited people who were technology savvy to tweet about it, and use the other forums online to spread awareness about the availability of this virtual platform. He also invited the corporates to join hands in helping the government and self-help groups, and sought help in exploiting the opportunities like organized retail which would be a tremendous value-add to the sector.

Ms. Anita Manchanda, in her address, briefly touched upon the beginning of the setting up of the cooperatives in the early 20th century, leading to the Corporate Credit Society Act of 1904, which was replaced by the Act of 1912 incorporating the non-credit sector also. The post independence era, she said, saw the role of the cooperatives as one of the mechanisms of the socio-economic transformation of rural India. They are looked upon as instruments to provide equity and social justice, and socio-economic inclusive growth. In the 11th Five year plan, emphasis is laid on the socio-economic inclusive growth and promotion of social justice and equity. The cooperative sector in India, she stressed, is responsible for ensuring a sustained growth in agriculture through support systems by providing critical support systems like credit, fertilizers, pesticides and insecticides, etc. and it is through such efforts

that cooperatives participated effectively in the Green Revolution and had a significant role to play in the White Revolution too. Ms. Manchanda also stressed on the cooperative connect forum to popularize the cooperative development among students and others, and stressed the need to sensitize the youth on cooperatives right from the school level onwards.

Dr. Sabharwal, in his address, brought out important aspects from the addresses of preceding speakers and stressed on the importance of each. He spoke about the importance of formation of rural self help groups, NREGA, to achieve the respective goals. Taking on from Ms. Manchanda's mention of cooperatives in the rural sector, Dr. Sabharwal said that cooperatives, although are working at the rural sectors, are today mostly working towards forwarding the interests of their members only. He appreciated the efforts and development brought about by the self help groups, and went on to say that the rural areas have a lot of potential, and opportunity. It is on the corporates to work on an inclusive model whereby business can be furthered as well as rural development can be brought about. The work has to happen so as to bring about an increase in the purchasing power of the rural masses for the benefit of all sections of the economy.

The first session started with the presentation by JCB's Amit Gosain. Elaborating JCB's contribution to the CSR sector, Gosain made an impressive presentation about the beginnings of JCB, to its leadership position today, going forward to their CSR activities in India. JCB, he said, adopted the Ladiapur village in the North where they helped with improving the infrastructure and general living conditions, Ambi village near Pune, again doing similar activities, and have made a school in Ballabgarh, on the way to Agra, as a part of the rural development project under CSR.

Mr. Ajay Kakra from YES Bank, discussed the efforts of his bank to promote social and eco-sustainable processes. He said that responsible banking was what Yes Bank wants to be seen as being involved into. Being a profit driven organization, they try to strike a balance between economic and social responsibilities. He discussed the case of partnering with Wageningen University Research Centre, Netherlands, for agro food products. Yes bank, he said, is focused on sustainability on ecological and social parameters.

Mr. Sudhir Kumar Sinha, Country Head, CSR, Arcelor Mittal, started with a definition of CSR as "an evolving market based response to a number of wide ranging challenges that businesses currently face." He gave the example of Tata Steel as a company that has integrated CSR into their fabric, and has sustained till today, a robust growth as well as integrated CSR initiatives. He also touched upon the US, countries of Europe and Japan or their CSR initiatives. On policy, he stated that there is a lack of an explicit CSR policy in the country today. He also mentioned the ISO26000 standard which is going to be launched soon, as well as the Voluntary Guidelines on CSR, a national standard, which will also be launched very soon. He also exemplified the seriousness of governments by stating that the only country where there exists a separate ministry in charge of CSR is the UK.

Session-II started with the presentation by ITC's Ujjal Ganguly, Regional Manager-North. He began by stating that in ITC, it is not CSR, but 'Social investments'. People need inclusion, not philanthropy, he said. He went ahead to explain the eChaupal of ITC, which basically empowers a farmer to take an informed decisions based on real-time data, on his produce. Today there are around 65 thousand eChaupals across the country. He also discussed about initiatives like Chaupal Sagar which is like the concept of a farmer's supermarket where they

can buy stuff off the shelf. He also mentioned about the Social and Farm Forestry initiative of ITC.

Mr. Navin Bhatia, COO BHARTI Learning systems, made a very interesting and interactive presentation. He basically stressed on the over burdened agriculture sector of India, where about 58 percent of the workforce was yielding an output of 18 percent. This was way below the required productivity levels that can really help the economy grow. He stated that what was needed was to provide alternate means of employment, training, and development to get the extra populace out from the agri sector, and let the remaining population do justice. There are many avenues where there is a lack of skilled manpower, and that is a feasible way forward for the country. Also discussing the CSR initiatives of their respective companies were Ms. Jyotsna-Head CSR, Monsanto India Ltd and Ms. Ashima Aneja of One World South Asia.

Session-III saw the presentation by Mr. Rahul Nainwal from iVolunteer, who discussed about the Gandhi Scholarship; also from India to Bharath by the Piramal Group, and the ICICI fellow awards. He was followed by Helpage India, Country Head, Mr. Kapil Kaul, who also discussed very interactively, starting with grandmother's blessings of age and health, to achieve which, education is the key, and this has to be taken as a message and initiative to the rural areas of the country to help them develop. He said that most of the funds for development are underutilized, and the corporate sector does not have a uniform understanding of their role in CSR. Similar thoughts were expressed about the role of corporates in CSR by Ms. Amita Joseph from BCF and Mr. Sanjeev Gupta from Partners in Progress also. Both of them referred the House a CSR primer being produced by BCF for effective study and get insight of CSR.

The last session had a very interesting presentation of papers by Amity University Students on Poverty Alleviation and Rural Development. They had presentations on case studies of TATA Steel relating to their CSR activities and on Social Audit. The suggestions were put forth by the participants that it would add more value if rather than focusing upon the big Giants's CSR, the more focus could be given to the small Corporate to bring forward their CSR initiatives. The session was then followed by the vote of thanks.