

Five non-traditional themes CSR can invest in to maximise social returns

- By the Sattva CSR Advisory team

Every year in February and March, we at Sattva are inundated with requests from corporates. Most corporates are looking for a two-pronged outcome simultaneously: ensure CSR compliance *and* invest in impactful projects. As an advisory firm, our recommendations to our clients are rooted in maximising impact and designing programmes that address critical problems, while ensuring compliance with the CSR law and alignment with their brand values.

Since the inception of the CSR law, education and healthcare have been the biggest beneficiaries of CSR funding – receiving around 65% of the pie. However, for corporates looking for important and some non-traditional issues to solve for through their CSR funding and strategy, here is a set of curated ideas along with some of the work Sattva is currently involved in.

1. Tackle various aspects of India's looming environmental crisis

The problem? Indian cities have some of the worst environmental indicators worldwide such as air quality, ground water quality, access to water and waste management. In 2019's Environmental Performance Index India ranked 177 out of 180 globally.

Innovative models to invest in **Projects in progress currently** Fund community owned watershed Adoption of a municipal zone with the management programmes in critical aim to making landfill waste zero areas with both ground water and Addressing air pollution from crop surface water depletion residue burning • Explore funding for community owned Addressing the issue of Fluoride and collectives for waste segregation to Arsenic in drinking water complement Urban Local Bodies' efforts for solid waste management Funding long term land restoration and biodiversity regeneration

2. Unlock livelihoods for one of the most marginalized communities in India, the LGBTQ

The problem? Despite the September 2018 judgement decriminalising homosexuality under section 377, this issue is stigmatised and there is a strong need empower this community. LGBTQ+ people in India report experiences of violence, rejection, and discrimination, including in employment, education, healthcare, housing and access to social services and public facilities.

| Innovative models to invest in | Projects in progress currently |
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- Sensitisation and awareness building around LGBTQ community in India
- Unlocking innovative livelihood opportunities through creative platforms such as photo stories, art exhibitions
- Enabling access to rights awareness, education and healthcare
- Art Project involving a group of LGBTQ+ artists. They connect with local communities and depict their everyday lives as larger than life paintings and murals on the walls of key community institutions
- A study of channels to evaluate key models of rehabilitation from sex and labour trafficking

3. Strengthen the base of India's economy: Agricultural systems

The problem? The agriculture sector accounts for 18 per cent of India's gross domestic product (GDP) and provides employment to 50% of the country's workforce. There is limited awareness on ways to invest in the space and there is limited data on it. There is no exclusive category to capture investments in Agriculture in the CSR law (there is a provision on agro-forestry which is a small subset. Current spends go into Rural Development/Poverty Eradication, Malnutrition/Livelihood Enhancement).

| Innovative models to invest in | Projects in progress currently |
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| Concept of smart/precision farming, | Natural Resource Management as a |
| climate smart villages, organic villages | pathway for supporting agriculture |
| can be platforms for companies to | Promoting tech-based support for |
| showcase their CSR spending. | water use and internet kiosks for access |
| Precision agriculture, carbon | to weather, market/price information |
| sequestration and agro-forestry on | Strengthening Market Linkages and |
| farmlands. | elimination of middlemen to unlock |
| Food processing, warehouses, cold | maximised incomes for farmers |
| storages and supply chain management | Strengthening of FPOs [Farmer |
| to make farmers resilient | Producer Organisations] |

4. Support entrepreneurship with a focus on women

The problem? Only 11% of start-up founders are women. A lack of a supportive environment in terms of securing funding and mentorship leads to the failure of most women led businesses. The low rates of women entrepreneurship are reflected in a dismal score in the Index of Women Entrepreneurs, where India is ranked 52nd out of the 57 surveyed countries. The fact that few women own companies is part of a larger phenomenon of weak engagement of women in business. This further relates to a low female labour force participation rate as well as women having fewer opportunities to become business leaders, professionals and technical workers.



| Innovative models to invest in | Projects in progress currently |
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| Support incubators/accelerator programmes focused on women's only businesses Platforms/structures to enable peer-to-peer knowledge sharing | Women incubator cohort in a leading Indian business school focused on all aspects of a business: Go-to Market Strategy, Investor Readiness, prototype testing, etc |

5. Invest in holistic development of youth through sports

The problem? Total CSR funding in sports in the past five-year accounts to be only 1.15%, which is one of the least spent schedule VII activities. However, research proves that sports is one of the most effective tools to improve education and health indicators as well as improve all-round skills such as leadership, discipline, etc.

| Innovative models to invest in | Projects in progress currently |
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| Life skills development through sports | Fundraising strategies and capacity |
| Developing sports infrastructure | building of organisations involved in the |
| Promotion of sports entrepreneurship | support of India's best Olympic and |
| Supporting Olympic/ Paralympic | Paralympic prospects |
| athletes | Integration of sports as a compulsory |
| Promotion of a dying sport or | part in all government schools in India |
| indigenous sport (Martial Arts, Kho- | Capacity building of government school |
| Kho, Kabbadi etc) | Sports teachers for scale |
| | Making playscapes out of scrap |
| | material in urban spaces |

Sattva has been working with various corporate clients to help them define their social impact goals and maximise the return on social investment. Our focus is to solve critical problems and find scalable solutions. We assist companies in formulating their long-term CSR strategy by strategically aligning with business to provide meaningful solutions to social issues. We look at short-term, medium-term and long-term outcomes while designing programmes. It is our endeavour to unlock the maximum return on investment for our clients. If you would like to know more about our programmes, please do write to us at impact@sattva.co.in