NGOs and Corporate Social Responsibility in India: A Case Study

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ABSTRACT

Every Industry and Business draws resources from the Nature and the Society and generates Wealth by adding Value. So, everyone has the responsibility to give back to the Society, by contributing to its well - being through Corporate Social Responsibility (CSR). Now – a – days, most of the companies are focusing on it and contributing themselves. The one reason of this change is the Companies Bill 2012 was passed in Rajya Sabha, makes CSR mandatory for large/profitable companies. This paper is going to elaborate discuss about the role of Non–Governmental Organizations (NGOs) in CSR activities and their contribution. The Non- Governmental Organizations is join hands with the corporate in their effort to social and environmental development is the main concern of this paper. In this paper, India’s one of the NGO have been taken and share their CSR activities. SMILE foundation, India’s third ranked NGO. They are engaging themselves into develop the children education, rural women development, youth employment, and so on.

KEYWORDS: NGOs, CSR, SMILE foundation, DHAN foundation, Child education.

INTRODUCTION:

The term “Corporate Social Responsibility” became popular in 1960s. CSR means, “A company’s sense of responsibility towards the community and environment (both ecological and social) in which it operates”. The companies are showing their responsibility towards the society through contributing the educational and social programs. In addition to that, the companies are expressing this citizenship through their waste and pollution reduction processes.

Proponents argue that corporations increase long term profits by operating with a CSR perspective, while critics argue that CSR distracts from business. In consumer perspective, CSR activities are the tool for promoting their brand name, product and values of the company. Indirectly, they are positioning their brand (or) company name to the public’s mind.

Even though, society gets benefits through these CSR activities. Earlier some of the companies were promoting CSR activities. Now most of the companies are focusing on CSR activities when the Companies Bill – 2012 was passed at Rajya Sabha. The act was mandated the CSR activities for all companies in India.

After the enactment of the companies’ bill, the companies were start promoting CSR activities with the help of Non – Government Organizations (NGOs). Many Non – Governmental Organizations are engaged in social development and environment protection. Through NGOs, the society gets more benefit such as developing rural areas, educate children and woman, sanitary facilities and etc.,

NON-GOVERNMENTAL ORGANIZATIONS (NGOs):

Non – Governmental Organization is an organization is not a part of government and not a profit making business organization. It is set up by an individual and may be funded by governments, businesses (or) private persons. NGOs are highly diverse groups of organizations engaged in a wide range of activities, and take different forms in different parts of the world. Some may have charitable status (or) registered organization for tax exemption (or) interest groups.

Function of NGOs is to develop the society and environment through giving education to child, women empowerment, tree plantation, hungry and poverty and so on. In their journey towards promoting society, the corporates are joining together through their CSR programs. It is a chance the
companies are establishing their name in surrounding areas where they located and get support from the certain community people. The employment is increase in NGOs while the corporates are doing their CSR programs with NGOs. In addition to that, there are many jobs are created outside the NGOs. This paper is share about some of the companies CSR programs which done through NGOs.

1. SMILE FOUNDATION

SMILE foundation was started at 2002 by a group of young corporate professionals. The objective of the professionals was to give back to the society. It has changed the lives of more than 3, 00,000 children and youth. It has done more than 158 projects across more than 700 remote villages and slums in India. Smile Foundation is works towards the needs of development while helping corporate in investing in social initiatives. With multiple modes of partnerships like Payroll Giving, Cause Related Marketing, Direct Child Support and Youth Support, Smile helps corporate in strengthening their CSR programs by letting them adopt, initiate or partner development projects.

Mission Education

Mission Education is a national level programme of Smile Foundation which provides basic education and healthcare to underprivileged children.

Smile Foundation believes that whether you are addressing healthcare, poverty, population control, unemployment or human rights, there's no better place to start than in the corridors of education.

Education is empowers an individual to earn his/her livelihood and the end because it increases one's awareness on a range of issues. Smile Foundation’s educational initiatives include Pre-school [3-6 yrs], Non Formal Education [6-14 yrs non-school going], Remedial Education [6-14 yrs school going] and Bridge Course [14-18 yrs drop-outs].

Smile Foundation works with underprivileged children under difficult circumstances such as child labor, children of poorest of the parents, children inflicted and affected with HIV/AIDS, street and runaway children, children with rare disabilities, disaster struck children and slum children.

Children are the future of a nation. For an emerging and developing country like India, development of underprivileged children holds the key to the progress of the nation itself.

Since its inception in 2002, more than 200,000 children have directly benefitted from Mission Education programme. At present, this flagship initiative of Smile Foundation is reaching out to 16,500 children directly through 70 projects in 21 states across India.

Projects of Smile Foundation in Tamil Nadu

Smile Foundation has joined hands with Caterpillar Foundation to support the primary education of children in remote villages of Tamil Nadu, by building infrastructures of the schools – in order to provide proper education to the children. Besides building infrastructures for the schools the education needed is also being taken care through remedial education centers. The objective of this intervention is to bridge the educational gap by encouraging school dropouts and out of schools children towards education and also to build their capacities for mainstreaming into formal schools.

Caterpillar is a global leader, a genuine enabler of sustainable world progress and opportunity. Caterpillar is a proactive member of communities around the world and invests significant time and resources in promoting the health, welfare and economic stability of those communities. The Caterpillar Foundation is the philanthropic arm of Caterpillar Inc., the world's leading manufacturer of construction and mining equipment. Founded in 1952, the Caterpillar Foundation has contributed more than $400 million to help make sustainable progress possible around the world by providing program support in the areas of environmental sustainability, access to education and basic human needs.

The Project in brief:

- Provides bridge course to non-school going children.
- Mainstreams the children in formal schools
- Provides remedial education to the mainstreamed children.
- 3836 direct children beneficiaries in Tiruvallur.
- 705 direct children beneficiaries in Hosur.
11 volunteers in three schools helped the project in assisting 455 children learn better.

**Partnership with Corporates**

**Procter & Gamble:**

P & G is one of the largest FMCG Company in the world. P & G functions with the purpose of providing branded products and services of superior quality and value that improve the lives of the world's consumers. They believe in building the community in which they live and operate by supporting its ongoing development. P&G has always demonstrated its commitment to the community not just through the quality of its products and services, but also through socially responsible initiatives for the community.

P&G joined hands with Smile for developing hygienic practices in rural women. Women in India have always faced discrimination in many spheres of their lives, health being the prominent one. Smile Foundation in support with P&G has initiated Parivartan, a programme that aims at ensuring improved health-seeking behavior for women with focus on reproductive health and menstrual hygiene through training and other information, education and communication (IEC) tools. At present, the Programme is implemented in 4 districts of Rajasthan. The programme is being implemented in collaboration with the National Rural Health Mission (NRHM).

The primary goal of the project is to improve the health status of women in twelve blocks of 4 districts namely Jaipur, Tonk, Sikar and Dausa.

The key activities of the project include developing hygienic practices in rural women; strengthening and capacity building of the community volunteers for developing health and hygiene practices in the women and promote the use of sanitary napkins; organizing group meetings of adolescent girls and promote the usage of sanitary napkins for better hygiene during menstrual periods; facilitate the availability of sanitary napkins at the doorsteps to inculcate a habit among the women and adolescent girls of using sanitary napkins; and improving the female health status of the project area.

There are over 1800 community volunteers working and according to the medical officers of the community health center and the public health center of the area.

**Steel Authority of India Limited:**

SAIL is the India’s largest steel producing public sector unit and is also known as one of the most socially responsible corporate citizens of the country. SAIL has partnered with Smile Foundation and has lent support for two of Smile Foundation’s programmes – Smile on Wheels and Smile Twin e-Learning Programme.

**Smile on Wheels:**

The program is about providing mobile hospital which enables the prevention, diagnosis and treatment services. Smile on Wheels takes well-equipped mobile vans along with specialized doctors, nurses and medicines to villages and slums where there are no government health care facilities or where the available services are inadequate. Smile on Wheel mobile vans covers around 25Kms visiting 2-3 villages every day.

Under the Smile on Wheels partnership SAIL has supported the second mobile health care unit for Delhi. This unit targets approximately 1.5 lac people in urban slums of East Delhi and Noida. It brings affordable, integrated and clinically advanced, quality healthcare services to the people.

**Smile Twin e-Learning Programme (STeP):**

SAIL has also supported the Smile Twin e – Learning Programme as a part of its CSR initiatives. STeP is such an initiative of Smile Foundation that aims at creating a pool of young and independent people, from the marginalized section, through skill enhancement in market requirements. It is an effort towards bridging the gap between demand and supply of skilled manpower in the fast emerging services and retail sectors of modern India.

This national level programme trains the urban underprivileged adolescent youth in English Proficiency, Basic Computer Education and Soft Skills for enhancing their prospects of employment in the fast expanding retail, hospitality and BPO sectors. Besides Computer and English language, the students and beneficiaries are also to be oriented and trained on Basic Retail Management, Gender
Issues, Personality Development and Career Counseling, Reproductive and Sexual Health, HIV/AIDS etc.

2. DHAN FOUNDATION:

Development of Humane Action (DHAN) Foundation, a professional development organization, was initiated on October 2, 1997. It brings highly motivated, educated young women and men to the development sector. They would make new innovations in development to root out poverty from the country, in thus achieving the Mission of the organization. DHAN foundation doing many programs which helps to improve the agriculture, women empowerment and etc.

3. KALANJIAM FOUNDATION AND ITS DEVELOPMENTAL APPROACH

Kalanjiam Foundation is a subsidiary of DHAN Foundation. It strives for creating significant impact in livelihoods of poor families and in women development through its community banking programme. The approach for development has been defined through two decades of field work and conceptualization.

Building women self-help groups and their federations at the grassroots and enabling them for community ownership and sustainability are key elements of the approach. So far, 40,618 primary groups at village/slum level covering 609,139 families have been promoted in 12 states of India and the groups have been networked into 209 federations.

Livelihood financing founds base for the developmental programmes of Kalanjiam Foundation. The community banking programme has enabled the poor women to generate Rs. 282 crores of own funds through savings products in SHGs and to leverage Rs.841 crores of loan funds from commercial banks for livelihood development.

The approach has been tested and proved in rural (100 federations), urban (29 federations), coastal (35 federations) and tribal (45 federations) contexts. In each context, the programme design has been adapted to cater to characteristics of the local environment.

Impact of community banking on ‘poverty mobility’ of member families has been asserted through different evaluations. Member families have been classified based on the intensity of poverty. A system to track their mobility from one poverty stage to upper levels and ultimately moving out of poverty has been established.

Sustainability of community organizations is the crux of the approach and it has been demonstrated on a larger scale. Out of 209 federations promoted, 130 are financially independent. The women SHGs have contributed Rs. 20.32 crores out of Rs. 101.8 crores of promotional funds invested by Kalanjiam Foundation for development of communities.

The approach strongly emphasizes on integrated development and microfinance plays a ‘starter’ role in organizing the community. Matured Kalanjiam federations have gone beyond microfinance and have integrated agriculture, dairy, natural resource management, social security, nutritional security for women, safe drinking water, sanitation, primary education, housing, vocational skill building, migration, micro-justice etc., aiming at overall development of poor.

Health interventions including nutritional security of women, safe drinking water and sanitation have been promoted in 91 federations covering 3 lakhs people. A curative health care programme namely SUHAM hospitals backed up by health insurance covers 80,000 families from 34 federations. The remedial education programme covering 2,500 primary school going children from 20 tribal blocks of Rajasthan, Madhya Pradesh, Jharkhand and Odisha aims at bridging the gaps in learning. Five federations run primary schools with 2,000 children.

As many as 55 federations are implementing agricultural developmental programmes focusing on household level food security through improved productivity and increased farm income. Interventions such as revival of irrigation tanks, farm ponds, system of rice intensification, seed quality, farm schools, goat rearing, fish rearing, collective purchase of farm inputs etc. have been integrated in the agricultural programme. A value chain intervention on dairy sub-sector is implemented by 10 federations covering 10,000 dairy farmers. The farmers have promoted a dairy producer company and it markets nearly 2,500 liters of milk every day.
All the 209 federations offer life insurance coverage to 5.57 lakhs persons through tie-up with market providers and own mutual insurance programmes. In addition, 82,435 persons have been covered under health insurance. The federations interface with different departments of government to support member families avail entitlements like community certificates, old age pension, MNREGA job cards, and identity cards for differently abled persons etc. Ten federations have started a micro-pension programme for women. Recently, a pilot on micro-justice in five federations has been initiated for supporting the member women and their families on legal aid and awareness.

Kalanjiam Foundation has promoted 25 federations in urban slums of cities namely Hyderabad, Madurai, Mysore, Salem and Tirupati. These federations address livelihood issues of migrant families in the slums. In addition to livelihood financing, the urban SHGs and their federations focus on housing needs of migrant families and promotion of vocational skills among women and youth. Nearly 15,000 families have been supported for new house construction and upgrading existing houses through linking with housing apex banks and Municipal Corporations. More than 10,000 women and youth have been imparted employable skills through community colleges run by the urban federations. Recently, comprehensive programme on migration has been started to deal with issues at source (villages) and destination (urban areas).

4. Tata-Dhan Academy

Tata-Dhan Academy, the Development Management School, is the result of partnership between DHAN Foundation and Sir Ratan Tata Trust (SRTT), Mumbai. The Academy was begun in December 2000 and aims at becoming a Centre of Excellence in Development Management. The core purposes of the Academy are inducting and grooming fresh graduates as Development Professionals through specially designed programmes, and building capacity of the development practitioners. The key activities taken up by the Academy are:

- A two-year post graduate programme in development management (PDM) for building development professionals with high quality techno-managerial competence supported by appropriate motivations, values and attitudes to work with people, particularly the disadvantaged.
- A number of short duration management development programmes such as Social Development Research Capacity Building (SDRC), Leadership Development (LEAD), Future Search for NGOs, Advanced Reflective Training on up scaling Microfinance (ART), Micro insurance and Development Management Appreciation Programme (DMAP) for the NGO staff, academicians, researchers and government agencies.
- Researches for generating case studies and teaching materials are coordinated by the Faculty members and supported by Research Associates.
- ‘Advanced Centre for Skill and Knowledge on Mutual Insurance (ASKMI)’ promoted in the Academy works for advancing the practice of micro insurance; and ‘Advanced Centre for Enabling Disaster Risk Reduction (ACEDRR)’ works on enhancing the knowledge and practice on disaster risk reduction. These centers take up researches, pilot projects, training and education, documentation and publication, networking and consultancy, and policy advocacy in the respective fields.

5. Samhita

Samhita means “collective good”. They help people and organizations “do good better” by creating symbiotic relationships between those who are bringing about change on the ground and those who have the means and resources to enable that change.

Corporates across the country are looking for social initiatives and grassroots NGO partners for CSR projects. Foundations are looking to promote their awards/grants and partner with NGOs to implement their programs. Individual donors and high net-worth individuals (HNIs) are looking for information to give strategically and efficiently. NGOs spend an average of 250 days a year trying to raise funds and garner resources for their programs Through the “Samhita ecosystem”, They provide a credible platform and thought leadership to enable NGOs, companies, donor agencies, individuals, philanthropists, foundations and researchers to achieve their specific goals and make informed decisions that translate into purposeful action and large-scale social impact. Since 2009, Samhita has
provided structured and professional services to enable companies, donors and NGOs to collaborate with each other and as a result, impact thousands of lives in India. The parties who are all connected with Samhita following:

- NGOs
- Corporate
- Individuals & Philanthropists
- Donor Agencies

**NGOs**
Being part of the Samhita ecosystem enables to raise funds of NGOs, increase their capability by tapping into resources and opportunities, showcase their work and gain credibility as well as become part of networks that could lead to further growth and impact.

**Corporates**
The Samhita ecosystem provides you with access to an ever-growing network of NGOs to address social issues as well as reach out to bottom-of-the-pyramid (BoP) markets. Samhita can partner with corporate to provide inputs on corporate social responsibility (CSR) initiatives that address core business needs, advice on effective ways of engaging with the community, design social initiatives, coordinate implementation of programs as well as measure the impact of your initiatives. Samhita also facilitate corporate-NGO partnerships that will help you reach out to BoP markets for creating awareness about and selling your products and services.

**Individuals and philanthropists**
Samhita provides a one-stop solution for your philanthropic requirements – they can help to an individual research, plan, structure, implement, and monitor and evaluate their philanthropic initiatives. If an individual are looking to donate less than INR 25,000, an individual can use their online donation portal to support 100+ NGOs.

**Donor agencies**
If the agencies are an established donor agency, Samhita is the perfect partner of donor agencies in managing their grants, awards and program delivery. With Samhita vast network of NGOs and a deep understanding of the Indian development sector, we will be able to leverage our easy-to-use portal to run campaigns, host application forms, recommend NGOs and monitor the utilization of their funds.

**6. NADATHUR GROUP**
The Nadathur Group is a private investment firm & family office established by N.S. Raghavan, one of the co-founders of Infosys Technologies. Infosys was founded in 1981 by a team of seven people with US$ 250 as seed capital. Today it is a NYSE listed company with around US$ 5 Billion in revenues, about 125,000 people, and a market cap of US$ 35 Billion. Mr. N.S. Raghavan came out of Infosys in 2000, and set up Nadathur to serve as a Family Office and to invest in ventures across Asia. Today, the group is based out of India and Singapore and manages over US$ 600 million across asset classes and investment life cycles – from angel & venture capital investments to private Equity, Public Equity, Debt, and Real Estate. In the process, Nadathur has seeded a venture fund, a domain-specific investment platform, and has invested in over 30 venture and private equity opportunities. The activities and investments of Nadathur Group cover diverse sectors including Healthcare, Life Sciences, Hospitality, Information Technology, Energy & Environment, and Education. The group primarily invests its own family funds, is unleveraged, and is long term focused. Social investing is an area where the Nadathur family strives to make a difference personally and professionally. The Nadathur Group supports philanthropy, and invests in social causes, aiming to transform passion into financially viable and sustainable models. In these efforts, the group goes beyond investing funds, and puts in time, effort, management expertise, and intellectual capital to build successful projects. Livelihood creation, the arts, education, medical research, and conservation are areas of interest to the group. Organizations supported include FAME India, the Nadathur Trust, Nature Conservation Foundation, and Maya Organics.
CONCLUSION

The paper shows how the NGOs doing their role in CSR activities around India. The paper contains the works of two NGOs whose are SMILE and DHAN foundation. SMILE foundation doing their CSR activities mainly in child education, women empowerment, disaster relief and etc. Such as Mission Education, Smile to Wheels, Smile Twins e - Learning Program and etc. SMILE foundation gives participation in natural disaster period. DHAN foundation is also giving their great participation towards the social empowerment. DHAN foundation is giving development the rural women through financially (i.e.) Kalanjiam Foundation. Tata also joins together DHAN foundation to empower the rural youth’s education. NGOs are providing employment opportunity to the youngsters. In addition to that, the outside job opportunities are also increase where the government mandates the CSR activities of corporate. Samhita is a one of the private firms which connects the individuals, corporate and NGOs in India.

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