

## Invited Article

# Corporate Social Responsibility: The Mahindra Way

**Nikita Singh**

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*Corporate Social Responsibility (CSR) has always been an integral part of the vision of the Mahindra Group and the cornerstone of their core value of Good Corporate Citizenship. The Group believes that CSR is an opportunity and a privilege. The Group's approach goes far beyond managing corporate image. CSR received a major boost in 2005 when the Group celebrated its 60th anniversary by pledging 1% of its annual profit after tax to social activities every year, as a way of thanking the nation and its stakeholders for 60 years of trust, reveals this case study.*

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### CSR: An Integral Part of Our Being

At Mahindra & Mahindra Ltd. (M&M), Corporate Social Responsibility is much more than a mere phrase – it's a way of life for more than 65,000 Mahindraites across the globe. As our Chairman, Mr. Keshub Mahindra firmly believes, "Corporate Social Responsibility has been basic to our philosophy at the Mahindra Group since our birth in 1945....One cannot have a large section of a population denied even the basic amenities like water, housing, health care and education...We are therefore convinced and believe that the weaker sections of our society need help and support." This is a sentiment echoed by our Vice Chairman & Managing Director, Mr. Anand Mahindra who says, "At Mahindras, CSR means not just the sharing of our wealth, but of our time and of ourselves."

Corporate Social Responsibility has always been an integral part of the vision of the Mahindra Group and the cornerstone of our core value of Good Corporate Citizenship. We believe that CSR is an opportunity and a privilege for us and goes far beyond managing corporate image. CSR received a major

boost in 2005 when M&M celebrated its 60th anniversary by pledging 1% of its annual Profit after Tax to social activities every year, as a way of thanking the nation and its stakeholders for 60 years of trust.

### **Esops: The Mahindra Way**

“With the implementation of Esops, we are proud to announce that on any given day in the year somewhere in India you will find a Mahindra employee contributing to society.”

- Mr. Anand Mahindra,  
*Vice Chairman & Managing Director,  
Mahindra Group*

On its 60<sup>th</sup> Founders’ Day, M&M also announced its own unique Esops, or Employee Social Options programme with the goal of having a Mahindra employee contributing to society every day of the year, somewhere in the world. ESOPs provides each employee with an option to contribute to a socially relevant activity in a focused way. Employees can select from a wide range of activities including volunteering at schools, becoming guardians for *Nanhi Kalis* (further details below), functioning as visiting faculty at educational institutions, etc. The Naandi Foundation, a leading not-for-profit organisation, is our strategic corporate social responsibility implementation partner.

The ESOPs programme has proved to be a big success with Mahindraites across the Group volunteering their personal time and energy for several worthy causes. From undertaking

development work in villages to teaching underprivileged children and assisting in disaster relief operations, our employees are contributing in a significant way to help create a better world. In order to ensure maximum impact, our CSR initiatives focus mainly on education and health. The scope of our endeavours covers as many needy sections of society as possible, with a special emphasis on the girl child.

### **Education**

“...For us at Mahindras education is a legacy and investing our corporate resources in education is at the core of our family values... We believe that by investing in education, we will ensure a better quality of life not only for now but for generations to come.”

- Mr. Anand Mahindra,  
*Vice Chairman & Managing Director,  
Mahindra Group*

The Mahindra Group has chosen education as the main tool to transform the lives of the people of India. The Group views education as both an investment and an enabler. The K.C. Mahindra Education Trust (KCMET) was formed in 1953 with the objective of promoting education and has since undertaken a number of initiatives, which make a difference in the lives of deserving students. KCMET has provided more than Rs. 25 crores in the form of grants, scholarships and loans. These funds are derived from an investment portfolio, the main donors of which are the Mahindra Group of companies.

**Esops (Employee Social Options)\_  
An Employee-Volunteer Platform at the  
Mahindra Group**

**Strength (nos)**

- 14,535 Mahindraites volunteered for Esops April 2008
- 11,000 Nanhi Kalis supported by the Mahindra Group, garnered support for 46,000 Nanhi Kalis in total
- 12,21,118 saplings planted under Mahindra Hariyali (April 07- Aug 08).

**In 2007-08:**

- 2106 Mahindra employees volunteered in environment related Esops (plantations, cleanliness drives etc)
- 1074 Mahindra employees volunteered in education related Esops (training, infrastructure to schools etc )
- 5597 Mahindra employees participated in health related Esops (medical check ups, surgical camps, awareness drives etc)
- 66 medical camps conducted by Esops volunteers with 56,174 beneficiaries
- 3706 employees donated blood
- 50 HIV/AIDS awareness programmes in Nashik, impacting 30827 people
- 22 Shramdaan initiatives with 819 Esops volunteers
- Completely sponsored the Lifeline Express, the world's first hospital on rails, in Uttarakhand.
  - ❖ 2000+ patients benefited from the camp
  - ❖ 647 surgeries were performed in 24 days
  - ❖ 15,000 Esops man hours were dedicated by 94 employees of M&M's Rudrapur Plant
  - ❖ 21,000 voluntary man hours were dedicated through community participation

**I Project Nanhi Kali**

Project Nanhi Kali is a national girl child sponsorship programme and a special project jointly managed by the K.C. Mahindra Education Trust (KCMET) and the Naandi Foundation and is aimed at providing education to the underprivileged girl child in India. It is also the most ambitious programme in KCMET's vision to transform India by providing primary education to the girl child.

Needy, underprivileged girls who are at risk of dropping out of government schools either due to financial constraints or social conservatism are identified and they receive special sponsorship which takes care of a range of education requirements, extending right up to improvement of the government schools they go to. Project Nanhi Kali undertakes the following:

- Provides direct support to educate the girl child (text books, uniforms, exam fees, learning material, etc.)
- Provides indirect support by enriching the learning environment
- Sensitizes parents and the larger community on gender equity

Based on detailed field research, the Nanhi Kali prog-

ramme has identified certain criteria for selecting beneficiaries:

- Girls who are enrolled in government schools
- Girls from the poorest sections of society (family income less than Rs 15,000 p.a.)
- Girls who are first generation learners (their parents are illiterate)
- Girls belonging to backward communities (dalit, tribal & migrant communities)
- Eldest girl child and girl children with many siblings
- Girl children with potential to be role models in the community

Mahindra & Mahindra was awarded the prestigious *Auto Monitor Corporate Social Responsibility Initiative of the Year 2007* award for its *Nanhi Kali* Project at a glittering function held in Delhi. The award recognises and honours outstanding contributions by corporates towards social causes that impact society at large.

The KC Mahindra Education Trust partners with 25 non-government organizations (NGOs) for the *Nanhi Kali* Project, some of which are the Naandi Foundation, Community Aid and Sponsorship Programme (CASP), Mumbai Unit, Each One Teach One, Apnalaya, Save The Children, National Sponsorship Council, India Sponsorship Committee, Salaam Baalak Trust, S.N.D.T. Kanya Shala, Indian Asso-

ciation For Promotion of Adoption & Child Welfare, Akanksha Foundation, REAP (Reach Foundation Action Programme), Bal-Jeevan Trust, Sunbeam, Doorstep School, Aseema, and Project Crayon.

With expert guidance and funds from the KCMET, these NGOs ensure that underprivileged girls attend school for their primary education. In addition, to make the project more participatory in nature, individual and corporate sponsorship is encouraged, where donors adopt a girl child for a minimum period of one year. The K.C. Mahindra Education Trust regularly assesses and monitors the NGOs as well as the type of education being imparted. Sponsors receive Progress Reports on their adopted *Nanhi Kalis*, so that they can track the academic records of their sponsored child.

In August 2006, the KC Mahindra Education Trust and the Government of Rajasthan agreed to jointly sponsor the education of 10,000 *Nanhi Kalis* in Udaipur. The project will be implemented by the K. C. Mahindra Education Trust in collaboration with its partner, the Naandi Foundation at the grass roots level.

## **II. Supporting Government Schools**

With an aim to improve the learning level of children in government schools, the Mahindra Group has entrusted the K. C. Mahindra Education Trust to support six government schools in Mumbai with high drop out rates.

The K. C. Mahindra Education Trust has identified the Naandi Foundation as our implementation partner to help us support these schools through their *Ensuring Children Learn* programme. By supporting these schools, we primarily aim to improve learning levels by explaining concepts to the children. KCMET plans to create learning opportunities for children by interventions at the child level, school level and with the community. This includes site visits, fairs, reading-writing camps, strengthening libraries, learner-centric methods for teaching, etc. Special emphasis will be placed on the girl child.

### III. Educational Scholarships

*Mahindra All India Talent Scholarships* are awarded to students belonging to economically disadvantaged families, who wish to pursue a job oriented diploma course at a recognized government polytechnic in India. A majority of awardees are girls, as the Trust is keen on empowering the girl child and providing her with economic independence. In 2005, on our 60<sup>th</sup> anniversary, the Mahindra Group decided to double the number of scholarships given, to 600 per year. KCMET has provided more than Rs. 24.92 crores in the form of grants, scholarships and loans. This scholarship was instituted in 1995 and over 4260 students have benefited from this till date.

*K. C. Mahindra Scholarship for Post-Graduate Studies Abroad* provides interest-free loan scholarships to deserving students for post-graduate

studies abroad. Since 1956, almost 828 meritorious students have been the recipients of the renowned K.C. Mahindra Scholarships for Post-Graduate Studies Abroad in subjects that benefit our country.

The Mahindra Group established the Mahindra United World College in Pune in 1997. The Trust has established the *K. C. Mahindra UWC Scholarship in 2000*, which allows meritorious students in the age group of 16-18 years to study at the United World Colleges around the world. So far the Trust has disbursed Rs. 3.61 crores in the form of these scholarships. In the last financial year, 7 students were awarded the K. C. Mahindra UWC Scholarships amounting to Rs. 45.27 lacs.

*The Mahindra Search for Talent Scholarships* were instituted in 1983 to reward excellence in academics in 35 educational institutions across India. The Trust awards students obtaining the highest aggregate marks based on the annual year-end promotion examinations. In the event a student receives this more than once, he or she is awarded an Honour Scholarship from the Trust. Till date 3467 students have been awarded this scholarship.

To create and nurture young talent, the annual *K.C. Mahindra Award for Excellence in Automotive Design*, has been instituted for deserving students. It aims to foster creativity and innovation in automotive design among budding automotive designers and engineers. In addition, the Trust has:

- a) Set up an Academic Chair at the Institute of Science in Mumbai to carry out research in the field of Nuclear Chemistry.
- b) Instituted annual scholarships for deprived girls at the Ramakrishna Mission in Calcutta which enable them to undergo Nurses' training and secure lucrative jobs.
- c) The Dhandevi Mahindra Scholarship established by the Trust at Sophia College in Mumbai provides grants to selected faculty members to undertake advanced research in subjects chosen by the college to improve their teaching capabilities.
- d) The Trust distributes free books every year through the Jyotir Bikash Charitable Society.
- e) The Trust also supports the school education of leprosy affected children at a voluntary organization in Mumbai.
- f) The Prem Bhatia Memorial Scholarship for Journalism is sponsored by the K.C. Mahindra Education Trust every year.

#### **IV. Mahindra Education Society**

The Mahindra Education Society runs schools in Malad, Khopoli and Zaheerabad. These were established to enable Mahindra employees to provide good education to their wards within or close to the Mahindra residential colonies. Today, however, these schools also cater to students in the vicinity.

#### **V. Mahindra Pride School**

As part of its 60th year celebrations in 2005, the Mahindra Group through the K.C. Mahindra Education Trust committed to set up two Mahindra Pride Schools. The schools aim to empower the youth from socially disadvantaged sections of society (specifically SC/ST/OBC) by extending livelihood training which will enable them to gain employment based on the skills learned at these schools. 999 students have graduated from 6 batches at the first Mahindra Pride School in Pune and have been placed in lucrative jobs with monthly salaries ranging from Rs. 42000 to Rs. 180000 per annum. The second Mahindra Pride School is being set up as a public private partnership with the Government of Rajasthan, in Jaipur where the government has provided land free of cost for this project.

#### **Environment**

Mahindra & Mahindra is also an environmentally conscious organization and is committed to help maintain the ecological balance. On October 2, 2007, M&M's Founder's day, the company launched *Mahindra Hariyali*, a special campaign which aims to add one million trees to India's green cover by October 2008. The campaign has received a tremendous response from employees, with sapling plantation drives undertaken almost every day by ESOPs volunteers across the country.

Through the Esops platform, employees are not only planting trees

within company premises but are taking the greenery beyond – be it villages situated around plants & resorts or be it school compounds or around customers homes. With strong and meaningful partnerships with various stakeholders in the Civil Society such as schools, colleges, trusts, and also the Government (Forest Departments etc), the Mahindra Hariyali model ensures plantation and nurturing of these trees.

In addition, on a continuous basis, Esops volunteers take up local environmental initiatives at various plants and area offices. Thus employees work at the grassroots and undertake various initiatives in environment such as: Energy Conservation Awareness Drives at various platforms, Rain water harvesting, Global Warming Awareness Drives in schools, Zero Garbage Zone creation drives and Waste Management workshops. In 2007, Mahindra set up a Sustainability Council which will not only work towards reducing the ecological footprint of the Group but will also help align the organization's business with environmental concerns.

### **Health**

Along with education and the environment, health is one of the prime focus areas for the Mahindra Group's CSR efforts. The Mahindra Foundation has helped patients from socially weaker and economically disadvantaged sections of society suffering from various diseases ranging from cancer to heart ailments as well as burn victims. It has also been very active during national

calamities and disasters and has helped contribute and mobilize resources from civil society. The Foundation has also extended its support to academia and other professionals and sportsmen.

### **I. Cochlear Implants**

As part of its 60th Anniversary CSR initiative, the Mahindra Group pledged to sponsor the treatment and recovery cum rehabilitation of 60 profoundly hearing-impaired, underprivileged children through the Cochlear Implant programme. This initiative was undertaken at a cost of Rs. 3 crore and is titled, '60 Symbols of Mahindra's Commitment to India's Future.'

Dr. Milind Kirtane, India's leading ENT surgeon and Dr. B.C. Roy Award winner, is spearheading this initiative. Recipients are being selected in consultation with Dr. Kirtane and his team of doctors, audiologists, teachers of the deaf and social counselors. 50 children have already been gifted the power of sound through cochlear implants donated by the Mahindra Group, at a cost of Rs. 5 lakh each.

### **II. Mid-Day Meal Kitchen**

Mahindra and Mahindra Ltd. entered into a tri-partite public private partnership in December 2006, with the Government of Rajasthan and Naandi Foundation for setting up of a centralized Mid Day Meals Kitchen at Govindgarh Block, Jaipur District, in the state of Rajasthan. This kitchen will provide hygienic, nutritious and wholesome mid

day meals to approximately 25000 – 35000 children studying in class 1 – 4 from 314 government schools in Govindgarh Block, Jaipur District. This unique tri-partite initiative aims to “help fight hunger in schools” – through high quality, hygienically prepared mid day meals served to thousands of under-privileged school going children making schooling and learning a complete experience. The kitchen commenced operations at the beginning of September 08.

### **III. Lifeline Express**

The Lifeline Express is the world’s first hospital on rails and provides free medical and surgical treatment to people suffering from four disablements: polio, cataract, deafness and cleft lip. The Lifeline Express hospital-on-wheels chugged on to Rudrapur in October 2007 and treated 647 physically challenged persons absolutely free of cost. Voluntary participation by expert surgeons, doctors, technicians, NSS students, and partnership with the district health and administration authorities was commendable. Most importantly, this project took Esops to another level altogether. The entire FES, Rudrapur Plant –everyone from the Plant head himself to the Managers & GET’s –owned this project like it was their own baby.

### **Arts & Sports**

The Arts has been an area of special focus of M&M’s social responsibility

thrust. Mahindra has instituted the Mahindra Excellence in Theatre Awards (META) which is India’s first dedicated theatre awards instituted by a Corporate. META aspires to harness and develop talent in theatre across the country.

The Mahindra United (MU) team is the new symbol of footballing supremacy in the country. The team won its maiden IFA shield in Kolkata recently, which is the first win for a Mumbai club in the tournament’s 112-year history. MU is the only Indian club to be named in the International Federation of Football History & Statistics, Germany, global rankings. It is also the proud winner of the National Football League & Federation Cup in 2006. MU is the only team in Maharashtra to win the Durand Cup twice, the second oldest trophy in the world. It is also the first team in Maharashtra to win the Harwood League and the Nadkarni Cup three times in a row. Since its inception, the MU team has grown into a formidable side, leading rival teams to ‘dread the men in red’.

### **Towards a Better World**

Everyday, a Mahindra employee somewhere in the world can be found devoting his personal time, energy and money for a worthy cause. From sapling plantation drives and blood donation camps to brightening up a child’s day with a special entertainment programme, Mahindraites across the globe are contributing in their own way to building a better society.