

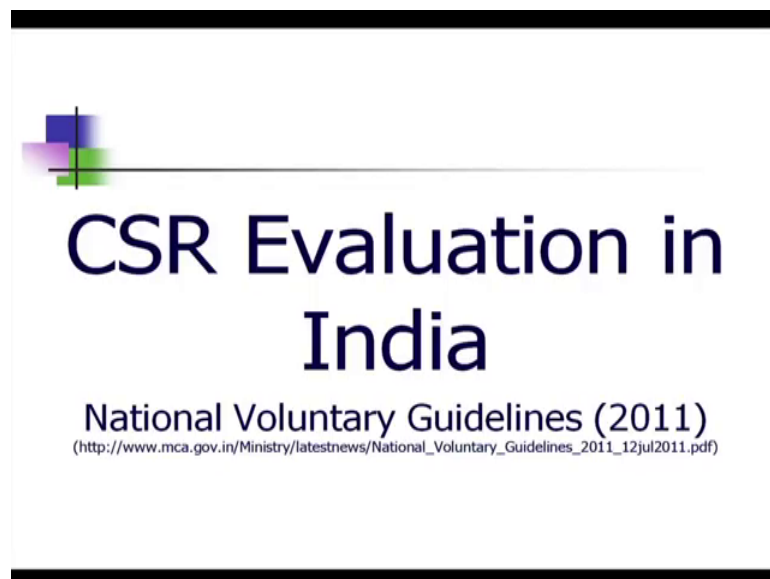
Corporate Social Responsibility
Prof. Aradhna Malik
Vinod Gupta School of Management
Indian Institute of Technology, Kharagpur

Lecture – 32
CSR in India

Welcome back to the MOOC course on corporate social responsibility. My name is Aradhna Malik and I am helping you with this course and in today's lecture we are going to wind up the discussion on measurement and evaluation of CSR and we have I will show you a couple of things will discuss how the social responsibility is measured and evaluated in Indian context and how.

And I will show you some examples of business responsibility reporting and then we will finish the discussion with a discussion on the challenges or with some inputs on the challenges faced during the evaluation of corporate social responsibility.

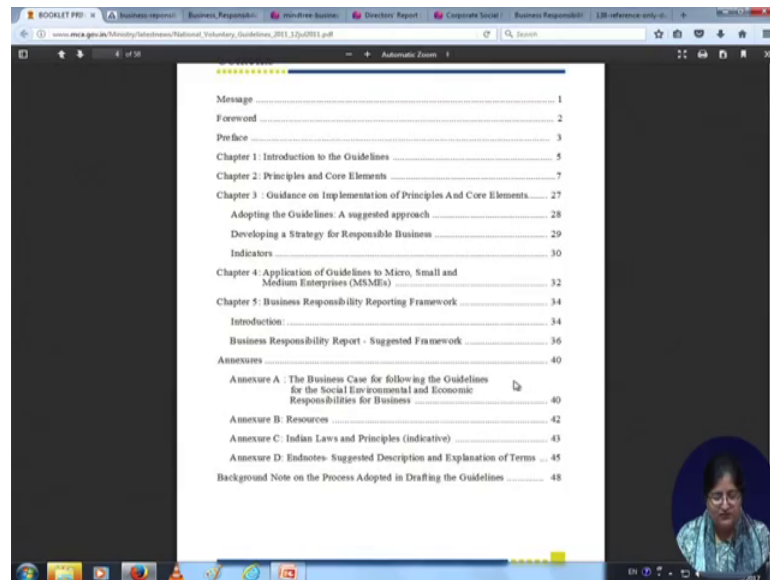
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So, let us see what we have here for you we what we are going to do here is I am going to show you how the large corporations are expected to report their CSR activities as mandated by the national voluntary guidelines as prescribed by the ministry of corporate affairs government of India.

So, let me show this to you whatever I have on the slide is actually directly taken from that document. So, I was told that I could project the document and still talk to you. So, that is what I will do, I will take you directly to the document here let me show that documents to you here we have the national voluntary guidelines and I just scroll down.

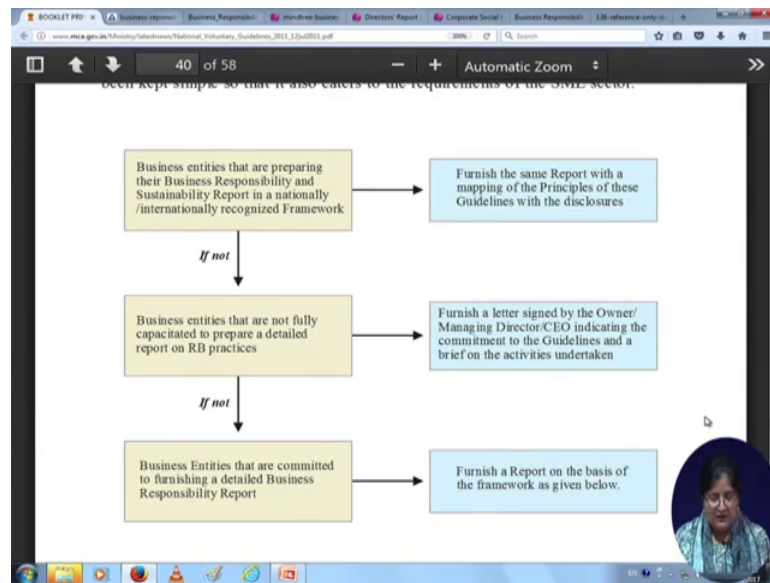
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This is we have discussed how different principles are you know I have mentioned in the national voluntary guidelines.

We have also discussed how national voluntary guidelines prescribed or what they suggest in terms of how to go about reporting business or how to go about integrating the social responsibilities socially responsible activities into the strategy of the organizational now we will move on to what they say about how to report this.

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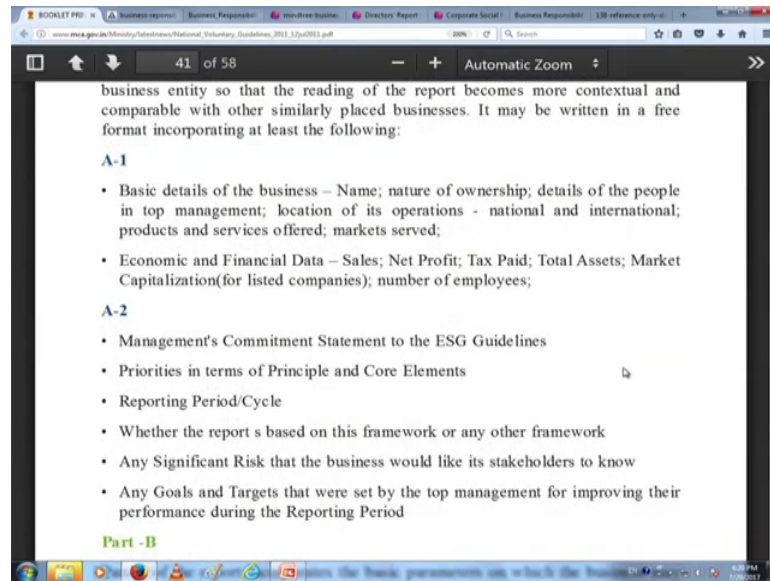


So, let me show you this is here you discussed principles you discussed the strategy this is further down yes here.

So, they suggest and I am I am I am going to let me see if I can raise the size somehow I think this should be visible may be a little bit more alright. So, they say that business entities that are preparing their business responsibility and sustainability report in a nationally internationally or internationally recognized framework for which the same report with a mapping of the principles of these guidelines with the disclosure and I will show you how this is done.

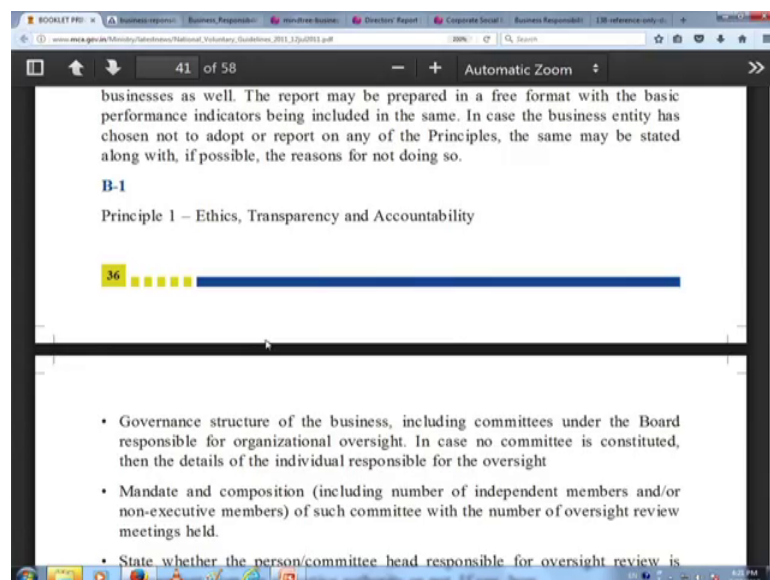
If you are not doing this then business entities that are not fully capacitated to prepare a detailed report on responsible business practices need to furnish a letter signed by the owner or managing director or CEO indicating the commitment to the guidelines and a brief on the activities that have been undertaking undertaken. If they are still not there then business entities that are committed to furnishing a detailed business responsibility report should furnish a report on the basis of the framework as given below and what is the frame work we talked about the RobecoSAM framework yesterday today we are going to see how the national voluntary guidelines show you this.

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So, let me see. So, you in the first part you provide basic details of the business then you give the management's commitment statement to the environment social and governments guidelines and then priorities then reporting period cycle etcetera part b is what we are really focusing on b one is the principles you know principle wise reporting principle one is ethics transparency and accountability within these initial lectures.

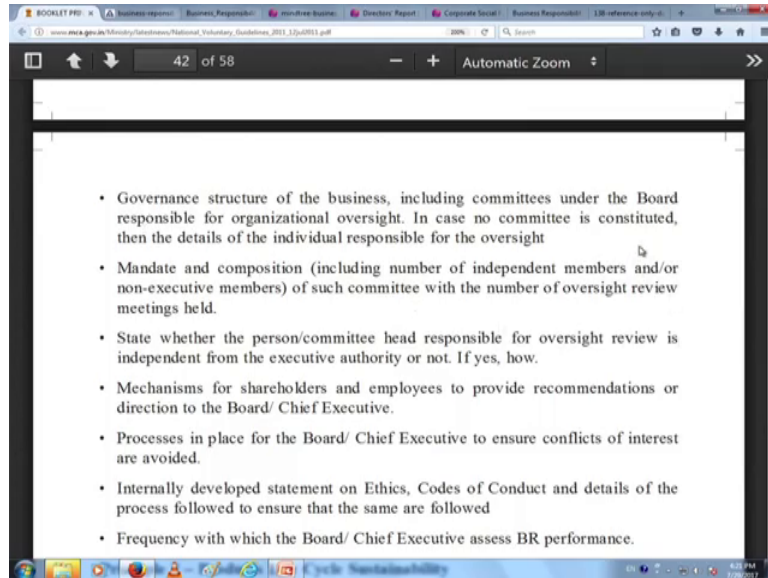
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So, little bit of it; revisiting is there. So, in under this heading they expect organizations to talk about the government structure of the business including committees under the

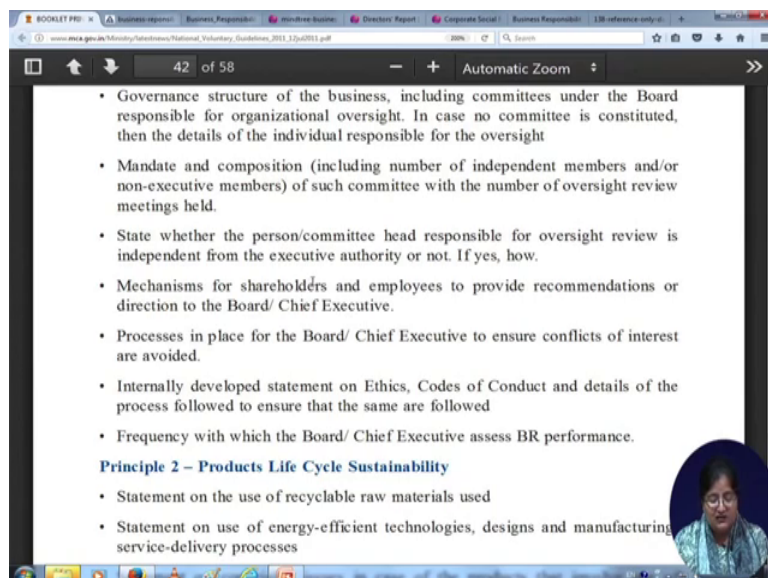
board responsible for organizational oversight I am going to read by backend from this report I hope that will be with you all you can pull up the report as I talk you through it.

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Government structure of the business including committees under the board responsibility for organizational oversight in case no committee is constituted then the details of the individual responsible for the oversight then the second point is mandate and composition including number of independent members and or non executive members of such committee with the number of oversight review meetings held.

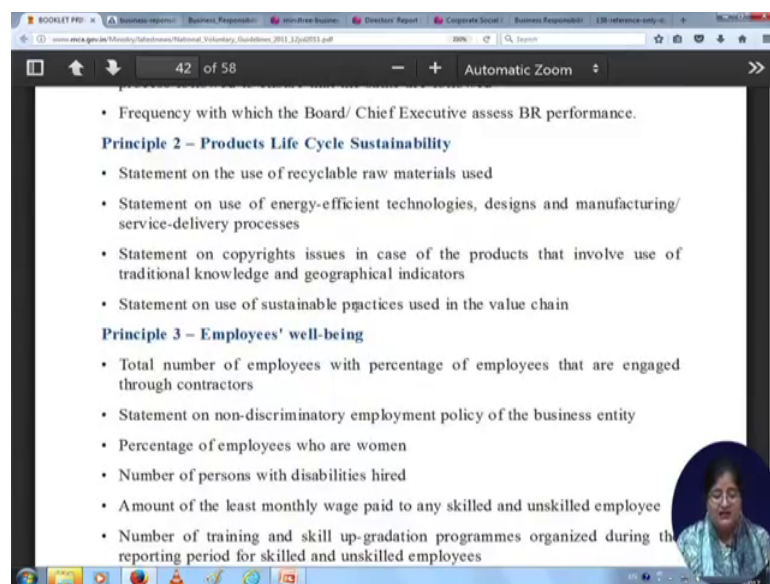
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Then the third point is state whether the person committee head responsible for oversight review is independent from the executive authority or not if yes how fourth mechanisms for stakeholders and employees to provide recommendations or direction to the board or chief executive fifth process in place for the board or chief executive to ensure conflicts of interest are avoided.

Sixth internally developed statement on ethics code of codes of conduct and details of the process followed to ensure that the same are follows then seventh lastly frequency with the with which the board or chief executives access the BR performance; business responsibility performance.

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Second principle is product life cycle sustainability; so, statement on the use of recyclable raw materials used.

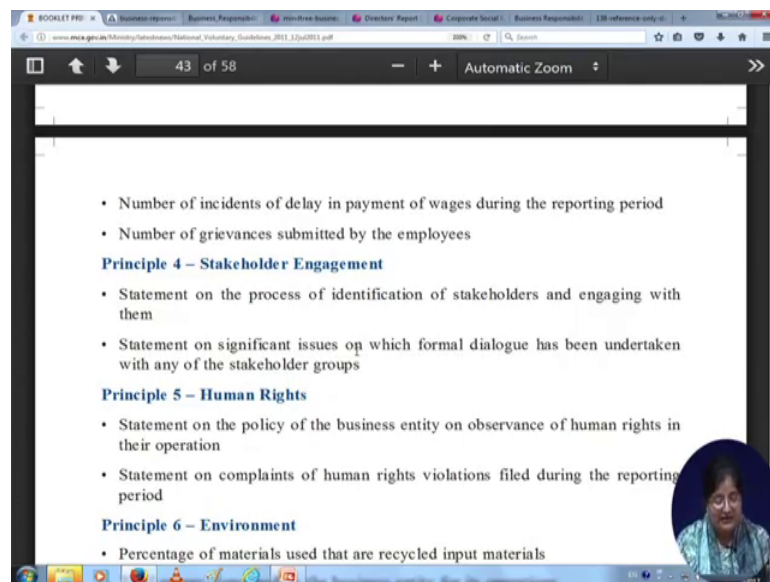
Statement on the use of energy efficient technologies designs and manufacturing or service delivery processes statement on copyright issues in case of the products that involve use of traditional knowledge and geographical indicators next statement on use of sustainable practices used in the value chain.

Then the third one is employees well being principle 3 is employee well being again you know; so, it is a comprehensive report we have discussed these principles now this is how these principles are evaluated how do they signed out whether employees were

being looked after you the companies give the total number of employees with percentage of employees that are engaged through contractors.

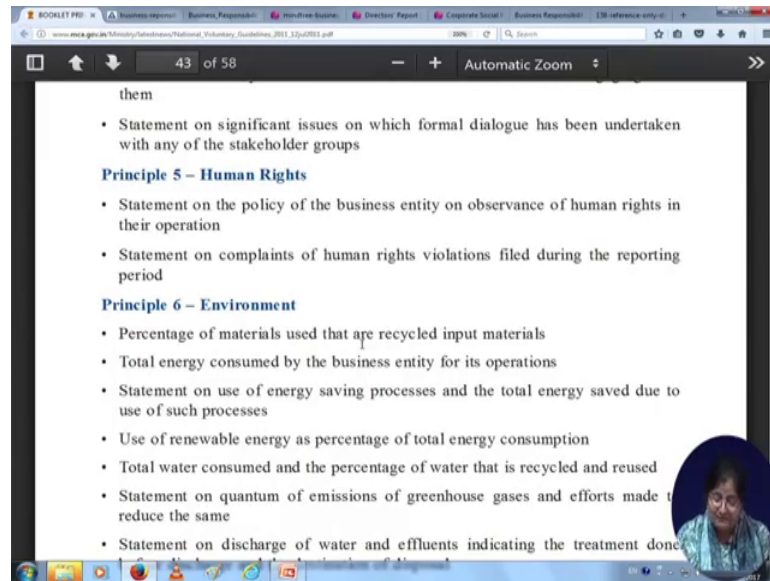
Statement on non discriminatory employment policy of the business entity percentage of employees were women number of persons with disabilities that are hired amount of the least monthly wage paid to any skilled and unskilled employee number of training and skill up gradation programs organized during the reporting period for skilled and unskilled employees number of incidents of delay in payment of wages during the reporting period number of grievances submitted by the employees against the organization.

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Then the fourth principal is stakeholder engagement statement on the process of identification of stakeholders and engaging with them statement on significant issues on which formal dialogue has been undertaken with any of the stakeholder groups.

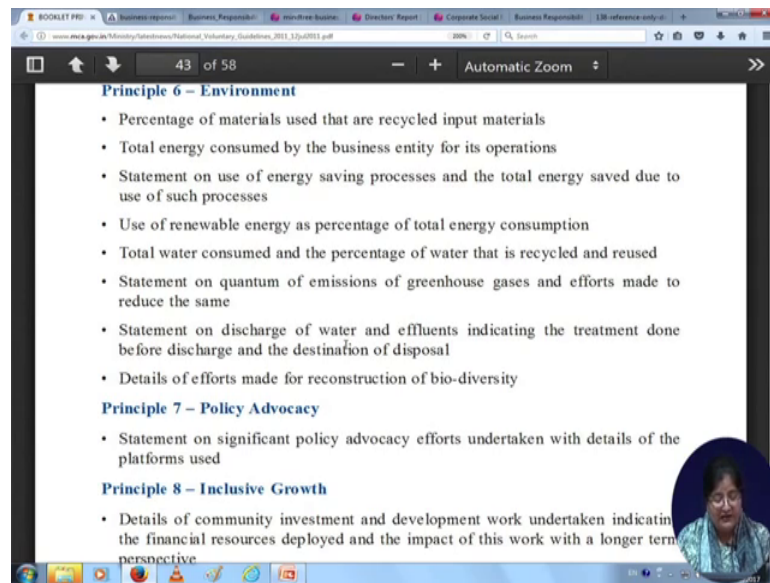
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The next one is human rights principle 5 statement on the policy of the business entity on observance of human rights and their operation statement on complaints of human rights violations filed during the reporting period.

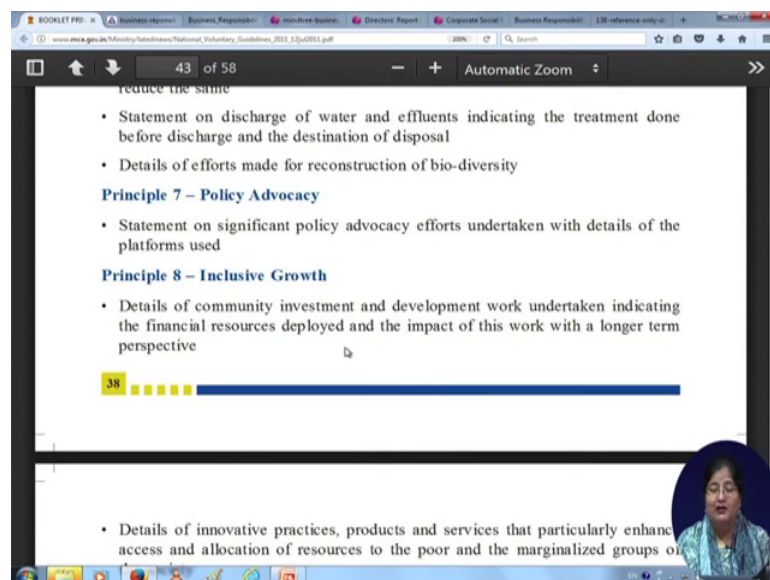
Sixth principle is environment and under this they state the percentage of material used that are recycled input materials total energy consumed by the business entity for its operations statement on the use of energy saving processes and total energy saved due to the use of such processes then the use of renewable energy as percentage of total energy consumption.

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Then total water consumed and the percentage of water that is recycled and reused and statement on quantum of the emissions of greenhouse gases and efforts made to reduce the same statement on discharge of water and effluents indicating the treatment done before discharge and the destination of the disposal and lastly the details of efforts made for reconstruction of bio diversity.

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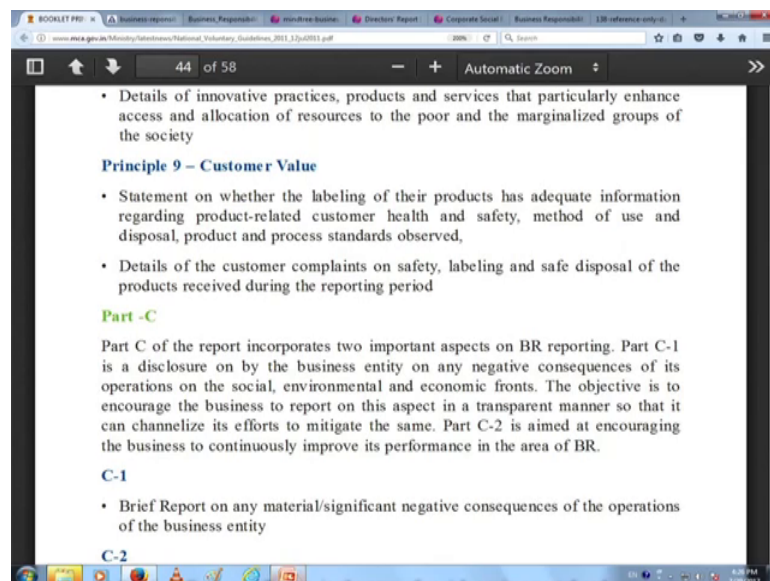
So, we are depleting the natural resource what are the organizations doing what are these companies doing to give back to nature are they planting more trees are they are there

you know encouraging or are they introducing fish in the ponds or whatever the case may be. So, you know how are in bio diversity been reconstructed.

Then principle 7 is policy advocacy I just show you when I show you reports then all of this will become clear when I show your actual business responsibility report all are whatever I am saying will become much more clear. So, to principle 7 is policy advocacy principle 7 is statement on significant policy advocacy efforts undertaken with the details of this platform used excuse me.

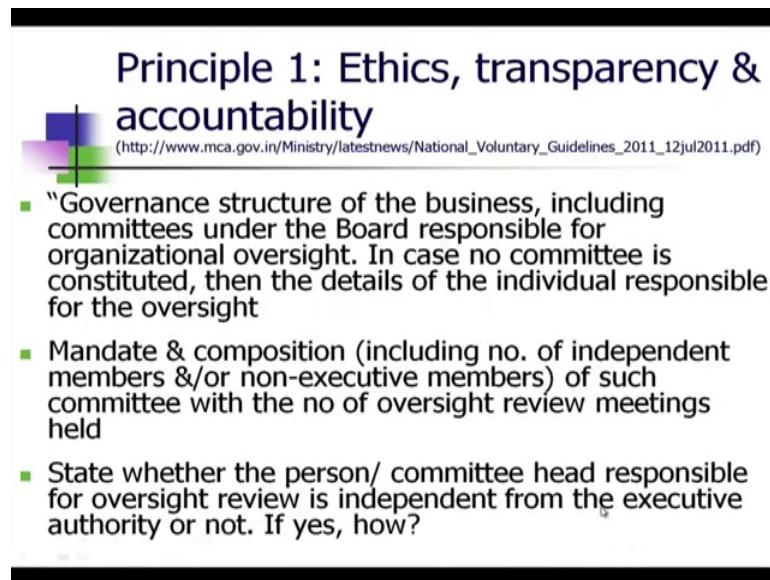
Principle 8 is inclusive growth and this includes details of community investment and development work undertaken indicating the financial resources deployed and the impact of this work with the longer term perspective then details of innovative practices products and services that particularly enhance access and allocation of resources to the poor and the marginalized groups of the society.

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Principle 9; the last principle is customer value statement on whether the labeling of their products has adequate information regarding product related customers health and safety method of use and disposal product and process standards observed and the details of customer complaints on safety labeling and safe disposal of the products received during the reporting period now all of this is mandated by the NVG guidelines.

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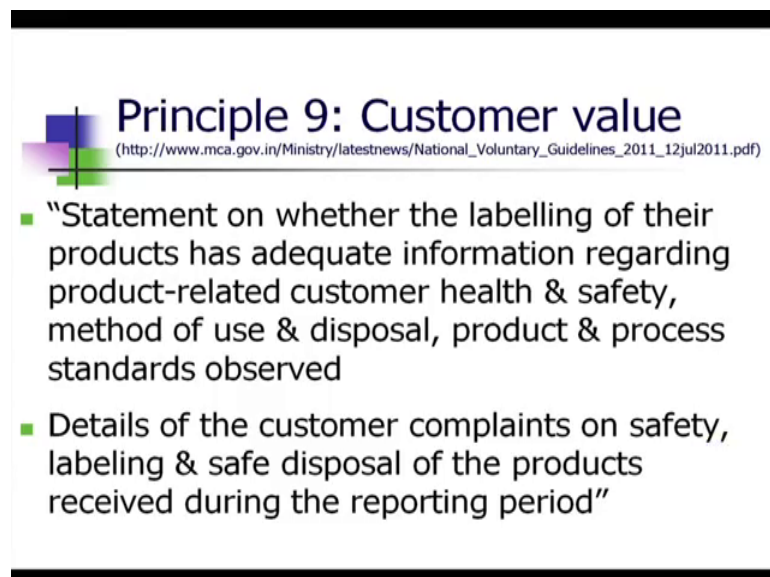


Principle 1: Ethics, transparency & accountability
(http://www.mca.gov.in/Ministry/latestnews/National_Voluntary_Guidelines_2011_12jul2011.pdf)

- "Governance structure of the business, including committees under the Board responsible for organizational oversight. In case no committee is constituted, then the details of the individual responsible for the oversight
- Mandate & composition (including no. of independent members &/or non-executive members) of such committee with the no of oversight review meetings held
- State whether the person/ committee head responsible for oversight review is independent from the executive authority or not. If yes, how?

Now, this is all that is there on the slide I just go back to slide now I will show you say I just put it on the slides here. So, along with the appropriate referencing of course, so, these are the different principles and how these principles are evaluated then.

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Principle 9: Customer value
(http://www.mca.gov.in/Ministry/latestnews/National_Voluntary_Guidelines_2011_12jul2011.pdf)

- "Statement on whether the labelling of their products has adequate information regarding product-related customer health & safety, method of use & disposal, product & process standards observed
- Details of the customer complaints on safety, labeling & safe disposal of the products received during the reporting period"

So, you know this is what the government wants organizations to report on now let me show you something that I have here I will show you the different business responsibility report.

How different organizations report on these different principles there are different ways of doing it for example let me the first one that I will show you is Emami limited for example, you know. So, say this is a very certain dry kind of very crisp report eleven page report that given all the details everything is in tabulated forms. So, business responsibility information is here.

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So, I just increase the size maybe that will help you see better I will also give you a link to this. So, you will be able to see it yourself or you can Google Emami business responsibility report of Emami and this will come up let us see here. So, section a is generally information about the company as you see here and then under general information they have various things see.

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Hassan, Sania Mirza, Parineeti Chopra, Bipasha Basu, Sonakshi Sinha, Mahendra Singh Dhoni, MC Mary Kom, Saina Nehwal, Sushil Kumar, and Gautam Gambhir among others. believe in sharing a part of their incomes with the less-privileged. The result is that when they started Emami, they began to allocate a part of the surplus funds towards initiatives that extended beyond the normal S.K. Goenka, along with Shri R.K. Goenka, who are driving initiatives across healthcare, education, rural infrastructure, women empowerment, animal welfare and community welfare.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN):	LL3093WB1983PLC036030
2. Name of Company:	Emami Limited
3. Registered Address:	Emami Tower, 687, Anandapur, E.M. Bypass, Kolkata 700107, West Bengal
4. Website:	www.emamilt.in
5. Email ID:	contact@emamigroup.com
6. Financial Year Reported:	2015-16

7. Sector(s) that the Company is engaged in (industrial activity code-wise):
Emami is a Fast-Moving Consumer Goods (FMCG) company and operates in niche consumer and healthcare product categories like Cooling Oils, Balms, Antiseptic cream, Fairness creams for men and ayurvedic Scalp and Hair Medicinal Oils. Our product portfolio includes over 300 trusted products. The principle products of the Company with Industrial Activity code are :

Sl. NO.	Product	Industrial Activity Code (As per Central Excise Tariff Code)
1.	Navratna Oil	30049011
2.	Zandu and Mentho Plus Balm	30049011
3.	BoroPlus Antiseptic Cream	30049011
4.	Fair and Handsome Cream	33049910
5.	Kesh King Oil	30049011

8. List Key products/ services that the Company manufactures/ provides:
i. Navratna Oil
ii. Zandu and Mentho Plus Balm
iii. BoroPlus Antiseptic Cream

Who corporate identity number name of company registered address website email financial year reported sectors that the companies engaged in industrial activity code wise. So, they have the Navrathna oil, Zandu and Mentho plus balm, Boroplus antiseptic cream, fair and handsome cream, Kesh Kanthi oil. So, there given 5 products then list key products or services that the company manufacture provides and they have repeated these names over here.

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Sl. NO.	Product	Industrial Activity Code (As per Central Excise Tariff Code)
1.	Navratna Oil	30049011
2.	Zandu and Mentho Plus Balm	30049011
3.	BoroPlus Antiseptic Cream	30049011
4.	Fair and Handsome Cream	33049910
5.	Kesh King Oil	30049011

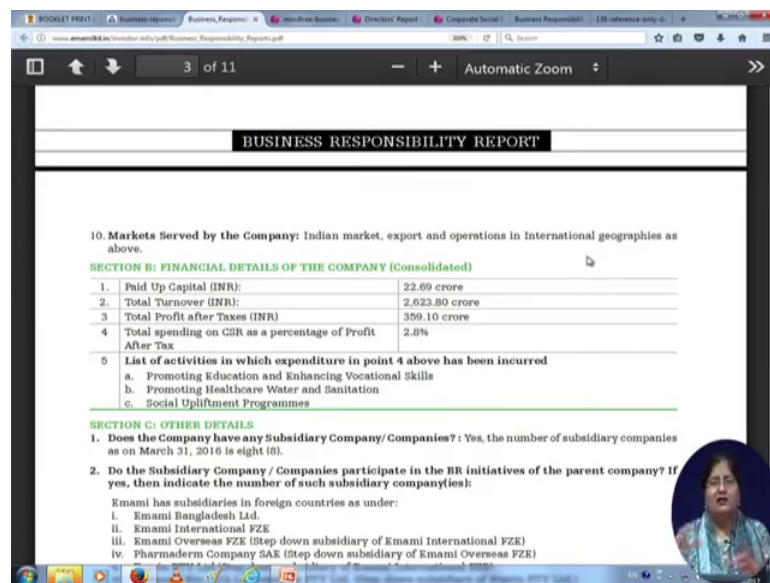
8. List Key products/ services that the Company manufactures/ provides:
i. Navratna Oil
ii. Zandu and Mentho Plus Balm
iii. BoroPlus Antiseptic Cream
iv. Fair and Handsome Cream
v. Kesh King Ayurvedic Medicinal Oil

9. Total number of locations where business activity is undertaken by the Company:
i. Number of International Locations (Details of major 5) - Emami operates through 9 overseas subsidiaries and has presence in 60+ countries with a manufacturing unit in Bangladesh as well. Major geographies where Emami operates in are:
a. South Asian Association for Regional Cooperation (SAARC)
b. Middle East, North Africa and Pakistan (MENAP)
c. South East Asia and Australia (SEAA)
d. CIS and Eastern Europe (CISEE)
e. Africa
ii. Number of National Locations: Emami carries out its operations through its Head Office in Kolkata, 4 regional offices, 7 manufacturing units, 5 mother depots and 33 depots across India.

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Total numbers of locations were the business activities undertaken by the company. So, there given the number of international locations here. So, Emami operates through 8 overseas subsidiaries and has presence in sixty plus countries with manufacturing unit in Bangladesh as well major geographies are listed here number of national location is given. So, head office in Kolkata 4 regional offices 7 manufacturing units 5 mother depots and 33 depots across India.

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Then the market served by the company Indian market export in operations. So, there very very crisply detailed whatever they are I mean very very crisply mentioned what they do section b is the financial details and all of this is part of the annual report section c is other details does.

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The screenshot shows a PDF document with the following content:

2	Total Turnover (INR)	2,02,23,50,00,00
3	Total Profit after Taxes (INR)	359.10 crore
4	Total spending on CSR as a percentage of Profit After Tax	2.8%

5 List of activities in which expenditure in point 4 above has been incurred

- Promoting Education and Enhancing Vocational Skills
- Promoting Healthcare Water and Sanitation
- Social Upliftment Programmes

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?: Yes, the number of subsidiary companies as on March 31, 2016 is eight (8).

2. Do the Subsidiary Company / Companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary companies:

Emami has subsidiaries in foreign countries as under:

- Emami Bangladesh Ltd.
- Emami International FZE
- Emami Overseas FZE (Step down subsidiary of Emami International FZE)
- Pharmaderm Company SAE (Step down subsidiary of Emami Overseas FZE)
- Fravin PTY Ltd (Step down subsidiary of Emami International FZE)
- Diamond Bio-Tech Laboratories PTY Ltd. (Step down subsidiary of Fravin PTY Ltd.)
- Greenlab Organics Ltd. (Step down subsidiary of Fravin PTY Ltd.)
- Abache PTY Ltd. (Step down subsidiary of Fravin PTY Ltd.)

The subsidiaries of the Company follow the practices which is in line with the Company's Business Responsibility Policy.

3. Do any other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities (Less than 30%, 30-60%, more than 60%).

The Business Responsibility policies are applicable to the management and all the employees of the Company. The Company encourages adoption of BR initiatives by its Business Partners. Based on dialogue with the suppliers and distributors of the Company, currently less than 30% of other entities participate in the BR initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/ Directors responsible for BR

The company have any subsidiary company for example, do the subsidiary company or companies participate in the business responsibility initiative of the parent company if yes then indicates the number of such subsidiary companies and they have listed that.

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The screenshot shows a PDF document with the following content:

- Emami International FZE
- Emami Overseas FZE (Step down subsidiary of Emami International FZE)
- Pharmaderm Company SAE (Step down subsidiary of Emami Overseas FZE)
- Fravin PTY Ltd (Step down subsidiary of Emami International FZE)
- Diamond Bio-Tech Laboratories PTY Ltd. (Step down subsidiary of Fravin PTY Ltd.)
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SECTION D: BR INFORMATION

1. Details of Director/ Directors responsible for BR

- Details of Director/ Directors responsible for implementation of the BR policy/ policies:
 - Name of the Director: Shri S.K. Goenka
 - Designation: Managing Director
 - DIN No: 00149916
- Details of the BR head:

Sl. No.	Particulars	Details
1.	DIN No. (if applicable)	00149916
2.	Name	Shri S.K. Goenka
3.	Designation	Managing Director
4.	Telephone No.	033-66136624
5.	Email id	skgoenka@emamigroup.com

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So, business responsibility policies are applicable to the management in all the employees of the company and the company encourages adoption of BR initiatives by its business partners they have listed it here then again you know BR information.

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2. Principle wise (as per NGV's) BR Policy/Policies (Reply in Y/N)

- Principle 1: Ethics, Transparency and Accountability [P1]
- Principle 2: Products Lifecycle Sustainability [P2]
- Principle 3: Employees' Well-being [P3]
- Principle 4: Stakeholder Engagement [P4]
- Principle 5: Human Rights [P5]
- Principle 6: Environment [P6]
- Principle 7: Policy Advocacy [P7]
- Principle 8: Inclusive Growth [P8]
- Principle 9: Customer Value [P9]

Sl. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	
1.	Do you have policy/policies for...?	Y	Y	Y	Y	Y	Y	Y	Y	Y	
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y	
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes. The policies are based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' released by the Ministry of Corporate Affairs									
4.	Has the policy being approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Yes. The policies have been approved by the Board and signed by the Managing Director.									
5.	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Yes, the Company's officials/ respective departments are authorised to oversee the implementation of the policy									
6.	Indicate the link for the policy to be viewed online?	http://www.emamitd.in/investor-info/pdf/Business_Responsibility_Policy.pdf									
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, the policies have been communicated to all the internal and external stakeholders									
8.	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y	
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes, any grievances or feedback to the policies can be sent to investors@emamigroup.com and contact@emamigroup.com									
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N	

Now, here this section b is gives you the principle wise policies reply in yes or no do you have a policy or policies for principle 1 2 3 4 5 6 7 8 9.

So, they say yes has the policy been formulated in consultation with the relevant stakeholders they say yes to all does the policy conform to any national or international standards if yes specify in maximum of 50 words. So, I mean this is how many organizations present there.

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2a. If answer to S.No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	
1.	The Company has not understood the Principles										
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles										
3.	The Company does not have financial or manpower resources available for the task										
4.	It is planned to be done within next 6 months										
5.	It is planned to be done within the next 1 year										
6.	Any other reason (please specify)	Not Applicable									

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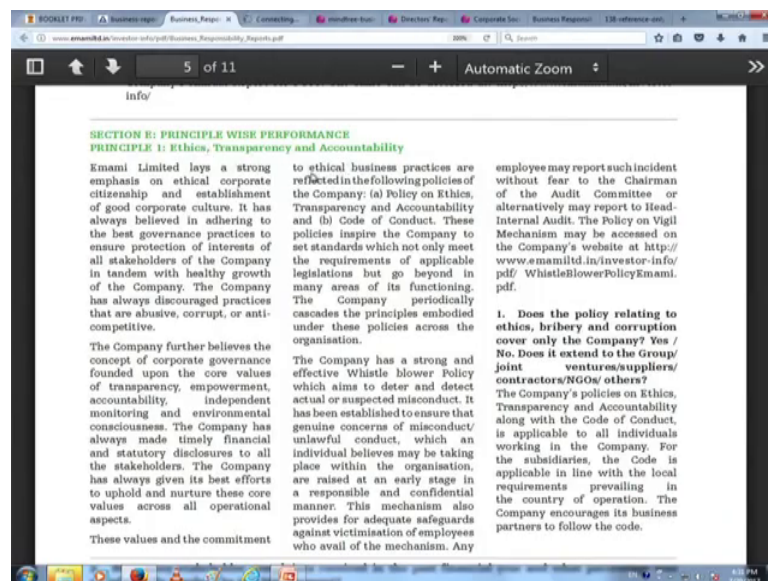
There compliance with these policies if the answer to serial number one against any principle is to; is no then please explain why.

So, they say not a applicable because we are adhering to everything that you have said and does the company have grievance redressal mechanism this is related to the policy or policies to address stakeholder grievances related to policy or policies yes the answer is yes any grievances can be sent to this email address here. So, and they have given links indicate the link for the policy to be viewed online.

So, they have a link and I will just open it here live and show it to you. So, they have a policy and they say yes it has been communicated and the policies also available online it is loading. So, this is how they have presented their business responsibility report now while this is opening I will show you I mean I have another policy and another such policy pulled up.

So, you know we can see that also in a minute while this is coming up. So, this is how they have put their information here now section e is principal wise performance so principle one ethics first they have given a summary of what they are doing principle wise then they have given details of each principal. So, ethics transparency and accountability as and you know they have given the information about this.

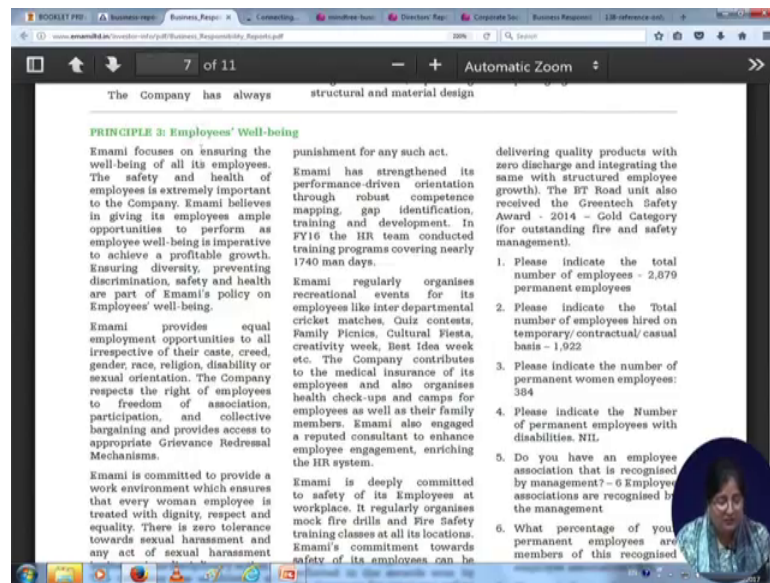
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They have also provided a link to that whistle blower policy then they have answered these questions does the policy related to ethics bribery corruption cover only the company yes or no does it extends to the group joint venture supplier contractors NGOs or others and then you know how many stakeholders complaints were received then principles 2 again details has been given.

So, I mean so.

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This is how they have employees well being here they have given all this category child labor forced labor number of complaints received number of complaints pending sexual harassment discriminatory employment etcetera what percentage of your under mentioned employees were given safety and skill up gradation training in the last year permanent employees permanent women employees casual temporary contractual employees with disabilities.

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8. What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?

Particulars	Executives	Factory Workers
Permanent Employees	56%	56%
Permanent Women Employees	68%	52%
Casual/ Temporary/ Contractual Employees	-	45%
Employees with disabilities	NA	NA

PRINCIPLE 4: Stakeholder Engagement

Emami recognises employees, business associates (network of suppliers, stockists and dealers), customers, shareholders/investors and communities surrounding our operations and regulatory authorities as key stakeholders. The Company continues its engagement with them through various mechanisms such as consultations with local communities, supplier/vendor meets, customer/employee satisfaction surveys, investor forums, etc.

The Company's website, www.emamitd.in, contains comprehensive information for the stakeholders about the Company. The Company also has designated an exclusive email-id for investor services - investors@emamigroup.com.

information or such other matters which in its opinion are material and of relevance to the stakeholders of the Company.

1. Has the Company mapped its internal and external stakeholders?

Yes.
2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders?

Emami identifies underprivileged communities around its business locations as disadvantaged, vulnerable and marginalised stakeholders. Emami continuously engages with all such stakeholders identifying their needs and priorities so as to serve these

initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.

The Company provides healthcare facilities to the underprivileged in and around its business premises. Emami conducts community development initiatives and disaster management initiatives across its factory locations. Emami also conducts drinking water and sanitation programmes in schools, provides scholarships to deserving students, computer training programmes, beauty training programmes, stitching and tailoring programmes.

So, they have given the information here in terms of numbers stakeholder engagement again. So, all of these question have been answered here policy advocacy again major company member of any trade and chamber or association if yes name only those major ones that your business deals with. So, they provide the names of these chambers of commerce.

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22. Have you advocated through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop)

Emami has always believed to ensure protection of interests of all stakeholders of the Company in tandem with healthy growth of the Company. The Company has leveraged the ancient science of ayurveda to create brands to meet the health care needs of the consumers.

The Company has always contributed towards CSR activities even before it was mandated by the law. All the business places of the Company have initiated many programmes for the underprivileged. The Company provides healthcare facilities, conducts community development initiatives, disaster management initiatives, drinking water and sanitation programme in schools, provides scholarships to deserving students and imparts vocational development skills across all its business locations.

1. Does the Company have specified programmes/initiatives/projects in
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organisation?
3. Have you done any impact assessment of your initiative?

Yes, the CSR committee internally performs an impact assessment of its initiatives at the end of each year to understand the efficacy of the programme in terms of delivery of desired benefits to the community and to gain insights for improving design and delivery of future initiatives.

PRINCIPLE 8: Inclusive Growth and Equitable Development

The Company undertakes the initiatives through the CSR committee of the Board as per the CSR policy of the Company. A brief outline of the policy for undertaking the CSR activities of the Company includes the following:

- Promoting Healthcare, water and sanitation programmes;
- Promoting education, enhancing vocational skills and livelihood enhancement projects;
- Rural development, social upliftment programmes and promotion of art and Culture.

These projects are in accordance with Schedule VII of the Companies Act, 2013 and rules made thereunder.

Box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes, Emami has advocated through the above organisations on Economic Reforms.

Then participle 8 inclusive growth and equitable development does the company has specified programs or initiatives project in pursuit of the policy related to principle 8 if

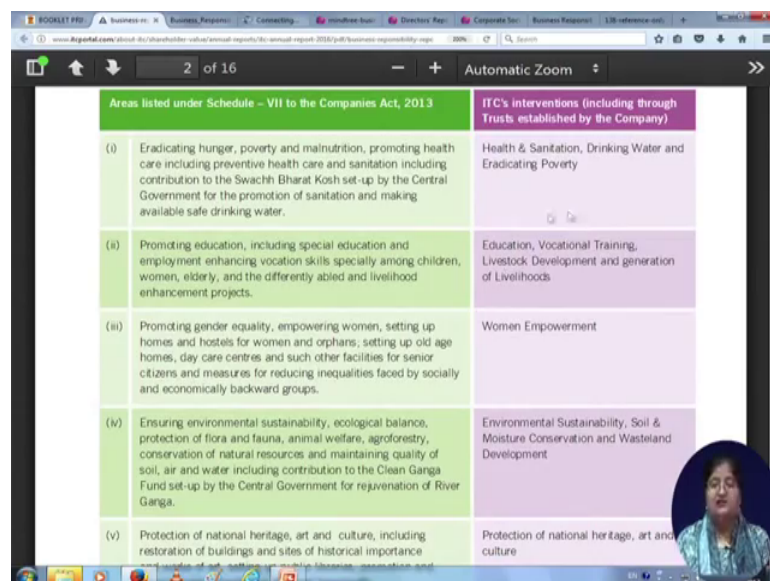
yes details thereof. So, they have given detail of programs they are encouraging in and all of this has been very very crisply presented in an eleven page report which forms a part of the main annual report this is one way of reporting.

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Now, another one that I will show you here is the business responsibility report of ITC limited let me just increase the size 200 percent this should be. So, this is very nicely color coded this is another sixteen page report general information of the company financial details list of CSR activities in which expenditure has been incurred.

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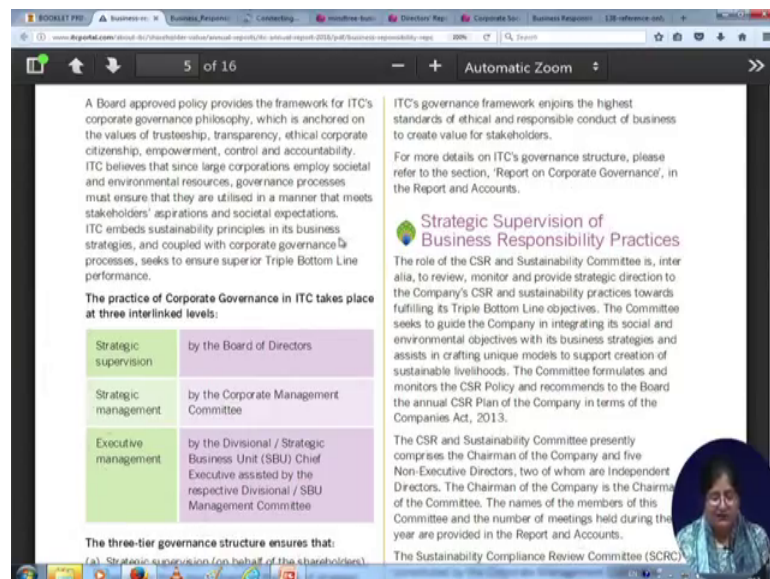
So, they have given the areas listed under schedule 8 to the companies act eradicating hunger poverty malnutrition ITC's interventions health and sanitation drinking water and eradicating poverty hm.

So, they have also contributed to the Swachh Bharat Kosh set up by the central government for the promotion of sanitation making available safe drinking water again you know then they promoting education. So, they have gone and categorized everything and they say.

This is what we are doing this is the principle and in the companies act and this is what we are doing about it this is how we have contributed to this particular area.

Promoting education; so, they say education vocational training livestock development and generation of livelihoods promoting gender equality is the area listed under schedule 7 of the companies act. So, they said we have done working women empowerment. So, and. So, on you can go through it rural development projects is one area under this schedule and so they say we have done agree development and then commitment to sustainable and inclusive growth.

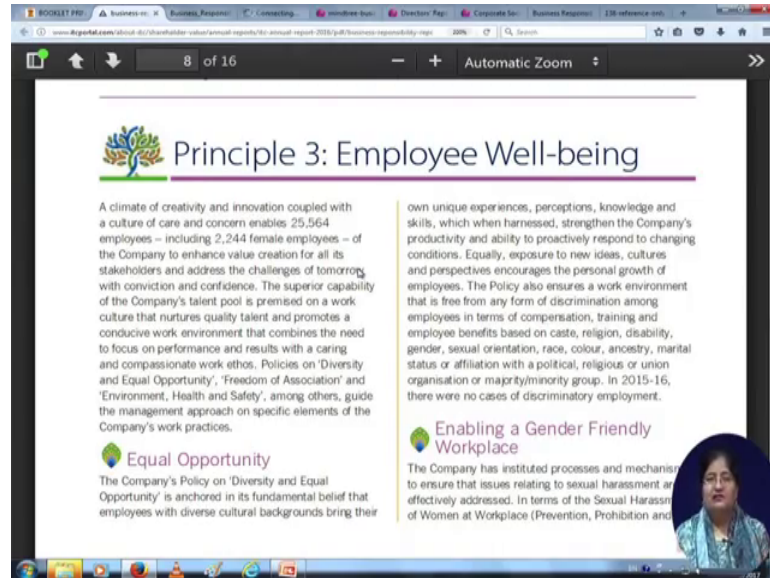
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So, they have reported principle wise they have given a summary and then principle wise they have very creatively provided the information about what they have done. So, and

then you know they got photographs and. So, they give information and they have given a description of it now all of this is accountability.

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This is their way of saying yes we started from point a and we have reached point b employee well being again they have said what they are doing here.

So, the third type of report is this business responsibility report mind tree and they say that we have you know it is presented in an annexure of the director's report.

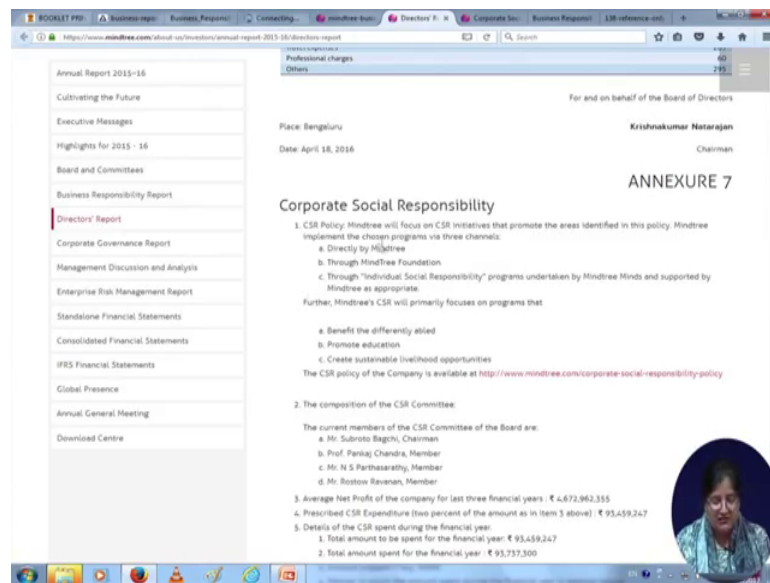
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So, they have given a summary here and they say please go to annexure 7 and then annexure 7 is here I just scroll down and I will show you what. So, this is the annual report the director's report on the annual report.

So, they say that is part of the director's report you go to the directors report and then you go down and this is available in annexure 7 again this is one more way of presenting the report here annexure 7 corporate social responsibility. So, they say mind tree will focus on CSR initiatives that promote the areas indentified in this policy.

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And so here, so, they have given the actual money that they have spent on these different activities that is one more way of presenting information to the public about what they have done.

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Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs: (1) Local area or others (2) Specify the state and district where project or programs were undertaken	Amount of outlay budget - project or program wise	Amount spent on projects or programs Subheads: (1) Direct expenditure on project (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
I.	I Got Garbage (IGG), I Got Crops (IGC), I Got Skills (IGS) IGG – Initiative in the area of poverty reduction for rag-pickers and waste reduction. It achieves the above by integrating rag-pickers into formal waste management eco-system. IGS – A digital platform to improve student learning and skill training. IGC – A digital platform to improve farmer's earning.	Schedule 7 (i), Eradicating poverty Schedule 7 (ii) Promoting education Schedule 7 (i), Eradicating poverty	1) Bengaluru 2) Karnataka	47,672,055	Direct: 47,672,055	47,672,055	Direct: 47,672,055
II.	Pinkathon: Walkathon and marathon conducted for Breast cancer awareness. Mindtree played an active role in promoting the event and also made a donation to support the cause.	Schedule 7 (i), Promoting healthcare	1) Bengaluru 2) Karnataka	1,551,564	Direct: 1,551,564	1,551,564	Direct: 1,551,564
III.	Employee Cost: Cost of the employees working on CSR	Administrative Expenses	-	4,463,681	Overhead: 4,463,681	4,463,681	Direct: 4,463,681
IV.	Donation to Janaagraha Center for Citizenship and Democracy (a registered Trust)	Schedule 7 (ii) Promoting education	1) Bengaluru 2) Karnataka	4,000,000	Direct: 4,000,000	4,000,000	Direct: 4,000,000

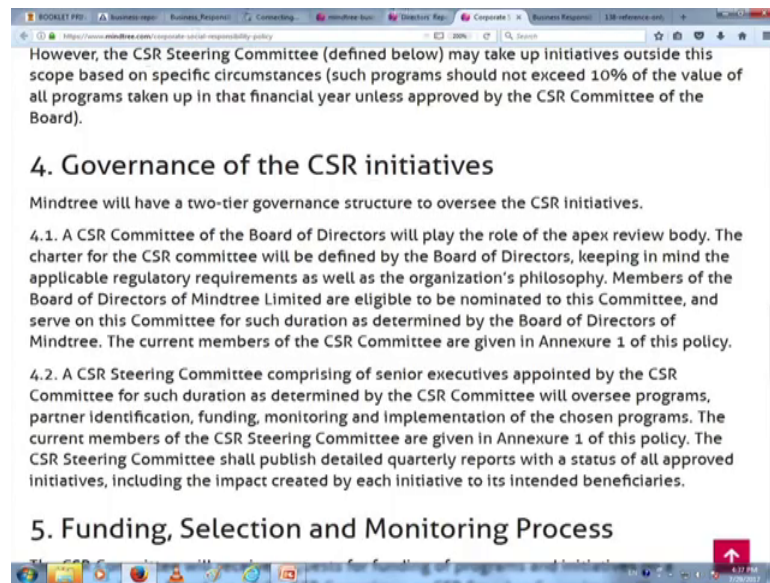
So, they have a projector or name of the project or activity here b; b sector in which the project is covered the project of program local area. So, there we done it in Bengaluru and other parts of Karnataka the amount of money they have spent you know program wise direct expenditure cumulative expenditure etcetera. So, all of this; this is another way of presenting what they have done.

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Sl. No.	CSR project or activity identified	Project Objective	Sector in which the Project is covered	Projects or Programs: (1) Local area or others (2) Specify the state and district where project or programs were undertaken	Amount of outlay budget - project or program wise	Amount spent on projects or programs Subheads: (1) Direct expenditure on project (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
	Services	To create sustainable livelihood opportunities for rural youth with disabilities through Job-training in cognitive and practical abilities, Develop social and behavioral traits for specific industries	1)1. FASHIONING vocational skills	1)1. FASHIONING				
	Yuva Jyoti	To create sustainable livelihood opportunities for rural youths	Schedule 7 (ii), Promoting vocational skills	1) Bichapur 2) Holihalanahalli Hobli, Koratakagere Taluk, Tumkur District, Karnataka				
	Sanchalana	To improve physical well-being of rural children with disabilities through corrective surgeries, physiotherapies, mobility aids, and access to Education	Schedule 7 (ii), Promoting education	1) Vijayapura Taluk 2) Vijayapura District, Karnataka				
	Learning Enhancement	To improve learning levels of students in Govt. higher primary schools	Schedule 7 (ii), Promoting education	1) Kanakapura Taluk 2) Ramanagara District, Karnataka				
	Lab-On-Bike	To stimulate creative thinking, and the curiosity of seeking solutions among school children and teachers	Schedule 7 (ii), Promoting education	1) Pune 2) Maharashtra				

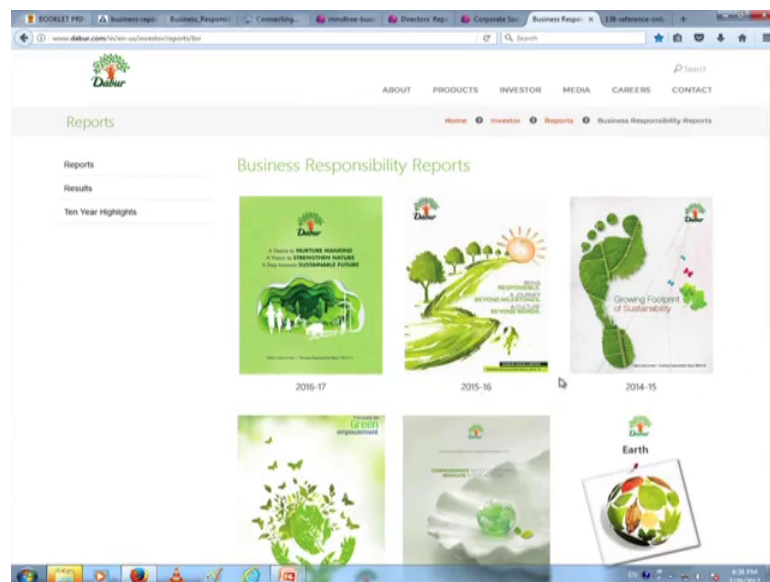
Then they also their corporate social responsibility policy is again online and you can view it and they say you go through it.

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And this is how we define corporate social responsibility and the last one that I wanted to show you was this you know the others report they have business responsibility reports here.

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On this website and this is an 84 page report where they have given the lot of details about how they are adhering to each principle.

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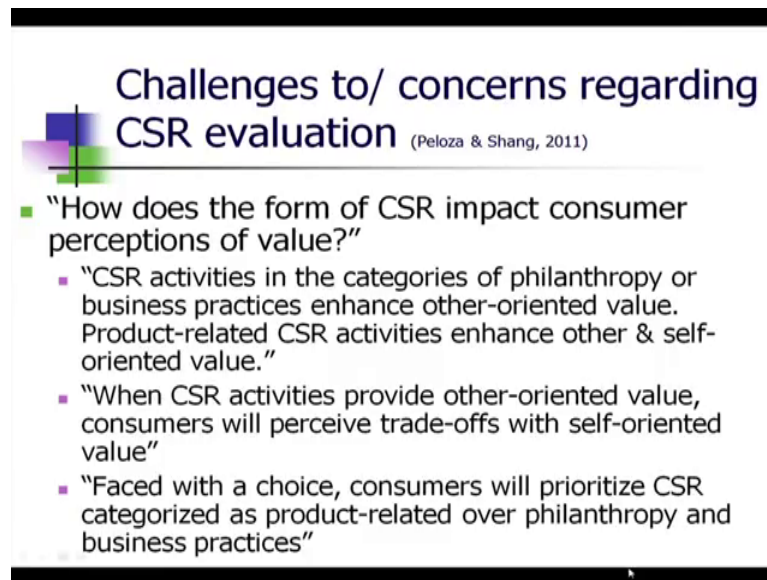


So, they have a chairman's message and then what they are doing principle wise how they are contributing back to the society. So, this is how it is being done in India now I would encourage you to go online and see how different organizations report on their social responsibility activities you Google business responsibility reporting and Google the name of any company that you like and things should pop up and that should give you an idea what is happening and they have things some of them have things listed principle wise.

Some of them give you number some of them give you the money that has spent some of them give you the number of people who are involved. So, you know various shapes and sizes of these reports and forms of these reports are there, but it all points towards a commitment to accountability a commitment to making the output tangible not just saying that yes we are committed to do responsible business, but actually putting it down and black and white on paper and saying yes this is what we have done.

This is measurable this is tangible this is something that people can see and feel and it is out there and. So, that is where we are headed as you know as far as our evolution is concerned then these reports are taken and people like us see them and then investors see the responsibility reporting and then eventually decide to you know go for the business or not go for the business or whatever the case may be. So, that is the impact this is having.

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Challenges to/ concerns regarding CSR evaluation (Pelozo & Shang, 2011)

- "How does the form of CSR impact consumer perceptions of value?"
 - "CSR activities in the categories of philanthropy or business practices enhance other-oriented value. Product-related CSR activities enhance other & self-oriented value."
 - "When CSR activities provide other-oriented value, consumers will perceive trade-offs with self-oriented value"
 - "Faced with a choice, consumers will prioritize CSR categorized as product-related over philanthropy and business practices"

Then next part of the of today's lecture deals with the challenges to our concerns regarding CSR evaluation this is again from the paper by Pelozo and Shang and they say that you know one of the big challenge is because CSR is so varied and so dynamic and I have given you all these ideas about how people attempting to evaluates CSR it is it is primarily self reporting you know.

So, this is they have a benchmark and they say against this benchmark this is what we are doing we are trying to tell you what we are doing s o its not you know how many kilos of social responsibility or how many kilometers of social responsibility or how many hours of social responsibility it is these descriptions of activities that people have carried out. So, then again in you know the question that arises here is.

How does the form of CSR impact consumer perceptions of value why do people go for some sort of or what are peoples decisions influenced by what in corporate social responsibility what do companies need to do to help it stakeholders understand that they are doing something worthwhile when we are talking about value it is after all you know the organization's profit making organizations the making an effort, but how do they know that there are efforts their efforts are actually having an impact on the people they are making the efforts for.

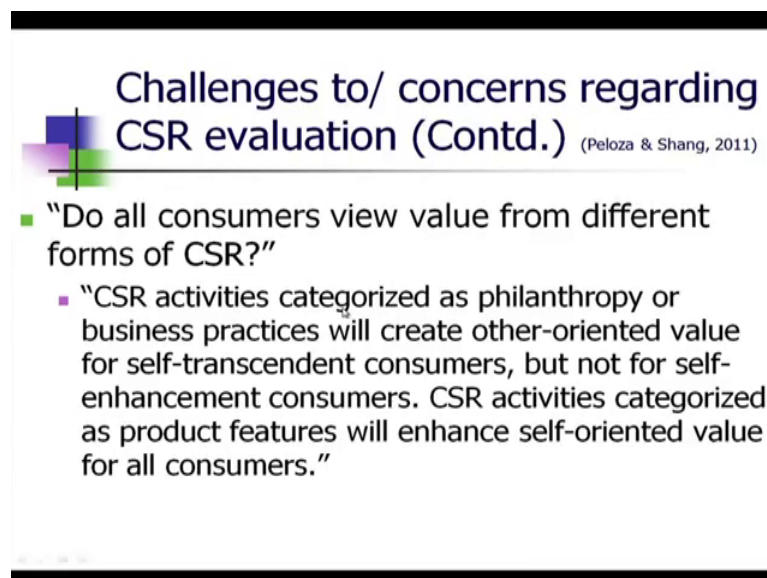
So, how do we decide what has what effort results in what kind of value for the customer or consumers sorry. So, and the response is the proposition in here is that CSR activities

in the categories of philanthropy or business practices enhance other oriented value you do something for others people see it product related CSR activities enhance other and self oriented value. So, it is philanthropic activities and it is product related activities which means that we know what we are getting from you.

You give us green products you give us a bio products in a biodegradable containers we know that you are committed to sustainability we know that you are committed to protecting the environment. So, if you say that we are committed to protecting the environment and sell your product in a container in a in a plastic containers that does not regenerate may will be skeptical, but if it is given to us in a container that is not does the biodegradable products.

Then we know that it going that extra mile to protect the environment that you are the part of when CSR activities provide other oriented value consumers will perceive tradeoffs with self oriented value faced with a choice consumers will prioritize CSR categorized as product related over philanthropy and business practices. So, these are the responsive.

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Challenges to/ concerns regarding CSR evaluation (Contd.) (Peloza & Shang, 2011)

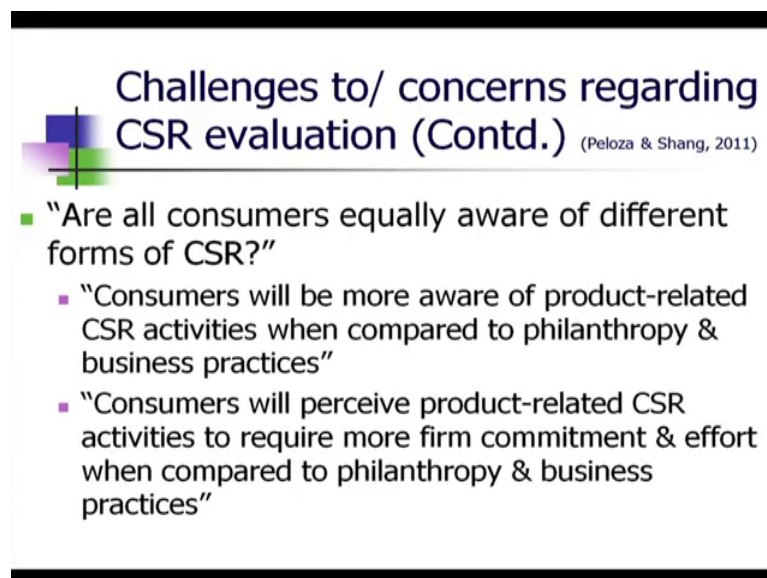
- "Do all consumers view value from different forms of CSR?"
 - "CSR activities categorized as philanthropy or business practices will create other-oriented value for self-transcendent consumers, but not for self-enhancement consumers. CSR activities categorized as product features will enhance self-oriented value for all consumers."

Then the second question that comes up is do all consumers view value from different forms of CSR may be maybe not. So, that is the challenge who are the targeting when we are saying that this CSR the activities that we are doing are of value to somebody who are we targeting and Peloza and Shang propose that CSR activities categorized as

philanthropy of business practices will create other oriented value for self transcendent consumer, but not for self enhancement consumer.

CSR activities categorized as product features will enhance self oriented value for all consumer. So, it has to be you know people who are looking for something bigger than themselves will proceed philanthropy to be of more value than say product related value that is given to them, but all consumers will see that you know if you add value to the product that you are selling them then or service that you are giving them then all of them will see the benefit in it.

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Challenges to/ concerns regarding CSR evaluation (Contd.) (Pelozo & Shang, 2011)

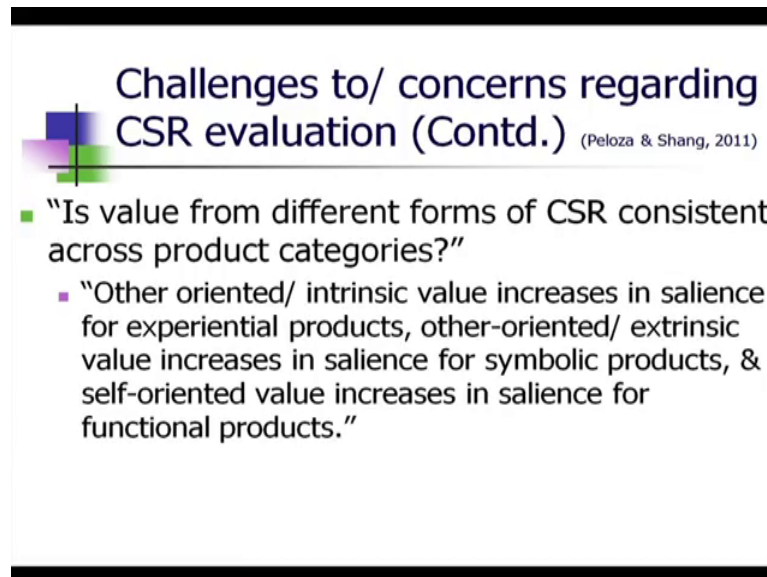
- "Are all consumers equally aware of different forms of CSR?"
 - "Consumers will be more aware of product-related CSR activities when compared to philanthropy & business practices"
 - "Consumers will perceive product-related CSR activities to require more firm commitment & effort when compared to philanthropy & business practices"

The third question arise are all consumers equally aware of different forms of CSR and the response or the proposition here by Pelozo and Shang is that consumers will be more aware of product related CSR activities when compared to philanthropy and business practices consumers will proceed products related CSR activities to require more firm commitment and effort when compared to philanthropy and business practices and the reason for that is that when products related activities coming to the picture.

That mean that the organizations are focused and genuinely committed they are not just shooting in 3 minute they are doing something related or they are improving the quality of the products why because that is one thing that they are known for they are set up this organization to provide a product if they improves the quality of the product make it society and environment friendly.

Then; that means, that they have institutionalized the idea of CSR they are actually trying to do socially responsible business rather than going out and giving to charities and volunteering here or there. So, they first they are trying to improve from the inside.

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Challenges to/ concerns regarding CSR evaluation (Contd.) (Pelozo & Shang, 2011)

- "Is value from different forms of CSR consistent across product categories?"
 - "Other oriented/ intrinsic value increases in salience for experiential products, other-oriented/ extrinsic value increases in salience for symbolic products, & self-oriented value increases in salience for functional products."

The next challenge here is value from different forms of CSR consistent across product categories.

And the Pelozo and Shang proposed that other oriented or intrinsic value increases in salience for experiential products other oriented or extrinsic value increases salience for symbolic products and self oriented value increases in salience for functional products. So, the when we talk about experiential products or services then the intrinsic value increases in salience.

Then for symbolic products the other oriented value increases and the self oriented value what you give to the consumer as far as products are concerned that increases in significance in salience for the functional products things that are meant to do something have a self oriented value that goes up so and that so, these are some of the challenges that we face when evaluating what is going to be of value to home and this is how we have you know seen some of the responses from our researchers.

So, that is where we end the discussion on measurement and evaluation and we will continue with some more discussions on CSR in the next week of classes.

Thank you very much for listening.