

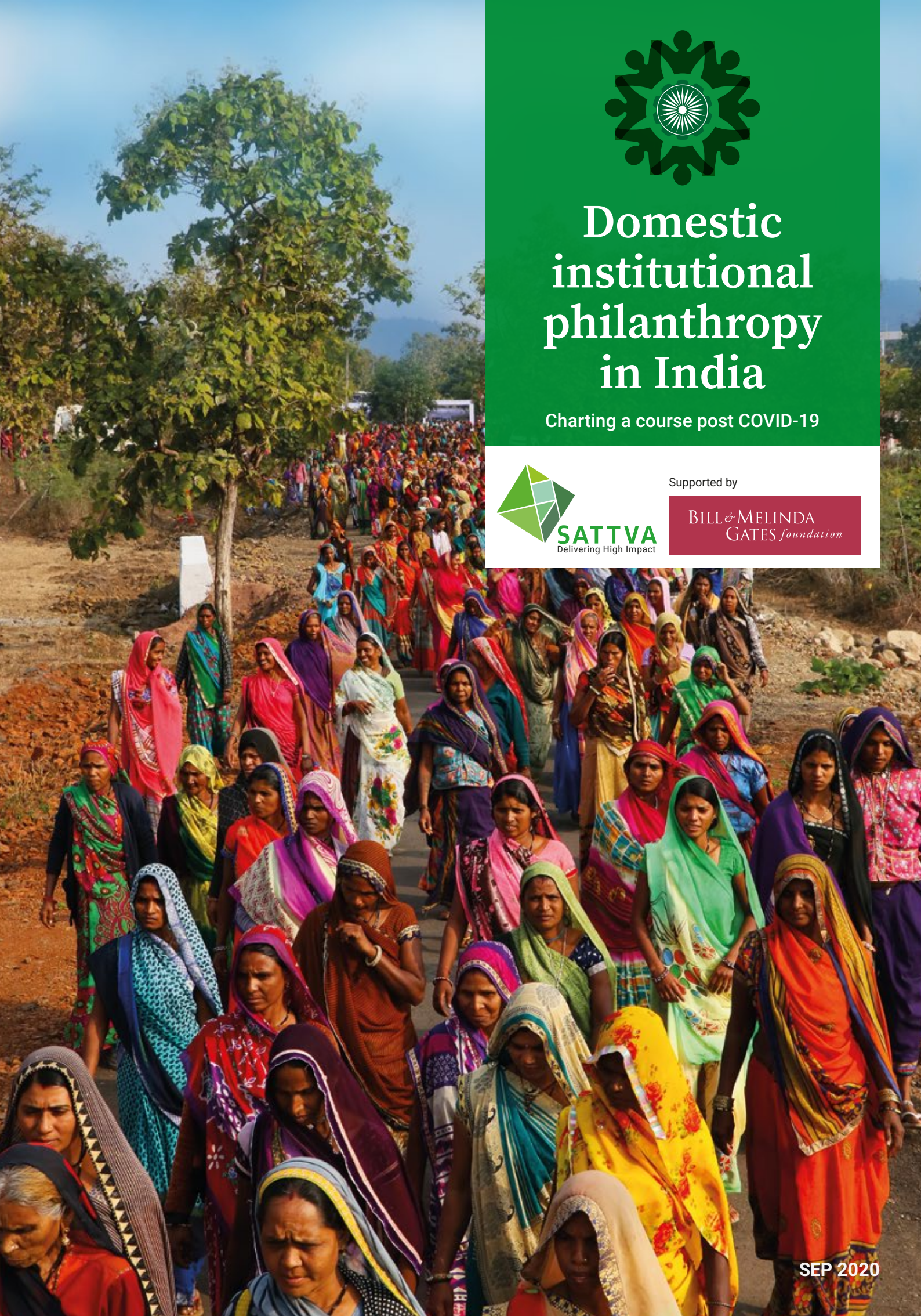
Domestic institutional philanthropy in India

Charting a course post COVID-19



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We are grateful to 74 leaders representing 47 organisations in the domestic institutional philanthropy ecosystem who generously shared their expertise and insights for this report (See Annexure 3 for a complete List of Interviews).

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Abbreviations

AD	Aspirational District	REC	Rural Electrification Corporation
ASHA	Accredited Social Health Activist	SBI	State Bank of India
BCC	Behaviour Change Communication	SDG	Sustainable Development Goals
BFSI	Banking, Financial Services and Insurance	SHG	Self Help Groups
CAGR	Compound Annual Growth Rate	SPO	Social Purpose Organisations
CF	Corporate Foundation	SROI	Social Return on Investment
COVID, COVID-19	Coronavirus Disease 2019	TPCDT	Tata Power Community Development Trust
CPSE	Central Public Sector Enterprises	UN	United Nations
Cr	Crores i.e. 10,000,000s	USD	United States Dollar
CSR	Corporate Social Responsibility	VDC	Village Development Committee
DF	Domestic Foundation		
DPE	Department of Public Enterprises		
ESOP	Employee Social Option		
FF	Family Foundation		
FMCG	Fast Moving Consumer Goods		
FPO	Farmer Producer Organization		
FY	Financial Year		
HNWI	High Net Worth Individual		
IF	Independent Foundation		
IMR	Infant Mortality Rates		
INR	Indian Rupees		
IT/ITES	Information Technology, Information Technology Enabled Services		
k	1000s		
L&T	Larsen & Toubro		
LTPCT	Larsen & Toubro Public Charitable Trust		
M&E	Monitoring & Evaluation		
MANSI	Maternal and Newborn Survival Initiative		
MCA	Ministry of Corporate Affairs		
MIS	Management Information System		
MT	Metric Tonne		
NGO	Non-Governmental Organization		
NITI	National Institution for Transforming India		
NSE	National Stock Exchange of India Limited		
PM CARES	Prime Minister Citizen Assistance and Relief in Emergency Situations Fund		
PPE	Personal Protective Equipment		
PVT	Private		
RBI	Reserve Bank of India		



About this study



Ambuja Cement Foundation | Rooftop rainwater harvesting systems, Kodinar.








This study takes a deep-dive into the landscape, evolution and approaches of Indian domestic foundations.

Between August 2019 and March 2020, Sattva, supported by the Bill & Melinda Gates Foundation, conducted a study to outline the landscape of domestic institutional philanthropy (domestic foundations, or DFs) in India. This includes philanthropy by companies' corporate social responsibility departments (CSR), corporate foundations (CFs) set up by companies, and family foundations (FFs) set up by individual philanthropists and independent foundations (IFs) (see Annexure 1 for an explanation of terms).

There is a need for knowledge exchange on homegrown institutional philanthropy.

While prior studies look at how much funding goes to different sectors and regions from various funder segments, there are limited qualitative deep-dive studies

on how homegrown philanthropic institutions function, how they have evolved and the lessons learned along the way. This study seeks to fill this gap by examining evolutions and patterns in strategies, programmes and collaborations in four critical sectors: 'Agricultural Livelihoods', 'Women's Empowerment and Digital Financial Inclusion', 'Water and Sanitation' and 'Health Systems and Delivery'. These sectors were identified by triangulating themes receiving a significant share of DF funding and attention, and themes of national priority to move the needle on sustainable development. Themes such as Education, which already receives significant attention in knowledge creation were removed to avoid duplication.¹ Sattva drew insights on the considerable strengths and expertise different DF archetypes have developed in their fields over the years, to shed light on potential opportunities for collaboration and pathways to address gaps.

Annual Outlay (INR)	CSR	Corporate Foundations	Family Foundations
50 Cr			
100 Cr			
150 Cr			
200 Cr			
500 Cr			

*FMCG, Oil & Gas, Telecom

Sector focus	Industry type	Industry type
32 Water and Sanitation	6 BFSI	4 Energy, Steel
26 Agriculture and Rural Livelihoods		4 Manufacturing, Chem
26 Healthcare	6 Conglomerates	3 Cement
23 Gender equality/Women empowerment		3 Hospitals, Pharma
4 Digital Financial inclusion	6 Family Foundations	3 IT/ITES, Services
		2 Transportation
		3 Others*

Figure 1: Spread of 39 study participants by budget, structure, sector and industry

Sources: Annual reports 2018-2019, Sattva expert interviews

Applying a COVID-19 lens:

Since COVID-19 hit India in March 2020, DFs and all other philanthropic sector actors have had to rethink their strategic priorities considering the pandemic and lockdown's devastating effects on vulnerable communities. Approximately 52% of the average cumulative annual CSR budget has been diverted for COVID-19 relief, 68% of which will go to the central PM CARES Fund.² This leaves many questions for funding and implementing organisations alike on how funding for COVID-19 relief and recovery should be spent, how much funding will remain for non-COVID efforts, and the future course of existing DF programmes. To help enhance decision-making during this time of unprecedented uncertainty, Sattva has added a COVID-19 lens to this report drawing on the rich data collected for this study, as well as Sattva's perspective gained from over five years working closely with DFs and our independent data and research conducted along the way.

Study participants and methodology:

Insights are primarily based on one-on-one semi-structured qualitative interviews conducted with the 39 DFs depicted in Figure 1. Sattva reached out to 100+ DFs who were shortlisted for the scale of their spending in the four chosen sectors of focus (i.e. Agricultural Livelihoods, Women's Empowerment and Digital Financial Inclusion, Water and Sanitation, and Health Systems and Delivery), extent of publicly available programme information, and impact reporting.

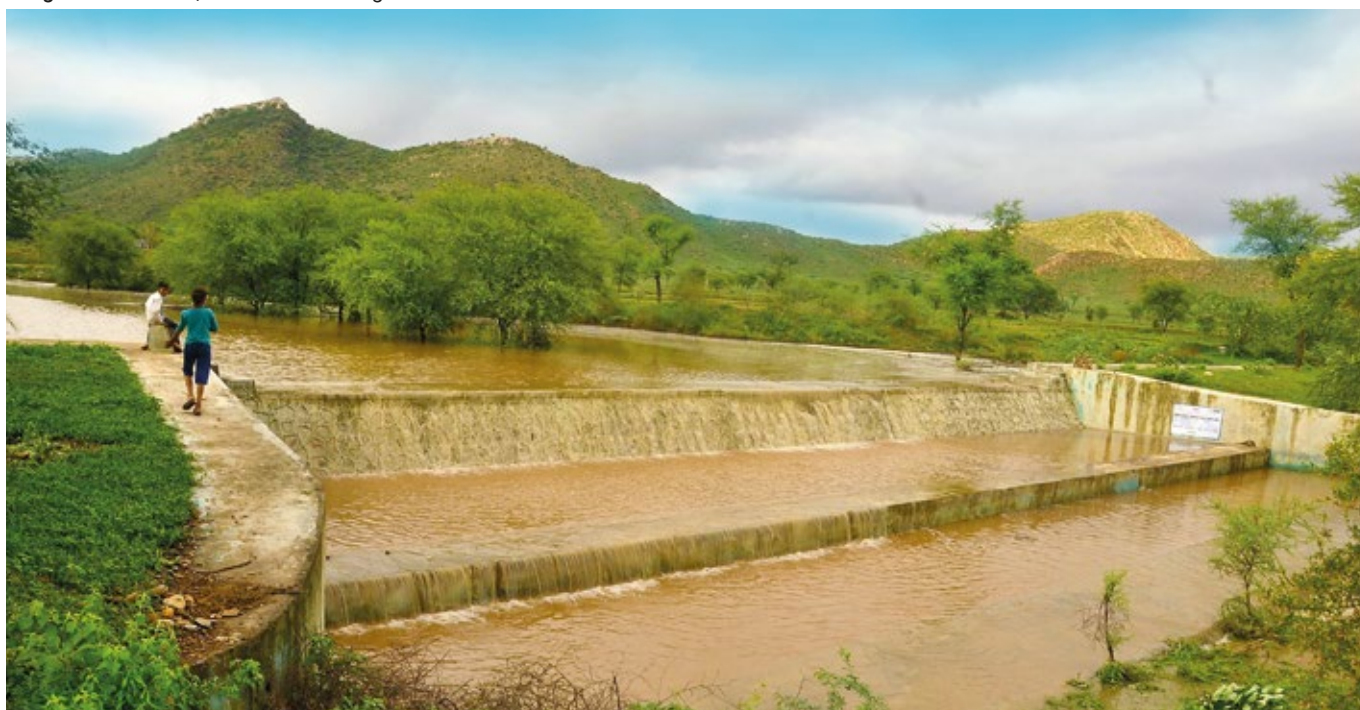
39 of these DFs agreed to participate and interviews were secured with 2-4 foundation heads and programme unit heads per DF, to get a rounded 360-degree view. Annexure 3 provides a full list of interviews. In addition, Sattva conducted thorough reviews of the annual reports and other public programme information of 100+ DFs, and derived insights on the broader landscape by mining public data sets made available by the Ministry of Corporate Affairs (MCA) and Department of Public Enterprises (DPE), and reviewing existing literature on domestic philanthropy.

Since domestic foundations take many shapes in India, Annexure 1 lays out an explanation of terms by vehicles of funding, legal structure and functions.

Intended audience and uses of this study:

The study aims to benefit institutions for private philanthropy in India, both domestic and international, as well as government, policymakers, ecosystem organisations and implementing social purpose organisations (SPOs). Insights emerging from the study participants provide a set of best practices and common challenges for readers to benchmark themselves against. The report also details the variety and concentration of initiatives in the four chosen sectors of Agricultural Livelihoods, Women's Empowerment and Digital Financial Inclusion, Water and Sanitation, and Health Systems and Delivery, to enable readers to identify areas of synergy and gap areas where further action is needed.

Sehgal Foundation | Watershed Management



Introduction

Seven years since India's CSR law was introduced, the funding, assets and expertise available for domestic institutional philanthropy have grown significantly³, gaining momentum that is crucial to maintain amidst the COVID crisis.

Domestic funding is larger than and steadily outpacing international funding.

According to the Bain-Dasra India Philanthropy Report 2019, domestic capital from individuals and private institutions led this growth between FY14 and FY18 contributing 79% to total private funding, alongside slowdowns in international funding.³

Unfortunately the breakup of this domestic funding into sub-categories of individual and institutional philanthropy remains unclear except for CSR where reporting is legally mandated (Annexure 1 explains sub-categories of DFs covered in this study). Nevertheless, the growth in the number and total funding from domestic foundations is well-established: CSR grew from INR 10k crores in FY15 to INR 18.6k crores in FY19, at 17% CAGR.⁴

DFs bring valuable assets to Indian philanthropy.

Expert interviews for this study reveal that the infrastructure, business expertise and community network potential of CSR and CFs are highly valued in the ecosystem, with a number of successful pilots being picked up for scale by government institutions.⁵ Many CSRs and CFs have established strong community connections in the areas surrounding their factories and plants and are often the first to be approached for varied community needs. Many DFs have also developed innovative pilots and flagship programmes, which they scale through established networks of private and government partners. For instance, CRISIL Foundation, with external facilitation from the Reserve Bank of India (RBI), has been able to replicate its successful tech-enabled finclusion model for women's empowerment, Mein Pragati.⁶

ASSETS



Existing Partners

Presence of partnerships with stakeholders across levels who support in the implementation/management of the programme



Community Connect

Creating new/leveraging existing links with local communities who may be programme recipients or assist in the implementation of the programme



Technical Expertise

The presence of know-how required for achieving desired outcomes/implementing the programme



Infrastructure

Physical infrastructure required to plan and implement the programme



Implementation Engine

The resourcing/human capacity required to plan and execute the programme



Innovation

The creation of novel solutions through/for the execution of the programme



Ecosystem Enablement

The ability to facilitate ecosystem-level support/buy-in to achieve programmatic outcomes

Figure 2: Non-financial assets of domestic foundations

Sources: Sattva expert interviews and analysis

DFs are increasingly focused on outcomes and need-based interventions.

Asset mobilisation strategies have evolved over time, with increasing emphasis on penetrating remote regions, and following needs-based and outcomes-driven approaches.⁷ Most of the 39 DFs participating in this study emphasised the critical value of behavioural change outcomes, particularly after seeing infrastructure they have built for communities left unused.

Many are working on awareness and behavioural change initiatives, drawing on their standing with local communities. Most participants also expressed the need to expand focus in areas of greatest need, while 70% are already working in aspirational districts, with DFs like ITC, Piramal Foundation, Lupin Foundation and NSE Foundation establishing one-on-one partnerships with NITI Aayog.⁸

DFs' momentum is critical to maintain post-COVID.

It is clear that DFs have grown to become critical actors in India's journey towards sustainable and equitable development in the past few years. This is indicated by overall growth in domestic funding volumes and proportions, the increasing number of companies making CSR contributions, DFs' non-financial assets and partnerships, and the breadth and depth of scale established by domestic programmes and pilots. COVID-19 poses a threat to this hard-won momentum, given its negative impact on company profits. As of April 2020, Barclays estimates a loss of INR 17.6L crores (USD 234.4 billion) to the Indian economy due to this pandemic.⁹ In times of crisis it is critical to direct the right kind of resources to the right people, at the right time and place, and if possible, in the right quantities. Therefore, this is a critical juncture to not only understand but maintain and carry forward the momentum of CSR and other domestic foundations, by sharing knowledge and facilitating collaborations.



70%

study participants work in aspirational districts



82%

work on behavioural change outcomes



68%

track outcome indicators

Sehgal Foundation | Watershed Management



Executive summary

1. While 67% of INR 18.6k crores in CSR funds went to education, livelihoods, healthcare, nutrition, safe water and sanitation in FY19, ~52% of spending for FY21 has been committed to COVID-19 response, which includes ~84% of CPSE funds being committed to PM CARES.

2. CSR spending is skewed towards commercial hubs with Maharashtra receiving 11x the cumulative CSR spend in all seven North Eastern states since FY15. Though the spending in aspirational districts grew 4x from FY17 to FY19, it is still only ~2% of the state-specific funding in FY19 with 17 states reporting <1% of the state-specific funding, in ADs. This regional skew may intensify with CPSEs diverting a majority of their typical annual spend to PM CARES.

3. In the midst of unprecedented uncertainty and budget crunches, 90% of DFs who participated in this study have already announced COVID-19 relief interventions to address urgent healthcare and livelihood needs. An analysis of 75 DF COVID-19 response announcements revealed 89% of funds spent on immediate community relief, and 8% for scaling testing, access to medical supplies and equipment.

4. Along a DF's evolution journey, it develops organisational 'anchors' - commitment to a social cause, community group, geography or business value - which drive the role it plays in the ecosystem and how the DF collaborates with other stakeholders.

5. There is a noticeable trend of corporates establishing separate vehicles for specific aspects of their philanthropy, with 18% of the top 100 CSR spenders establishing corporate foundations.¹³ These independent vehicles can receive pooled, diversified and patient funding, enabling them to develop sectoral expertise and drive longer term outcomes than CSRs.

6. Most programmes are designed to maximise measurable outcomes in densely populated areas or regions of business relevance, but with immediate COVID-19 relief work concentrated in cities, it is important to be cognizant of meeting development needs in remote and underserved areas. Emerging CSR trends of setting aside budgets for geographies beyond catchment areas, government partnerships to scale successful pilots, and leveraging business assets for philanthropy may need to accelerate.

7. M&E has moved beyond a compliance requirement, with ~70% DFs investing resources to set up internal, outcomes-focused concurrent M&E systems that feed back into programme design. However, reduced field presence due to COVID-19 presents a challenge to current M&E methods, and DFs are recognising the need for innovative, leaner and tech-based methods for need assessments, monitoring and evaluating programme impact.

8. Recognising the need for community participation and ownership in sustainability of programme outcomes, over 80% DFs have focused on behaviour change communication (BCC) and community/local government ownership throughout implementation. These deep-rooted community ties position DFs well to drive COVID-linked programmes in their communities.
-

Programme trends across sectors:



Agricultural livelihoods: Many DFs work on natural resource management with a view to enhance farmer income security, but post-cultivation and agri-research initiatives are nascent.



Water and sanitation: Many DFs focus on building infrastructure such as toilets, water harvesting structures and waste treatment plants, but there is a need for more BCC interventions and focus on faecal sludge management.



Women's empowerment and digital financial inclusion: Many DFs focus on economic empowerment by leveraging large networks of SHGs, but there is a need for aligning the ecosystem on holistic women's empowerment outcomes.



Health systems and delivery: Many DFs work on primary healthcare capacity building and infrastructure support, but there is a need for more emphasis on holistic public health systems strengthening.

9. DFs take two broad approaches to scale the breadth and depth of their impact:

- a. Ensure successful initiatives reach more people by:
 - i. Saturating existing geographies
 - ii. Replicating in new geographies
 - iii. Leveraging partners for multiplicative effect
 - b. Expand priorities and forms of support by:
 - i. Extending existing assets to complementary thematic priorities
 - ii. Adding complementary forms of support within an existing priority area
-

10. Collaborative action by DFs is more relevant than ever to maintain the hard-won momentum despite resource constraints. DFs prioritise the following aspects while designing a partnership:
- a. Alignment on objectives and values
 - b. Complementary assets
 - c. Credibility and performance
-



The landscape before and after COVID-19

1. While 67% of INR 18.6k crores in CSR funds went to education, livelihoods, healthcare, nutrition, safe water and sanitation in FY19, ~52% of spending for FY21 has been committed to COVID-19 response, which includes ~84% of CPSE funds being committed to PM CARES.

Pre-COVID funding trends

CSR has grown at 17% CAGR between FY15-19 with contribution by the private sector doubling in the same period.¹⁰ This momentum gained by CSR will be crucial in combating COVID-19 in India.

There has been a steady increase in the number of companies eligible for CSR and the number of reported initiatives between FY15-19.¹¹ Despite the stagnation of funding in FY17-18, FY19 saw the highest ever CSR spending at INR 18.6k crores.¹² The contribution of

CPSEs has stagnated around 20% of the overall spending and the contribution of unlisted companies has plateaued around 40% of the total spending in FY19.¹³

Over the last five years, CSR has steadily picked up momentum by consolidating programmes, establishing grassroots networks and building assets which will play a key role in addressing the ramifications of COVID-19 in India.

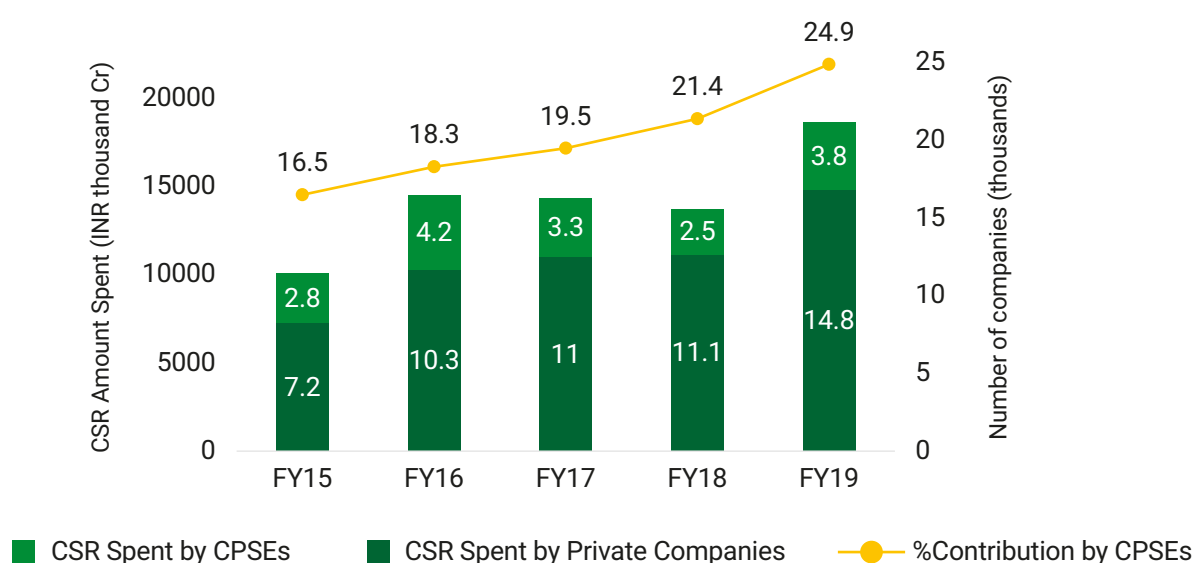


Figure 3: CSR funding over the years

Source: National CSR Data Portal, Ministry of Corporate Affairs, accessed June 2020



Over 60% of spending went to 'Education and livelihoods', and 'Healthcare, nutrition, safe water and sanitation' combined, which must remain crucial priorities post-COVID.¹⁴

'Education and livelihoods' remains the largest funded area and the relative spending in these areas increased from FY15-18, eventually stagnating at ~40%.¹⁵ The relative spending on 'Healthcare, nutrition, safe water

and sanitation' decreased post FY16 but is expected to peak in FY21.¹⁶ This additional spending on healthcare will impact funding in sectors like education, livelihoods, safe water and sanitation, gender equality which are heavily impacted by COVID-19. It is essential to avoid drastic disruptions in existing programmes in these sectors while the domestic foundations focus on the immediate healthcare impact of COVID-19.

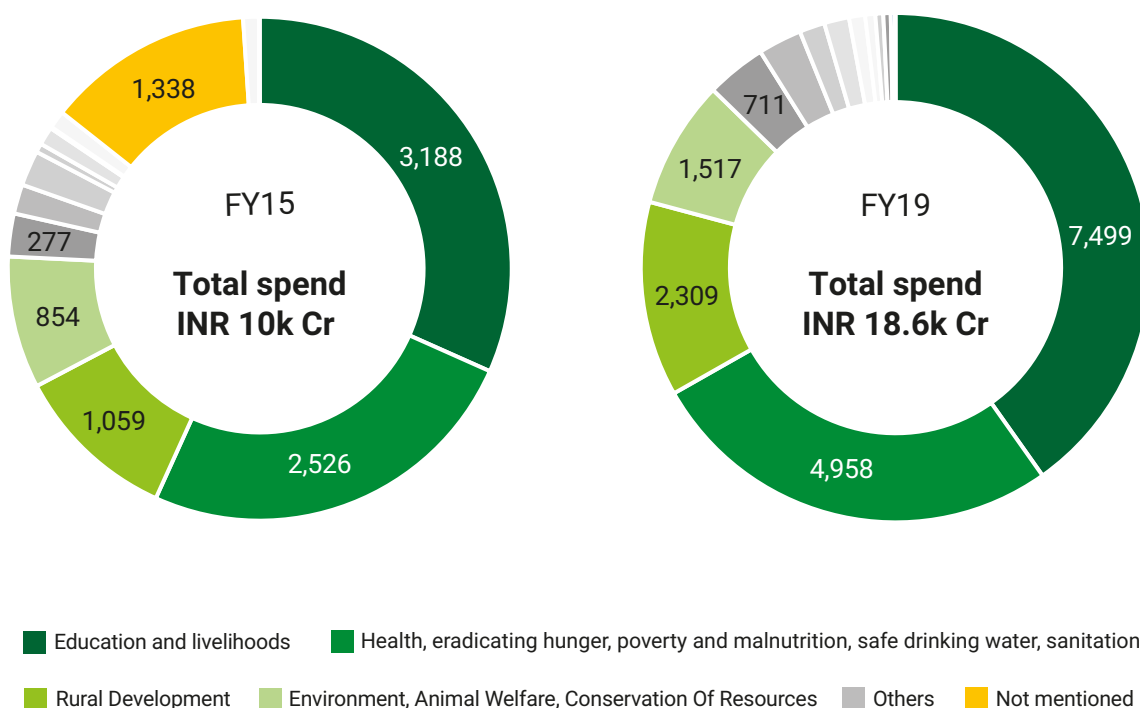


Figure 4: CSR funding for thematic areas over the years (INR crores)
Source: National CSR Data Portal, Ministry of Corporate Affairs, accessed June 2020

Post-COVID funding trends

Commitment to COVID-19 response makes up for about 50-52% of cumulative CSR spending in FY21, 68% of which is committed to PM CARES. The contribution to PM CARES¹⁷ is unprecedented, garnering 25x in one month than the PM National Relief Fund typically collects from CSR in a year.¹⁸

Average annual CSR in India stands at INR 15k crores, two-thirds of which is contributed by the top 300 companies.¹⁹ Announcements by these top 300 along with group CSR announcements reveal that INR 5.3k

crores is committed to PM CARES, while INR 2.5k crores is committed to other forms of COVID-19 relief and INR 9 crores donated to NGOs for COVID-19 relief.²⁰

Assuming a similar annual CSR of INR 15k crores, this leaves INR 7.1k crores for non-COVID efforts. CPSEs have committed the most to PM CARES at INR 2.5k crores, or 84% of their typical annual spend, and have set aside another INR 18-20 crores for other forms of COVID-19 relief.²¹

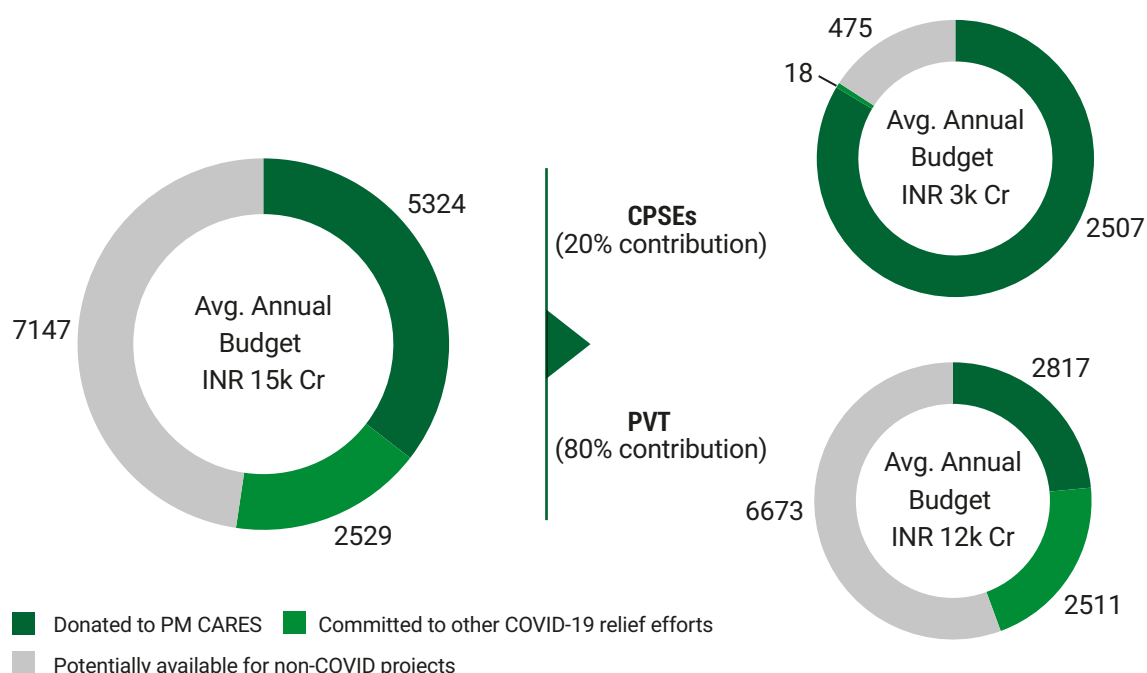


Figure 5: CSR COVID-19 response and outlook 2020-2021 (INR crores)

Sources: National CSR Data Portal (Ministry of Corporate Affairs), India Data Insights analysis, Sattva Research

Private industrial conglomerates have contributed more than INR 1.8k crores to PM CARES and have set aside another INR 1.3k crores for COVID-19 relief measures to be undertaken as needed.²²

About half of the industry's annual CSR budget is allocated for COVID-19 relief which is dominated by commitments by private conglomerates and 'Oil, gas,

petroleum and energy' sector, which is dominated by the CPSEs. Notably, the Mining industry has donated most of its budget to PM CARES while the FMCG industry has allocated most of its budget for other forms of COVID-19 response. 'Chemicals and Pharmaceuticals' sector has allocated about a quarter of its annual CSR budget for COVID-19 relief.²³

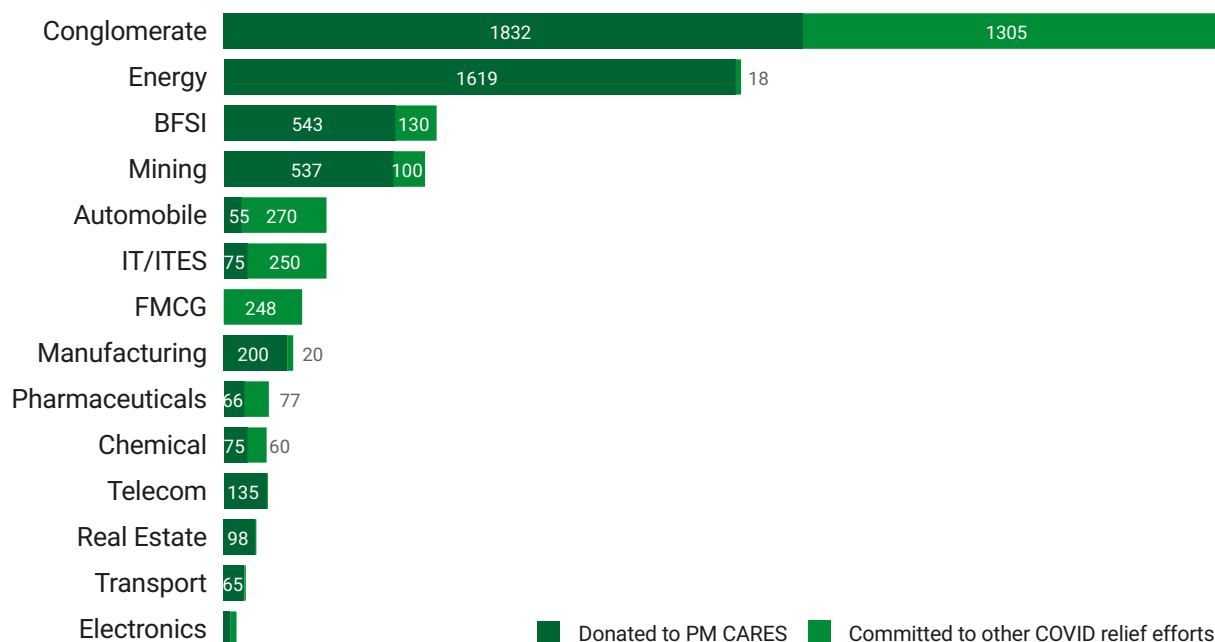


Figure 6: CSR COVID-19 response and outlook for 2020-2021 by industry (INR crores)

Sources: National CSR Data Portal (Ministry of Corporate Affairs), India Data Insights analysis, Sattva Research

2. CSR spending is skewed towards commercial hubs with Maharashtra receiving 11x the cumulative CSR spend in all seven North Eastern states since FY15. Though the spending in ADs grew 6x from FY17 to FY19, it is still only ~2% of the state-specific funding in FY19 with 17 states reporting <1% of the state-specific funding, in ADs. This regional skew may intensify with CPSEs diverting a majority of their typical annual spend to PM CARES.

CSR spending is concentrated around commercial and industrial hubs rather than the most underdeveloped regions.

Maharashtra, Andhra Pradesh, Karnataka and Gujarat received the highest funds and are also home to 50% of CSR companies, indicating that funds are concentrated in companies' home states. Maharashtra received INR 8.5k crores between FY15-18, which is 11 times more than spending in all seven North Eastern states combined over the same period.²⁴

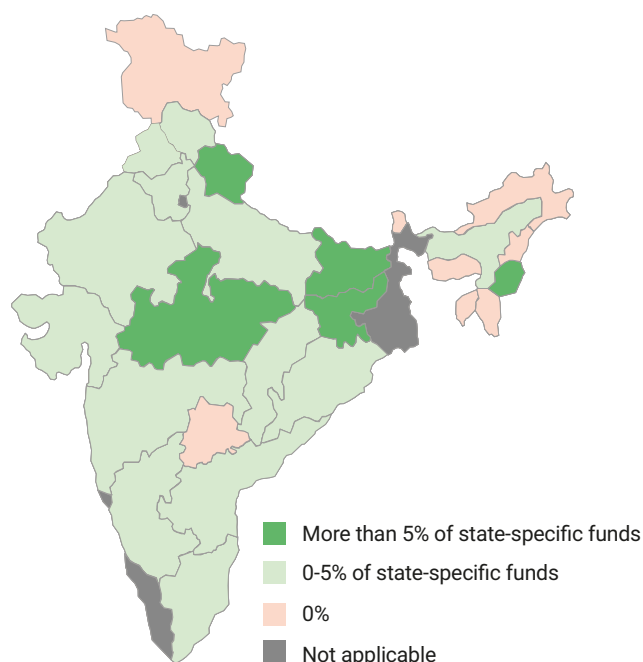
The Central and Eastern regions of India together receive less than 10% of the CSR pool, despite them lagging behind on most development indicators.²⁵ The biggest contributors in these areas are CPSEs from mining, energy and oil and gas industries.

While Jharkhand, Uttarakhand and Madhya Pradesh's ADs receive between 25-36% of state-specific CSR funds, ADs in 19 states receive just about 2% of state-specific CSR funds.

Even within the leading states, the spends are unequally distributed with urban and peri-urban areas receiving the largest chunk of funding. Maharashtra, Gujarat, Andhra Pradesh and Karnataka, get little funding in their ADs.²⁶ The North Eastern states of Manipur, Meghalaya, Mizoram, Nagaland, and Tripura and the Northern states of Jammu and Kashmir, Himachal Pradesh, and Punjab have received zero funding in their ADs in FY17 and FY18.²⁷ There was a marginal improvement in these numbers in FY19 with fewer states reporting zero spend in ADs; however, most of the large states are yet to shift focus to the underserved districts.

State	FY17 %funding	FY18 %funding	FY19 %funding
Andhra Pradesh	0.10%	0.14%	0.75%
Arunachal Pradesh	0.00%	0.00%	0.00%
Assam	0.01%	0.45%	0.27%
Bihar	0.63%	12.71%	12.76%
Chattisgarh	0.20%	0.00%	1.99%
Gujarat	0.03%	0.00%	2.54%
Haryana	0.42%	0.10%	0.79%
Himachal Pradesh	0.00%	0.00%	0.03%
Jammu & Kashmir	0.00%	0.00%	0.00%
Jharkhand	4.59%	15.59%	36.30%
Karnataka	0.00%	0.00%	0.41%
Madhya Pradesh	0.19%	16.84%	25.01%
Maharashtra	0.15%	0.12%	0.23%
Manipur	0.00%	0.00%	12.24%
Meghalaya	0.00%	0.00%	0.00%
Mizoram	0.00%	0.00%	0.00%
Nagaland	0.00%	0.00%	0.00%
Odisha	1.85%	1.77%	2.87%
Punjab	0.00%	0.00%	1.24%
Rajasthan	1.40%	0.24%	0.78%
Sikkim	0.00%	0.00%	0.00%
Tamil Nadu	1.35%	0.69%	0.99%
Telangana	0.13%	0.12%	0.00%
Tripura	0.00%	0.00%	0.00%
Uttar Pradesh	0.16%	0.00%	0.64%
Uttarakhand	7.28%	7.30%	28.27%
Grand Total	0.46%	0.83%	2.32%

State-wise funding in ADs



0% 0-5% of state-specific funding More than 5% of state-specific funding

Figure 7: Proportion of CSR spending in aspirational districts per state in FY17, FY18 and FY19

Source: National CSR Data Portal, Ministry of Corporate Affairs, accessed June 2020

There has been a strong positive trend in aspirational district spending which might be attributed to DPE guidelines to CPSEs for prioritising ADs. However, with over 80% of CPSEs' typical annual funds committed to PM CARES in FY21, spending in aspirational districts will be impacted.²⁸

CSR spending in aspirational districts has shown a strong positive trend in FY19 with a 4x jump over FY18 spending. Madhya Pradesh, Uttarakhand, Jharkhand, Gujarat, Odisha and Bihar have shown a significant increase in AD funding as compared to FY17.²⁹ This

sharp increase in AD spending might be a result of the DPE Guidelines released in December 2018 which have urged CPSEs to adopt aspirational districts and contribute to their development.³⁰ The guidelines have galvanised two-way communication between district authorities and the CPSEs resulting in a marked directional shift of CPSE commitments beyond their usual catchment areas around operations. With over 80% of typical CPSE annual funds being contributed to PM CARES, it remains to be seen how CPSEs will continue to support their aspirational districts in FY21.

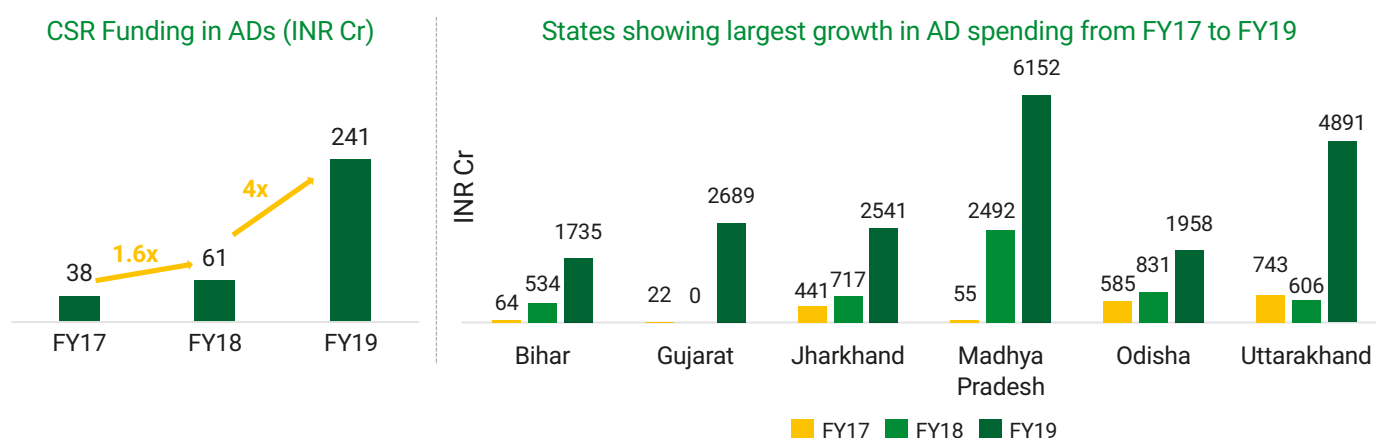


Figure 8: Growth in CSR spending in aspirational districts
Source: National CSR Data Portal, Ministry of Corporate Affairs, accessed June 2020

Jharkhand and Andhra Pradesh are the top states in CPSE presence with 21 and 18 CPSEs respectively while the Northeastern states of Manipur, Mizoram, Nagaland are at the bottom with 3 CPSEs adopting ADs in each state.³¹

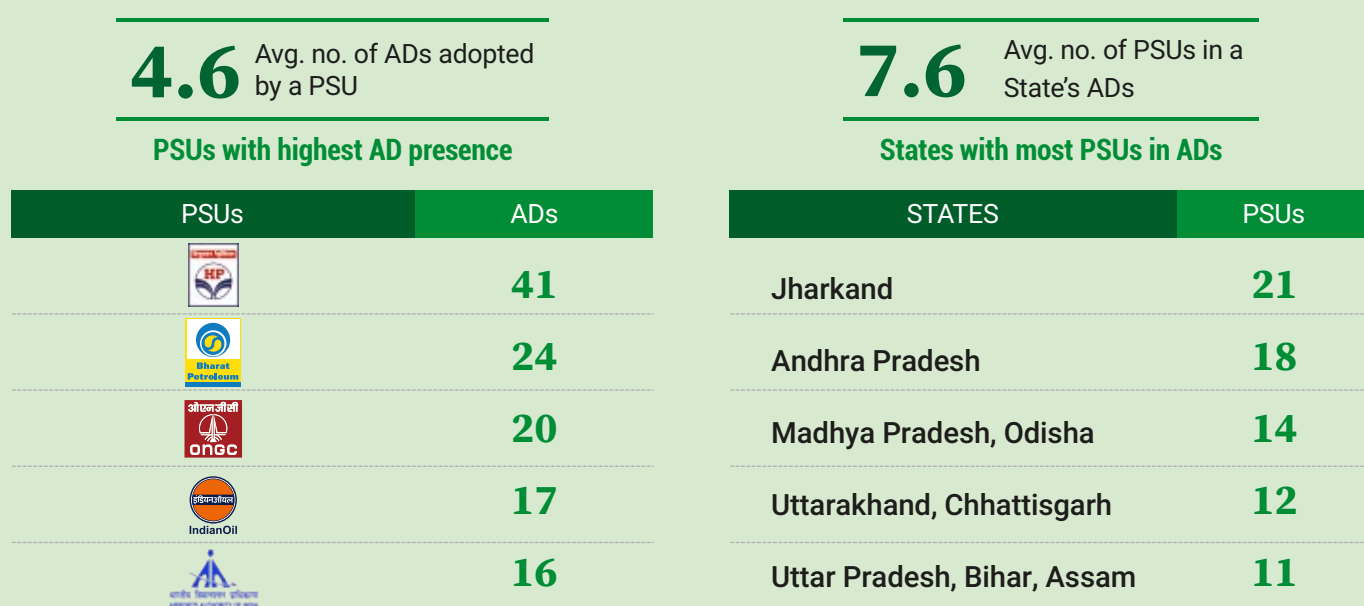


Figure 9: Aspirational districts adoption by CPSEs
Source: Development of Aspirational Districts by CPSEs under CSR; Department of Public Enterprises

3. In the midst of unprecedented uncertainty and budget crunches, 90% of DFs who participated in this study have already announced COVID-19 relief interventions to address urgent healthcare and livelihood needs. An analysis of 75 DF COVID-19 response announcements revealed 89% of funds spent on immediate community relief, and 8% for scaling testing, access to medical supplies and equipment.

Despite the significant predicted economic losses for the parent company backing CFs and CSRs, 34 of the 39 participating DFs announced responses to the crisis beyond funding for PM CARES as of May 10, 2020. A large majority of responses have been for immediate relief to meet communities' most urgent livelihood needs (e.g. providing food and ration kits, direct cash transfers) and health needs (e.g. providing access to personal protective equipment and medicines).

Participating DFs' responses align with results from Sattva's rapid analysis of 75 CSR, CF and CPSE COVID-19 response announcements, totaling a commitment of INR 2.1k crores for COVID-19 responses, in addition to another INR 2k crores spent on PM CARES and state Chief Minister Relief Funds.³² These included commitments by Tata Trusts, L&T, Reliance Industries, ITC, Hero Group, SBI, Vedanta, and Infosys, among others. 89% of these commitments are

earmarked towards immediate community relief, such as support with health, nutrition and social protection. 8% (INR 315 crores) went to scaling testing, and access to medical and sanitation supplies and equipment.³³ Some DFs have announced donations for counselling helplines, e-learning resources, drones and food supply (by Parle, L&T, Nippon, ITC). Some others have focused on availability for free or discounted testing kits/services (by Practo, Thyrocare, Mylab); PPEs, and medical equipment such as ventilators (by Reliance, ITC, and various brewing companies). Some corporates have come forward to support innovation and entrepreneurship initiatives (Pernod Ricard India and Marico), which can serve as a much-needed catalyst for med-tech entrepreneurs to ramp up testing and production of COVID-19 related products. Others have started employee campaigns with online crowdfunding platforms such as GivIndia and Milaap, to support specific non-profits and causes.³⁴

DFs have leveraged their existing hard and soft assets in their COVID-19 response:

ACC TRUST mobilised its SHG federation to orchestrate doorstep money withdrawal services to women which led to business operations worth INR 20 lakh in Bargarh, Odisha.³⁵

Ambuja Cement Foundation mobilised its network of 'Sakhis' (trained local women health workers) to identify returning migrant workers who need check-ups, spreading awareness on social distancing at local wells and other areas of rural social gathering.³⁶

Aditya Birla Group has leveraged its infrastructure assets to activate hundreds of beds for COVID-19 patients in hospitals, and its footprint in 300 model villages to reinforce social distancing through doorstep campaigns.³⁷

Cipla Foundation is leveraging its medical networks to connect doctors and healthcare workers across India with the AIIMS and ICMR-led knowledge network on COVID-19 through ECHO India - a tech-enabled knowledge sharing platform.³⁸ The foundation is also working with public health institutions to stop the spread of the pandemic. Some key efforts in this area include support to JJ Hospital Mumbai's COVID-19 testing laboratory and support for the set up of Maharashtra's only paediatric COVID-19 isolation ward at BJ Wadia Children's Hospital, Mumbai.³⁹

Dr. Reddy's Foundation has reoriented its health skilling programmes to include a module on hospital preparedness for epidemics. Through their MITRA programme, they are supporting small and marginal farmers to sell their produce and connecting them with scientists and experts for crop management advice via digital platforms.⁴⁰

Interglobe Aviation Ltd. (IndiGo) leveraged their strong employee volunteering culture to conduct a series of nation-wide campaigns for distributing food and relief materials to stranded migrants and other vulnerable communities.



Trends in intervention strategies

4. Along a DF's evolution journey, it develops organisational 'anchors' - commitment to a social cause, community group, geography or business value - which drive the role it plays in the ecosystem and how the DF collaborates with other stakeholders.

Conversations with study participants showed that DFs' strategies are anchored by certain factors that are fundamental to their purpose. These 'anchors' set the direction and boundary conditions for DFs' strategies and ways of working. The anchors fall into 5 broad archetypes - Social Cause, Community Group, Geography, Long-term Business Value and Compliance.



Social cause: where a DF is committed to a particular social cause, such as education or skilling. Such DFs may be flexible on the geographies they operate in but will not stray from the social cause. In some cases, the social cause was important to leaders backing the DF, or integral to company values. For example, IndusInd Bank's Girl Power Programme supports aspiring female athletes, because sportsmanship is a core company value.⁴¹ In many cases a social cause became an anchor after a DF received feedback on community needs and how DFs can make the biggest contribution. Most DFs with a social cause anchor set up corporate foundations to dedicate efforts to that cause. For example, Axis Bank Foundation has identified economic inclusion as an anchor for its development efforts through a rural livelihood programme. The programme primarily works with the unbanked population in some of the most remote regions of the country.⁴² Hindustan Unilever Foundation stays focused on water security for all while Hindustan Unilever Limited's corporate sustainability mandate is broader and may address other issues such as women's empowerment through Project Shakti.⁴³



Community group: where a DF is committed to a vulnerable population group, such as smallholder farmers, women or youth.

Here again a DF may be geography agnostic but will design all interventions specifically for this community

group. For example, Mahindra & Mahindra has an active focus on girls, youth and farmers, Ambuja Cement Foundation has a strong focus on empowering women, Indraprastha Gas has an active focus on auto, taxi, and bus drivers and their families, while Apollo Tyres Ltd focuses on healthcare for the trucking community.^{44,45,46,47}



Geography: where a DF is committed to addressing the needs of a particular geography, usually the geographies where they have a business presence. DFs who have deep-rooted links with communities in their areas of operations – typically the companies working in primary and secondary sectors like extraction and manufacturing – tend to work for need-based development in their catchment areas. These DFs are typically agnostic to social causes, and willing to respond to community needs as they arise. For example, Dalmia Bharat Foundation sets aside a portion of its budget for on-demand community needs, such as building a school or community centre.⁴⁸ Some family foundations have a strong commitment to geographies and work for the holistic development of communities there. For example, the Adar Poonawalla Clean City Initiative focuses on supporting the Pune Municipal Corporation with collection of street waste.⁴⁹



Long-term business value: where long term business value and synergies drive philanthropic strategies. Along with delivering social impact, these DFs aim to positively reinforce business sustainability. The interventions typically focus on strengthening brand value, rejuvenating natural resources consumed by operations and addressing issues faced by key stakeholders for the business. For example, Asian Paints works on water availability and upskilling for painters, and ITC works on agriculture, water conservation and community

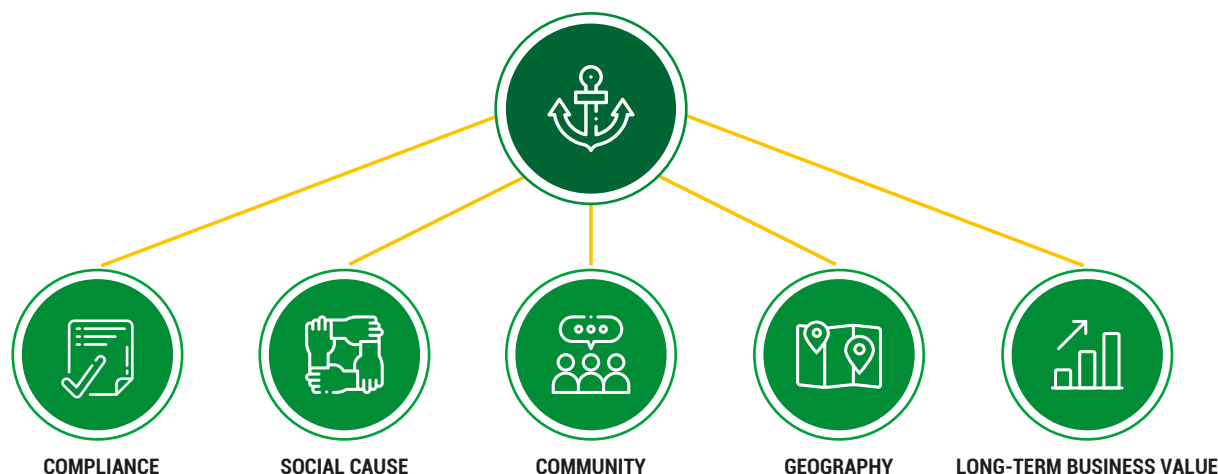


Figure 10: Anchors that set DFs' strategic direction and boundary conditions

Source: Sattva expert interviews and analysis

development around a few of their agricultural and factory areas.^{50,51}



Compliance: where legal requirements determine the boundary conditions of a DF's philanthropy. For example, a case where a company pays 2% of its profits into a government scheme every year to ensure compliance with the law. Compliance rarely came up as an anchor among study participants, as their philanthropy has evolved beyond the mandated 2% spend.⁵² Compliance remains an important consideration for CPSEs, due to DPE guidelines prescribing themes for CPSE spending in aspirational districts, which may change every year. Nevertheless, CPSEs such as the REC Foundation stretch beyond basic compliance to adopt the most neglected aspirational districts of Muzzafarpur (Bihar), Chandel (Manipur), Mamit (Mizoram), and Kiphire (Nagaland).

A DF may have a combination of anchors that shift and evolve over time, but understanding these anchors is useful while forging collaborations, or making and predicting organisational decisions in uncertain times. It is important to note that anchors are not static. For instance, many DFs began with a geography or social cause anchor that evolved into a different social cause anchor as they became aware of a strong community need in an area, or their unique position to contribute to a particular need. For example, when Axis Bank Foundation initiated operations in 2006, it started working in education with an aim to improve economic well-being.⁵³ In 2011, the foundation initiated a programme to promote livelihoods when it became clear

over time that enhancing livelihoods was important to meaningfully impact economic well-being. Similarly, DFs with geography anchors have been willing to scale their solutions to new geographies if they receive external funds. Ambuja Cement Foundation spends Ambuja Cement's CSR funds around their factories but implements other programmes pan India with external funds. Tata Steel Foundation is willing to provide advisory support in partnerships within and outside Jharkhand and Orissa, while it will continue to spend its own and leveraged funds in their catchment area. ITC's work typically revolves around its local stakeholders around areas of operations but now ITC is working on doubling farmer incomes in 27 aspirational districts along with partners.⁵⁴

Preliminary analysis suggests that DFs' anchors have driven their COVID-19 response.

Asian Paints remains committed to the painter community, providing direct bank transfers to painting contractors and their families to meet their immediate and essential needs during the crisis.⁵⁵ Deshpande Foundation's Hubballi Sandbox, which focuses on developing local entrepreneurs, leveraged this creative potential by donating thousands of masks manufactured by Nayodyami micro-entrepreneurs to the Government of Karnataka.⁵⁶ S M Sehgal Foundation, which has established years of experience in agriculture, water management, good governance and 'Transform Lives one school at a time' programme in rural areas is adding COVID-19 preparedness modules to each of its existing programmes in these areas.⁵⁷ DFs unsure of the course to take in these uncertain times may consider reflecting on their anchors to set their strategic course in the post-COVID world.

5. There is a noticeable trend of corporates establishing separate vehicles for specific aspects of their philanthropy, with 18% of the top 100 CSR spenders establishing corporate foundations. These independent vehicles can receive pooled, diversified and patient funding, enabling them to develop sectoral expertise and drive longer term outcomes than CSRs.

Corporates with sizeable CSR budgets have started to set up separate entities to with focused development agendas. 18% of the top 100 CSR spenders have set up corporate foundations (CFs) in 2019.⁵⁸ Study participants expressed a number of strategic, operational and financial benefits of corporate foundations:

Offsetting dependence on parent company's profits.

Corporate foundations can raise funds from multiple sources beyond their company. For instance, Ambuja Cement Foundation receives funds from the government, NABARD, as well as other grantmaking DFs to implement programmes beyond Ambuja Cement operations' catchment areas.⁵⁹

Building a team and reputation for specialised expertise.

Corporate foundations can build dedicated teams to deepen innovation and expertise for a social cause, as well as implement programmes on ground. For example, JSW Foundation has in-house sector experts to guide their programmes. Hindustan Unilever Foundation was set up to focus on water security for all, and over the years has supported several organisations doing innovative work in improving water security. Dalmia Bharat Group chose to set up a foundation to have greater control and visibility in programme implementation.⁶⁰

Streamlining funds from group companies.

A corporate foundation can be useful to streamline predictable annual outlay from multiple group companies with fluctuating profits. Tata Power Community Development Trust (TPCDT) has been an implementing vehicle for Tata Power and its subsidiaries, which channelises and streamlines the CSR efforts of all these companies. Similarly, the Bharti Group Companies channel a section of their CSR efforts via the Bharti Foundation.⁶¹

Ringfencing development responsibilities and agendas.

Corporates working on multiple charitable initiatives set up separate entities to ensure clean divisions across these initiatives. For example, the Cipla Foundation is responsible for Cipla's overall CSR, and further manages the Cipla Palliative Care & Training Centre, Pune that has a distinct identity and responsibility of extending free-of-cost palliative care services to patients and their caregivers.⁶²

Partnering with social enterprises and other diverse entity types.

The CSR law places eligibility conditions on recipient organisations (e.g. recipients must be non-profit entities and at least three years old). This restricts the types of partnerships CSR departments can engage in, compared to corporate foundations. A key advantage is the ability to support and partner with social enterprises for innovative approaches. ACC TRUST, for instance, has engaged with a social enterprise Vitor Health for cost-effective diagnostic services that provide livelihood opportunities to rural youth.⁶³

Patient, flexible capital for long-term priorities.

Some DFs set up corporate foundations to focus on longer-term priorities alongside shorter-term CSR engagements. For example, Wipro channels its community interventions with more direct short-term outcomes via Wipro Cares – a trust based on employee contributions and Wipro matching. On the other hand, Wipro Foundation is its umbrella CSR organisation, which focuses on long-term systemic change in education, ecology and environment.⁶⁴ Since corporate foundations can pool in funding of different types and from multiple sources, they can attract more patient and flexible capital that allows for innovation and focus on longer-term outcomes.

Patient capital has enabled DFs to develop innovative and scalable pilots in their areas of focus. Tata Steel Foundation's Maternal and Newborn Survival Initiative (MANSI) programme on reducing infant mortality rates (IMR) took 10 years to successfully reduce IMR by over 40%.⁶⁵ CRISIL Foundation's Mein Pragati programme for financial inclusion was sharpened over five years before they were convinced that the demand side approach to financial inclusion is a method that works for women's social, economic and political empowerment. Lupin Foundation worked in Bharatpur for more than three decades to pioneer and master beekeeping leading to economic empowerment of the community.⁶⁶

Developing successful prototypes is an iterative process. It involves mindfully tweaking the intervention after incorporating M&E feedback and it involves sustained efforts in capacity building and behaviour change. All of these steps require years of sustained funding with room for learning. DFs who have developed

these successful prototypes across different thematic areas have unanimously emphasised the need for more patient capital.

Sattva's rapid analysis of 75+ CSR and CF COVID-19 responses shows that very few corporate announcements so far have taken a medium - or long-term approach, for instance, investing in food and agriculture supply chain security or livelihoods support post-COVID. Even on the demand side, most announcements focus on short-term needs, such as medical supplies, food, and shelter. This is possibly because companies are waiting for more data to emerge from the ground, and it appears to be a clear area of opportunity for investment.⁶⁷ With their capacity to raise more patient capital and focus on longer-term projects, corporate foundations may be good candidates to go beyond immediate relief to tackle medium or long-term effects of COVID-19.

Axis Bank Foundation | Exposure visit of SHG members, Mandalgarh, Rajasthan





Trends in programme implementation

6. Most programmes are designed to maximise measurable outcomes in densely populated areas or regions of business relevance, but with immediate COVID-19 relief work concentrated in cities, it is important to be cognizant of meeting development needs in remote and underserved areas. Emerging CSR trends of setting aside budgets for geographies beyond catchment areas, government partnerships to scale successful pilots, and leveraging business assets for philanthropy may need to accelerate.

Programme need-assessments follow two broad schools of thought: While most DFs prefer maximising their social return on investment (SROI) by working on quantifiable outcomes in densely populated areas, some prioritise interventions that benefit remote, underserved populations beyond industrial hubs. Internal governance and external compliance requirements for corporates incentivise programmes which have actionable and measurable outcomes at scale, which reinforces accountability in spending but also leads to a concentration of programmes in urban hubs and sectors such as health and livelihoods where outcomes are relatively simpler to quantify and measure.

Socio-economic conditions in remote geographies bring in challenges like a higher need for behaviour change communication, lack of available implementation partners, higher cost incurred to reach the population, and difficulty in proving outcomes for preventive interventions. Despite this, a number of DFs have started to prioritise neglected regions and communities.⁶⁸



“We have our roots in the community. We have done a 25-lakh project for 13 families in remote areas.”

There is an emerging trend of DFs finding creative ways to expand their geographical presence beyond their catchment areas.

In addition to addressing local community needs, many DFs are setting aside a portion of funds for flagship programmes that go beyond catchment areas and

business linked causes.⁶⁹

Primary and secondary industry sectors have deep rooted linkages with the community in their catchment areas and it is imperative to work in harmony with the local community for smooth business operations. Their community development operations naturally form a significant component of their CSR funds.⁷⁰ In addition to these local activities, DFs also engage in flagship programmes which are long term centrally managed projects and go beyond the catchment areas. This division in project management and funds gives the DF teams flexibility and helps in effective planning and execution. Half of Mahindra & Mahindra's CSR funds are spent centrally, while the other half is spent locally.⁷¹ Cipla Foundation drives flagship programmes on palliative care and knowledge creation and dissemination on respiratory disorders, in addition to their local initiatives around their factories.⁷²

Corporates, through their CSR interventions, are developing scalable pilots and are actively seeking to collaborate with government/private partners for scale-up.

DFs have recognised that they are well poised to work on prototype development and proof of concept at a local level, which can be scaled up. Often, these proven prototypes are picked up by the state governments for replication. Tata Steel Foundation's MANSI programme enabled village-level healthcare workers (Sahiyya) and reduced infant and child mortality rate by tracking high risk cases and facilitating improved implementation of Home Based Newborn Care.⁷³ This programme is now being scaled up in a district saturation mode alongside the National Health Mission and the American India Foundation. Lupin Foundation's beekeeping programme in Bharatpur district of Rajasthan has resulted in a 120-fold increase in honey production over the last two decades from 28MT to 3,400MT.⁷⁴



“We could get a lower dropout rate if we only do our programmes in urban areas, but this is not the only priority. We have learnt that India needs efforts in the remote areas, and we are going to spend our funds there.”

Companies are leveraging internal expertise in terms of employee volunteering or technical expertise to identify needs, strategise, design and execute interventions. CSR departments and corporate foundations are increasingly leveraging their internal expertise - industry expertise and employee networks were the biggest strengths called out by DFs which help them making their interventions more effective. CRISIL Foundation used CRISIL's Inclusix report to identify the most-stressed geographies in financial inclusion to design their programme Mein Pragati.⁷⁵ Asian Paints have based their livelihoods intervention on upskilling of painters as they are best suited to develop these skills in painters and improve their employment opportunities.⁷⁶ L&T has set up a construction skill training institute⁷⁷ and Tata Power Skill Development Institute leverages Tata Power's expertise in the energy and engineering sector.⁷⁸ Godrej Consumer Products Limited is leveraging their expertise in beauty products to train women beauticians and promote entrepreneurship through the beautypreneur platform.⁷⁹ In addition to these programmes where the expertise was used to

design programmes, companies have also leveraged their employee networks in implementing programmes. L&T uses its construction expertise in watershed construction.⁸⁰ JSW Foundation leverages local engineers which help in execution of infrastructure projects.⁸¹ ACC TRUST leveraged ACC employees in disaster relief operations to provide technical support for rebuilding houses instead of providing financial aid.⁸² Mahindra & Mahindra's ESOPs - Employee Social Options - have led to 91,000 employee volunteers clocking around 600,000 hours of volunteering in FY19.⁸³

Corporate employees can make much-needed contributions to COVID-19 support.

Corporates can match the amount raised by their employees towards the COVID-19 response, much like Wipro Cares, CISCO India, NVIDIA, Bosch, and many others have done. These funds may be directed towards location-based interventions (both healthcare and non-healthcare). Many nonprofits have requested remote volunteers (American India Foundation, PATH, Save the Children), for interventions such as counselling and mentoring youth and small entrepreneurs to help them create a digital presence on fundraising sites.⁸⁴ Volunteers are also needed for support in data analytics around COVID-19 testing. There are also a number of ways in which employees can look at leading or supporting hyper-local initiatives to provide essential products and services for the most affected in their locality, or offering their support to senior citizens and parents with young children.⁸⁵

Villoo Poonawalla Charitable Foundation |
Adar Poonawalla Clean City Initiative



“Our role is to support solutions, but very clearly, solutions that involve more interaction between actors to improve the efficacy of the system itself.”

7. M&E has moved beyond a compliance requirement, with ~70% DFs investing resources to set up internal, outcomes-focused concurrent M&E systems that feed back into programme design. However, reduced field presence due to COVID-19 presents a challenge to current M&E methods, and DFs are recognising the need for innovative, leaner and tech-based methods for need assessments, monitoring and evaluating programme impact.

As DFs evolve, they track programme effectiveness using outcome and impact indicators, however external reporting is largely confined to output metrics. 68% of DFs were able to provide concrete examples of at least some programmes where impact is tracked at an outcomes level.⁸⁶

Interviews with DFs demonstrated that programme effectiveness is still tracked primarily at the outputs level, particularly for sectors where outcomes are harder to define and measure, such as women's empowerment or early childhood development. However, for example, Hindustan Unilever Foundation, with its focus on improving the water numeracy, accessibility, use and management of water in agriculture, defines and monitors programmatic outcomes at both household

and community level, towards improving water numeracy as well as promoting judicious use and management of water in agriculture.⁸⁷ L&T measures the impact of its Integrated Community Development Programme using a Quality of Life index which includes parameters like reduced drudgery for women.⁸⁸

Despite the internal tracking of outcomes, public reporting of impact on websites, annual reports, etc. is typically confined to output metrics, such as number of villages or people reached which can be attributed to lack of behavioural research methods, lack of comparable indicators to benchmark and report impact across programmes, lack of resources to conduct outcome and impact measurements for all programmes.

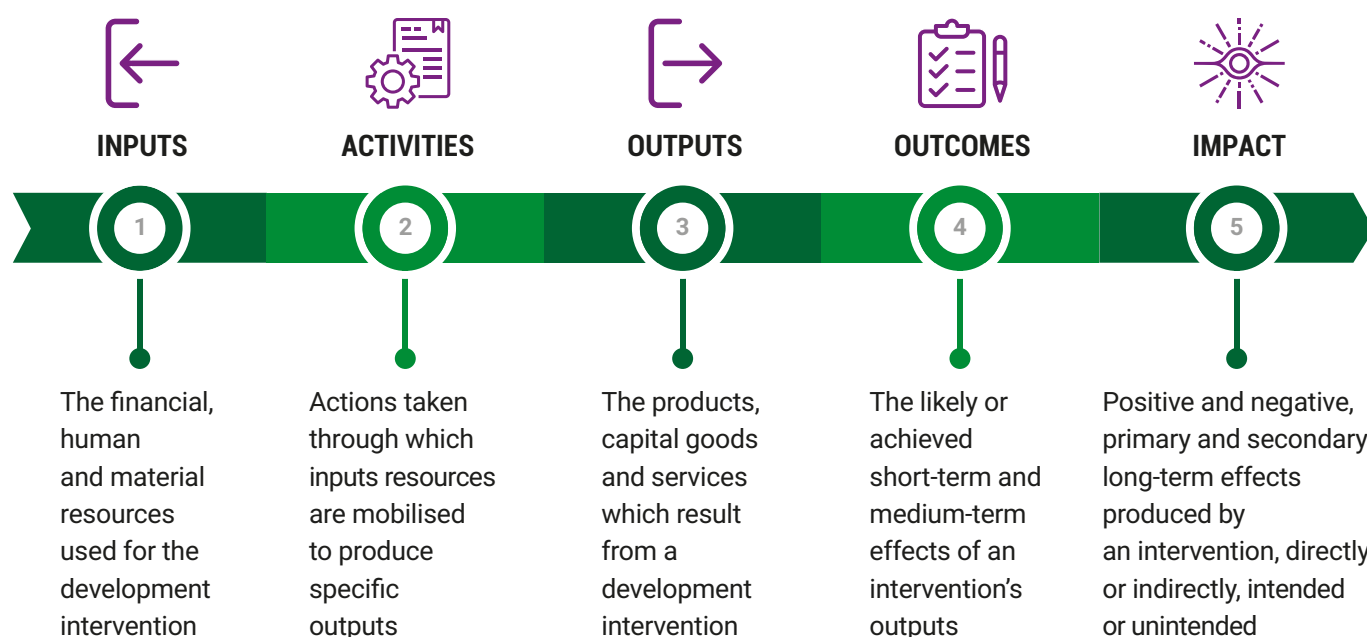


Figure 11: Types of programme measurement indicators
Source: International NGO Training and Research Centre 2015

DFs, especially operating foundations, have started investing in internal M&E teams which enables them to get richer data at regular intervals and feeds into programme design. External third-party assessments which are necessary for CSR compliance complement these internal M&E processes.

Domestic foundations, especially large operating foundations, have set up internal M&E teams which provide real time feedback of progress on ground. Ambuja Cement Foundation, ACC TRUST, Dr. Reddy's Foundation, JSW Foundation, HDFC Bank Limited and others have set up internal M&E teams.⁸⁹ Third party baseline, midline and end line assessments provide an external validation of the success of the intervention but come with their own limitations of time required and cost incurred. Operating Foundations with an internal M&E team believed that their internal team had the most nuanced understanding of local challenges, which helps them qualify impact figures. In remote geographies with different demographic dynamics, the sampling and scope of external assessments become critical if the results have to feed into further design.

DFs are overcoming challenges in adoption of data-driven decision making. 76% of DFs interviewed have used M&E results to tweak their intervention design and approach.

Internal M&E teams, adoption of tech-based MIS platforms, focus on outcome indicators and investment in third party impact assessments have led to an overall

culture of data-driven decision making in DFs. The use of data helps in identifying the root causes effectively and take necessary actions before the start of the programme and make changes during the course of implementation if needed. Data-driven approaches have also helped the DFs work collaboratively with the local government institutions.

For instance, LTPCT's evidence-based planning to benchmark anganwadis in Talasari identified nine intervention areas for infrastructure and capacity building support. Field staff buy-in for accurate data collection on time, lack of organisational capacity to have independent M&E systems were cited as challenges in adopting data-driven decision making. This approach helped in measuring and benchmarking the progress leading to systematically improving the conditions of all anganwadis in the block.⁹⁰

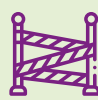
COVID-19 creates a need for 'lean M&E' to ensure compliance, while staying cognisant of data collection and reporting challenges at this time.⁹¹

Data-driven decision-making is challenging at this time given lack of field access during lockdown, limited productive human capital, a lack of technology adoption and tools to make quick decisions. At the same time, strong M&E is more critical during periods of uncertainty to address compliance, ensure optimal resource utilisation, strengthen accountability and impact reporting.



Lack of tools to make quick decisions in uncertainty

There is limited awareness and research on tools which can be accessed for quick decision making with respect to needs of the community and resource allocation



No field access

For safety concerns and in lockdown, there is no access of field for direct beneficiary interactions



Limited productive human capital

Given the scale of crisis and nature of spread of the virus, there is limited human capital which could work on the ground towards data collection and monitoring



Lack of technology adoption

While there are technology-based data collection tools in the country, there is a gap in utilization of those for data collection due to limited know-how and access

Figure 12: Challenges of data-driven decision-making during COVID-19 pandemic

Source: Sattva analysis

8. **Recognising the need for community participation and ownership in sustainability of programme outcomes, over 80% DFs have focused on behaviour change communication and community/local government ownership throughout implementation. These deep-rooted community ties position DFs well to drive COVID-linked programmes in their communities.**

DFs are increasingly engaging in awareness and behaviour change communication, recognising the need for community buy-in and participation to sustain outcomes.

82% participating DFs practise behaviour change communication in some form, to ensure the successful adoption and sustainability of their interventions.⁹² While the first wave of emphasis for domestic foundations had been on infrastructure building, particularly following the Swachh Bharat Mission, there is an increasingly recognised need amongst DFs to complement the infrastructure with behaviour change communication to ensure adoption. In agriculture, driving behaviour change was identified as a big challenge by DFs as it involved changing age-old practices of agriculture and the incomes are at stake. BCC is critical in bridging the gap in digitisation and financial inclusion too. The 2017 Global Findex survey conducted by the World Bank found that in India, while the gender gap in access to bank accounts has decreased to 6% from 20%, only 35% female and 47% male bank account holders are active users.⁹³ CRISIL Foundation recognised the importance of behaviour change to drive financial inclusion as simply opening bank accounts and imparting awareness training for financial products was not working well. CRISIL Foundation's 'Mein Pragati' financial inclusion programme is designed for behaviour change by

creating a demand for banking in the community.⁹⁴ Similar approaches were taken by DFs in sanitation efforts to ensure community ownership and adoption of toilets to make the villages Open Defecation Free in the true sense. JSW Foundation worked on creating the need for toilets through behaviour change communication.⁹⁵ In some cases, instead of engaging in infrastructure building themselves, they taught masonry to the community members for them to build the toilets themselves.

Most DFs cited local government ownership and community participation throughout the programme as effective methods to ensure programme sustainability.⁹⁶

Various methods adopted by DFs for building ownership in the community include formation of village development committees before initiating the intervention, monetary contribution by the community, conducting awareness programmes to generate the need for infrastructure, engaging existing institutions amongst others. ACC TRUST adopts a rights-based approach and nurture local leadership to increase the agency at the grassroots level. Working in tandem with local officers like block development officers, district collectors were cited as effective ways of ensuring sustainability of interventions. ICICI Foundation's rural livelihoods programmes embeds extensive consultations with local community and government authorities into programme design. One of the key learning from their work in Raigad for Swades Foundation has built their core philosophy of empowering the community to be resilient.⁹⁷ They form Village Development Committees (VDCs) with a representation of women (50%), youth and ASHA workers and then build capacity of these VDCs through facilitating, training, forming networks with farmer producer organisations (FPOs) and self-help groups (SHGs) and benchmarking the performance of VDCs to track progress.



"We ensure community participation in all programmes through a combination of monetary contribution and volunteering. These community groups ensure local compliance and slowly take ownership of the initiative"

Sustainability via transfer of programme ownership to local community or government is a goal but not always an option for DFs.

DFs with deep-seated linkages with the community, especially the ones working around their business operations areas, pointed out that transferring ownership becomes difficult in some cases as the community and local government authorities want the DF to keep running the intervention. This makes it

difficult to exit a particular geography and expand to others. Depending on the nature of intervention, some DFs do not intend to set an exit horizon if the activities are recurring and demand continued efforts in remote areas where the government or other DFs have no reach. For instance, Tata Steel Foundation runs immunisation drives in remote inaccessible tribal areas of Jharkhand which are not connected by permanent roads.⁹⁸



"Grassroots demand generation is the most critical aspect of all our programmes. Imposing external agenda on the community without behaviour change communication is never sustainable."



"The most important element of our programmes is how we build community agency to understand what they need and how we get them to hold the State more accountable, transparent and reflective of their needs"

Sehgal Foundation | Digital inclusion programme





Programme trends per sector

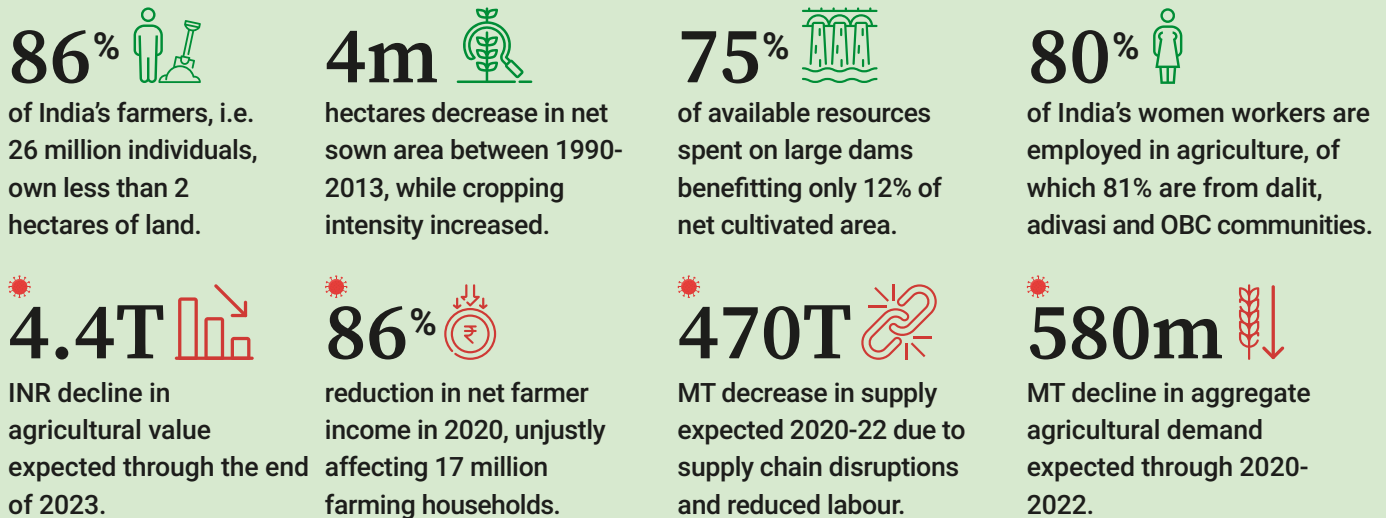


Agricultural livelihoods

Agriculture and allied sectors are the largest source of livelihoods in India. 58% of India's population depends on agriculture as their primary source of income, contributing 15% to India's GDP. This section aims to provide a comprehensive snapshot of the work being done by 25 of 39 DFs to improve agricultural livelihoods in India.



Opportunities for Intervention and COVID-19 impact



Sources: Agriculture Census 2015-16, India Development Review 2018-19, TechnoServe 2020

DFs engaged in agricultural livelihood interventions



Examples of innovative approaches

ITC has been running village internet kiosks - e-Choupals - which made real-time, up-to-date, relevant information on weather, price discovery, agri know-how and best practices readily available. The kiosks are managed by trained local farmers who help the local agricultural community to access the information in their local language.

Lupin Foundation pioneered bee-keeping in Bharatpur through behaviour change combined with end to end support for the activity which has made more than 3000 jobless and marginal farmers financially well off. This region is now the second largest honey producer in the country.

PI Industries is trying to revolutionise rice cultivation through Direct Seeding of Rice (DSR) across multiple rice growing states in the country. Their efforts have resulted in changing the rice cultivation practice into DSR in over 728,000 hectares; a saving of over 1.6 trillion liters of water annually.



Dominant interventions by DFs

- Providing infrastructure for natural resource management to rejuvenate water bodies and groundwater, and set up water harvesting structures.
- Enabling alternative livelihoods through livestock rearing, beekeeping and horticulture.
- Community engagement and collectivisation for agricultural activities, working with groups such as FPOs, SHGs and dairy cooperatives.



Nascent intervention areas for DFs

- Only 15% DFs make post-cultivation interventions such as storage, processing and market linkages.
- Agri-research and innovation is slowly emerging through the creation of knowledge hubs for farmers, mini weather stations, hybrid sturdy crop development, etc.
- Policy advocacy and ecosystem engagement is a gap area across sectors

Forms of Support	Intervention Points in Sector Value Chain				
	Natural Resource Management	Agricultural Inputs and Cultivation		Post-cultivation	Agri-linked solutions
		Farm	Off-farm		
Infrastructure	<ul style="list-style-type: none"> • Undertaking micro irrigation projects • Undertaking water conservation projects • Recharging groundwater • Rejuvenating water bodies • Setting up water harvesting structures 	<ul style="list-style-type: none"> • Distribution of agricultural inputs • Setting up of mini weather stations • Improving irrigation facilities 	<ul style="list-style-type: none"> • Providing infrastructure support for alternative agricultural livelihoods 		<ul style="list-style-type: none"> • Setting up knowledge hub for farmers
Enabling Service Delivery	<ul style="list-style-type: none"> • Promoting water efficient technology 	<ul style="list-style-type: none"> • Improving farming practices • Helping farmers access loans • Promoting DSR technology • Promoting dryland agriculture • Providing cash in return of biowaste • Enabling crop diversification • Providing technical inputs to the farmers 	<ul style="list-style-type: none"> • Providing subsidies for off-farm activities • Providing capability building support for alternative livelihoods such as horticulture, floriculture, sericulture, bee keeping • Introducing and providing support to make livestock a sustainable livelihood option. 	<ul style="list-style-type: none"> • Strengthening market linkages 	
Community Engagement	<ul style="list-style-type: none"> • Conducting behaviour change campaigns for better water efficiency • Formation of water user groups • Empowering local community to govern water resources 	<ul style="list-style-type: none"> • Generating awareness and leading behaviour change towards sustainable agriculture • Implementing peer learning models • SHG formation to support on-farm activities 	<ul style="list-style-type: none"> • Formation of dairy cooperatives for women farmers • Formation and supporting SHGs for off-farm activities 	<ul style="list-style-type: none"> • Formation of farmer interest groups (FIGs) for improving market linkages • Setting up FPOs 	
Knowledge & Innovation	<ul style="list-style-type: none"> • Improving soil moisture through knowledge building 	<ul style="list-style-type: none"> • Developing of comprehensive agrarian solutions • Developing of hybrid sturdy crops • Providing real time information through internet kiosks • Setting up of village knowledge centres • Farmer training for on-farm activities 	<ul style="list-style-type: none"> • Knowledge training for non-farm activities 		<ul style="list-style-type: none"> • Supporting agri based start ups
Policy & Ecosystem Engagement					

● 1 to 2 DFs working ● 3 to 8 DFs working ● 9 or more DFs working



Reflections

How can DFs play a role in mitigating agricultural value chain disruptions caused by COVID-19?

What will it take to accelerate agri-research, innovation and knowledge sharing for the benefit of smallholder farmers?



Water and Sanitation

70% of India's water is contaminated, placing India 120 out of 122 countries on the water management index. India could experience a drop of 6% in GDP due to water scarcity alone. This section aims to provide a comprehensive snapshot of the work being done by 28 of 39 DFs for improving the state of water and sanitation in India.



Opportunities for Intervention and COVID-19 impact

40^x

contribution to disease burden per person from poor water quality and sanitation compared to China.

120th

out of 122 countries on the water management index.

500m

people in India are exposed to arsenic in water, and 66 million suffer from fluorosis.

61%

of decline in groundwater levels between 2007-17 was due to excess extraction.

82%

of rural households at a greater risk of infection from COVID-19 due to lack of piped running water.

60%

sewage in urban areas goes untreated, increasing the risk of virus spread through faecal matter.

64m

urban slum dwellers vulnerable to infection due to lack of sanitation systems.

33%

of India is experiencing droughtlike conditions, giving them access to just enough water to only wash hands.

Sources: Institute for Health Metrics and Evaluation 2017, NITI Aayog 2018-19, Arghyam 2019, Central Ground Water Board 2017, National Green Tribunal 2016, Smart Water Magazine 2020, The Guardian 2020, Economic Times 2020*

DFs engaged in water and sanitation interventions



Examples of innovative approaches

Adar Poonawalla Clean City

Initiative focuses on supporting the Pune Municipal Corporation with street waste collection through litter picking from footpaths, clearing chronic waste dumping spots and installing litter bins at strategic locations. The long term goal is to ensure more cities adopt this approach to make urban India cleaner, greener and healthier.

ACC TRUST

facilitated the establishment of a community led waste management system in Madukkarai which starts with waste collection and ends at disposing the waste at ACC's cement factory. Madukkarai now holds a place in Guinness Book of Records for the largest recycling lesson in the world.

Bajaj's Majhi City Swachh City

Initiative is a community owned solid waste reduction, segregation and recycling model across 93 wards of Aurangabad city. Partnering with the Aurangabad Municipal Corporation and Centre for Applied Research and People's Engagement, the Bajaj model has inspired neighboring towns.



Dominant interventions by DFs

- Providing infrastructure is the most popular form of support across the value chain, particularly building toilets following Swachh Bharat Abhiyaan.
- Infrastructure to manage water sources, such as water harvesting structures, check dams, farm ponds, etc.
- Waste management efforts such as building sewage and waste treatment plants, source segregation and recycling through community involvement.



Nascent intervention areas for DFs

- DFs are turning attention to behavioural change efforts to improve adoption of built infrastructure, but only 20% have dedicated BCC programmes.
- Domestic water use receives less attention than agricultural water use as an outcome area.
- Few DFs are engaging in Faecal sludge management.

Forms of Support	Intervention Points in Sector Value Chain				
	Source	Supply and Use		Hygiene & Sanitation	Waste Management
		Agricultural	Domestic		
Infrastructure	<ul style="list-style-type: none"> • Undertaking Micro Irrigation project • Undertaking Water conservation project • Recharging Groundwater • Undertaking Water Harvesting projects • Rejuvenating water bodies 		<ul style="list-style-type: none"> • Building Water ATMs • Installing Hand pumps • Providing access to drinking water 	<ul style="list-style-type: none"> • Construction of toilets 	<ul style="list-style-type: none"> • Construction of water treatment plant • Construction of Sewage Treatment Plant (STP) • Setting up of waste management plant
Enabling Service Delivery		<ul style="list-style-type: none"> • Enhance water use efficiency • Implementation of technology to improve water efficiency in agriculture 		<ul style="list-style-type: none"> • Training and supporting entrepreneurs to help build and maintain toilets 	<ul style="list-style-type: none"> • Running waste recycling programme • Training of SHGs for waste collection • Creating sturdy human-centric systems for waste source segregation and recycling • Supporting sustainable livelihoods for rag-pickers and waste workers
Community Engagement	<ul style="list-style-type: none"> • Stimulating behaviour change through awareness generation • Empowering local community to govern water resources • Formation of water user groups and training them to manage water sources 	<ul style="list-style-type: none"> • Empower local community to govern water resources 		<ul style="list-style-type: none"> • Enabled ODF efforts • Formation of Sanitation Self-help Groups • Running behaviour change initiatives to improve sanitation 	<ul style="list-style-type: none"> • Running zero waste programmes through community empowerment • Managing waste through community ownership • Generating awareness on better waste management • Running solid waste management programme through community engagement
Knowledge & Innovation	<ul style="list-style-type: none"> • Creating solutions for India's water crisis 				
Policy & Ecosystem Engagement	<ul style="list-style-type: none"> • Running citizen-led advocacy programmes for better natural resource management 				<ul style="list-style-type: none"> • Convening national sustainability forum

● 1 to 2 DFs working ● 3 to 8 DFs working ● 9 or more DFs working



Reflections

How can DFs who drove toilet construction during Swachh Bharat come together for BCC initiatives to improve infrastructure use by communities?

How can citywide inclusive waste management models be scaled beyond urban areas?


Women's Empowerment and Digital Financial Inclusion



Over 80% women in India lack agency on health and marital decisions. Less than 2% have access to mobile bank accounts. This section aims to provide a comprehensive snapshot of the work being done by 36 of 39 DFs for improving the state of women's empowerment and digital financial inclusion in India.



Opportunities for Intervention and COVID-19 impact

77% 


of Indian women aged above 15 are not working or seeking work – a historic low in the country's female labour force participation rate.

35% 

women have access to bank accounts compared to 47% men.

5.8x 

more time spent on unpaid work by women in India than men, which contributes 3.1% to GDP.

<2% 

of women in India have mobile accounts, while 44% women own phones.

94% 

rise in complaints of domestic violence against women since the lockdown, according to National Commission for women.

3.3% 

of women are dying from COVID-19 compared to 2.9%, even though men make up the majority of infections in the country.

94% 

of India's female labour force is in the informal sector, placing women at high risk of livelihood disruption following lockdown.

19m+ 

masks, 100k+ litres of sanitiser and 50k litres of hand wash have been produced by 20k women's SHGs in 27 states and over 90% districts.

Sources: World Bank 2017-2020, India Development Review 2018, OECD 2018, National Commission for Women 2020, Journal of Global Health Science 2020, Self Employed Women's Association

DFs engaged in women's empowerment and digital financial inclusion interventions



Examples of innovative approaches

CRISIL Foundation's Mein Pragati financial inclusion programme provides online and offline workshops, refresher sessions, guided bank/ATM visits, IVR-based audio dramas and community level meets for women in villages. CRISIL 'Mitras' and 'Sakhis' provide peer support and training, multiplying outreach.

Ambuja Cement Foundation is building an apex organization of SHGs to strengthen their voice and widen the exposure for their volume of members. ACF has by now facilitated the formation of 2,400+ SHGs with 25,000+ members.

Mahindra's Nanhi Kali programme provides 360-degree support to 165,000+ girl students from low-income families through academic support centers set up in government schools, digital education, provision of school supplies and feminine hygiene material, sensitizing families, etc. across 10 states to achieve a dropout rate of less than 10% and an increase in learning levels by up to 20%.



Dominant interventions by DFs

- Economic empowerment is the strongest emphasis area, particularly skilling and entrepreneurial development initiatives.
- SHG collectivisation and training is taken up by more than a third of DFs with programmes on gender.
- Healthcare delivery by sponsoring mobile clinics and community health camps, particularly for maternal health.



Nascent intervention areas for DFs

- Gender sensitisation and rights-based initiatives are less prevalent.
- Knowledge creation and sharing requires more attention, particularly to align on desired empowerment outcomes and how to measure them.
- More programmes tend to focus on digital literacy in general than digital financial literacy.

Forms of Support	Intervention Points in Sector Value Chain			
	Health Security	Education Security	Economic Empowerment	Social Empowerment
Infrastructure	<ul style="list-style-type: none"> ● Building technology for maternal health ● Strengthening maternal health infrastructure 	<ul style="list-style-type: none"> ● Provision of School supplies ● Providing Scholarships for underprivileged ● Infrastructural support for girl school ● Setting up financial literacy centres 	<ul style="list-style-type: none"> ● Provision of skill-training for improving employability ● Setup of Skill development institutes and provision of educational support 	
Enabling Service Delivery	<ul style="list-style-type: none"> ● Improving Health through safe sanitation practices ● Provision of free Sanitary napkins ● Providing Free checkups/treatment ● Improving nutrition status of women and children ● Promoting Healthcare delivery through mobile vans, camps 	<ul style="list-style-type: none"> ● Providing Digital Literacy to women, adolescents ● Empowering rural women through Financial literacy ● Imparting Primary education to girl children 	<ul style="list-style-type: none"> ● Promoting off-farm livelihood option for women ● Supporting livelihoods by enabling market linkage ● Improving farm-based livelihood generation methods ● Providing agricultural training for women ● Providing localised employment for rural women ● Promoting skill development for women groups ● Training and supporting women for Entrepreneurship development ● Facilitating Bank linkage/loan availability ● Facilitating training and exposure programmes, building capacities for SHG groups 	<ul style="list-style-type: none"> ● Providing self defence training for girls ● Enabling participation of girls in sports
Community Engagement	<ul style="list-style-type: none"> ● Promoting Awareness on Reproductive health to adolescent girls 		<ul style="list-style-type: none"> ● Enabling formation of women farmer producer organisation ● Enabling formation of SHG groups 	<ul style="list-style-type: none"> ● Promotion of Gender sensitisation activities ● Breaking old myths and traditions through awareness generation ● Increasing participation of women in local politics ● Promoting courses/ trainings to help in Personality/leadership development
Knowledge & Innovation				
Policy & Ecosystem Engagement				

● 1 to 2 DFs working ● 3 to 8 DFs working ● 9 or more DFs working



Reflections

How can DFs come together to align on holistic women's empowerment outcomes and metrics?

How can DFs working with SHG groups come together to multiply the empowering effects of collectivisation?



Health Systems and Delivery

The current Indian healthcare system denies 70% of the population access to medical specialists, 80% of whom live in urban areas. 56% of Indians do not have health cover. This section aims to provide a comprehensive snapshot of the work being done by 29 of 40 DFs for enhancing the state of health systems and delivery



Opportunities for Intervention and COVID-19 impact

9.6%

of people in rural India can access a hospital, while 13% can access a primary healthcare centre.

70%

of healthcare expenditure comes from the private sector, while the government spends 30%.

33%

of the world's stunted children are in India. Malnutrition causes 69% of deaths among children below five.

50%

of pregnant women aged 15-49 are anaemic, and over one-third of women have low body mass index.

39%

more monthly maternal deaths are expected by The Lancet due to healthcare and food supply disruptions.

3.3%

of women are dying from COVID-19 compared to 2.9%, even though men make up the majority of infections in the country.

71%

of India's elderly, who are at higher risk of death from COVID-19 infection, live in rural areas where it is harder to access care.

33%

of Indians surveyed in a study suffered significant psychological impact due to the pandemic, particularly those with comorbidities.

Sources: National Family Health Survey 2016, Milliman 2017, World Health Organisation 2020, The Lancet 2020

DFs engaged in health systems and delivery interventions



Examples of innovative approaches

Cipla Foundation provides free palliative care services for cancer patients and their caregivers at the Cipla Palliative Care & Training Centre, Pune. They have partnered with AIIMS to train nurses to address total pain of patients and support the mission of a pain-free hospital with implementation of end-of-life policy. They are advocating with the government to include palliative care as a part of the NCD programme.

Tata Steel Foundation's Maternal and Newborn Survival Initiative (MANSI) reduced infant and child mortality rate by tracking high risk cases and facilitating Home Based Newborn Care through village level health workers in tribal areas. This programme is being scaled alongside National Health Mission (NHM) and AIF.

Dr. Reddy's Foundation is working to create a scalable training model to enhance managerial and leadership skill sets of First Level Health Team Leaders through behavior change. These team leaders play a crucial role within the primary health care system, providing soft skills training.



Dominant interventions by DFs

- Almost every DF in this sector supports diagnostic primary healthcare or runs health awareness campaigns.
- One-third of DFs with health programmes are providing infrastructure for multi-specialty hospitals, establishing or upgrading health centres.
- Improving nutrition and immunisation for women and children is a popular area.



Nascent intervention areas for DFs

- Apart from capacity building for primary healthcare workers, other health systems initiatives such as health financing and government partnerships for drug/ vaccine delivery are fewer among DFs.
- Few DFs are engaging in mental health, family planning, R&D and incubation initiatives.
- There is a need for more emphasis on holistic public health systems strengthening.

Forms of Support	Intervention Points in Sector Value Chain				
	Preventive		Curative/Treatment	Strengthening Health Systems	Rehabilitation and Others
	Awareness/Diagnostic support	Vaccination/ Nutrition			
Infrastructure	<ul style="list-style-type: none"> Facilitating low-cost Medical Tests, dental care 		<ul style="list-style-type: none"> Ensuring access to Maternal healthcare services Provision of Cancer care treatment Provision of comprehensive TB related treatment Provision & support in thalassemia related treatment Distribution of artificial limbs to the disabled Supporting the underprivileged in eye treatments/surgeries Support in various other treatment/surgeries 	<ul style="list-style-type: none"> Establishment of ICU unit for the destitute Supplying medical equipment to hospitals Establishment/ upgradation of health centres Establishment of multi specialty hospitals/ centres and providing support programmes 	<ul style="list-style-type: none"> Supporting Centres for disabled people, Establishment/support for Rehabilitation centres for leprosy patients Establishment of Blood bank Strengthening Palliative care programmes
Enabling Service Delivery	<ul style="list-style-type: none"> Diagnosis/treatment delivery of Non communicable diseases Sensitization of public/govt for Tobacco control program Providing Diagnostic dental care Enabling Technology in healthcare Enabling Thalassemia control and prevention Enabling training for Diagnosis/eradication for malaria Sensitization for prevention of HIV Providing Diagnostic Eye check ups Improving access to Maternal healthcare services Enabling diagnostic primary health care Enabling awareness generation through outreach programmes, awareness drives 	<ul style="list-style-type: none"> Enabling nutrition for underprivileged Providing Vaccines free of cost or at subsidized prices Improving nutrition status of women and children Driving/ Facilitating Immunization drives 	<ul style="list-style-type: none"> Providing/supporting healthcare treatments Enabling treatment of non-communicable diseases Enabling treatment of eye ailments through service delivery Providing/enabling primary healthcare treatments 	<ul style="list-style-type: none"> Improving health through technology interventions Building capacities of ASHA, Anganwadi and ANM workers 	<ul style="list-style-type: none"> Providing Early childhood care and development Providing training for Palliative care professionals Enabling Rehabilitation of Sickle Cell Anaemia survivors Enabling Rehabilitation of cancer patients Setting up organ donation programmes Providing Rehabilitation facilities for disabled people Conducting/facilitating Blood Donation camps
Community Engagement	<ul style="list-style-type: none"> Providing preventive measures for cancer Generating Awareness on mental health Sensitization of healthcare through community engagement activities 			<ul style="list-style-type: none"> Capacity building of First Level Health Team Leaders (FLHTL) 	<ul style="list-style-type: none"> Strengthening TB programme through community engagement
Knowledge & Innovation				<ul style="list-style-type: none"> Enabling Technological innovation for healthcare 	<ul style="list-style-type: none"> Supporting entrepreneurship in health, Conducting research on Respiratory Health to reform policy
Policy & Ecosystem Engagement					<ul style="list-style-type: none"> Supporting advocacy of Palliative care

● 1 to 2 DFs working ● 3 to 8 DFs working ● 9 or more DFs working



Reflections

How can DFs' infrastructure, community relationships and technical expertise in healthcare be mobilised to strengthen public health systems in light of COVID-19?

How can DFs with ties to primary healthcare centres in different parts of the country collectively minimise critical care disruption at the grassroots level?



Approaches to scale and collaboration

9. DFs take two broad approaches to scale the breadth and depth of their impact:

(a) Ensure successful initiatives reach more people

(b) Expand priorities and forms of support

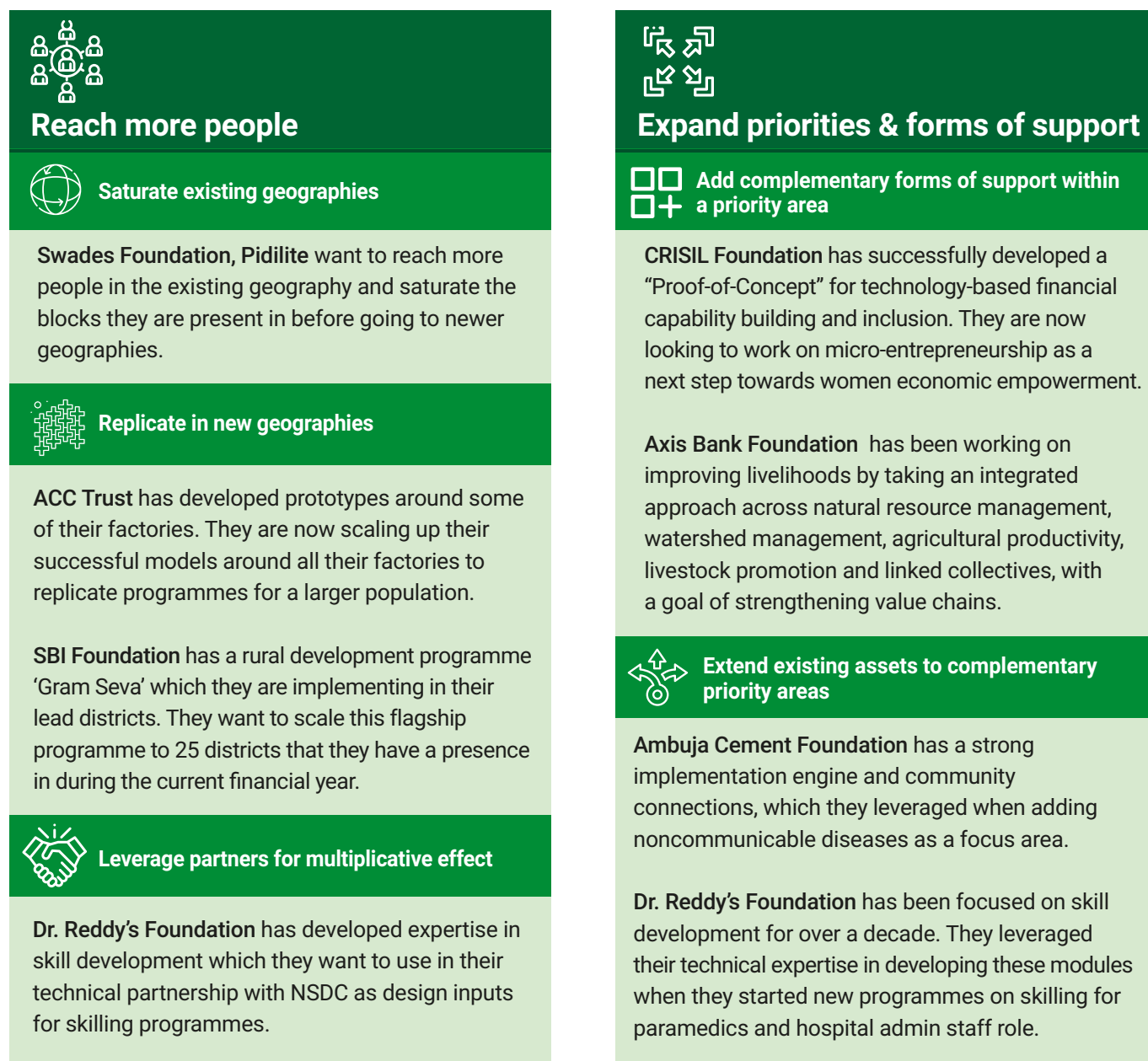


Figure 13: Study participants' approaches to scale
Source: Sattva expert interviews and analysis

Interviews for this study showed that scale does not have a single definition or approach. As one DF leader stated, “Scale is defined by how vast and deep our reach is. We look at our impact at both the household and societal level.” Foundations’ two broad approaches to

scaling their impact are to improve their reach by taking successful initiatives to more people, and to improve the robustness of their impact by expanding thematic priorities and forms of support.



Reaching more people

The first approach to achieving scale is to reach more people. DFs' ways to doing so can be grouped into three broad categories:

1. Saturating an existing geography.

Some DFs prefer to maximise coverage of their programmes within existing geographies at a block and district level before introducing programmes in a larger number of geographies. They measure scale by the proportion of households reached within a geography rather than the sum total of geographies they are present in.



“Some choose to pilot in a district and scale nationally. This is different from us – we pilot at a gram panchayat level.”

2. Replicating in new geographies.

Some DFs focus on vastness of their reach, by rapidly recreating successful programmes across states. They measure scale by the number of regions that have access to their initiatives



“We have a desire to scale our flagship programme in all states”

3. Leveraging partners for multiplicative effect.

Some DFs look to partners with larger reach to expand the scale of their initiatives. For instance, Pidilite Industries Limited has signed 30 memoranda of understanding with governments to co-create projects across skilling, agriculture, water management and other areas.⁹⁹ Many DFs see the government as a critical partner to achieve broad regional presence and deep regional saturation.



“We experiment with different models and establish proof of concept as the government does not have the luxury to do this. We can pilot different approaches and give the government proven solutions to take to scale.”



Expanding priorities and forms of support

The second approach to scaling impact is to introduce more programmatic priorities and forms of support, which can be achieved in two ways:

1. Adding complementary forms of support within a priority area.

Adding market linkages to a sustainable farming programme is an example of expanding priorities to complementary forms of support. Accenture's skilling programmes began with a focus on classroom-based centres, which evolved into e-learning, blended learning and mobile learning.¹⁰⁰



“Now that we have created tools for the sector, we are exploring ways to expand adoption through community engagement.”

2. Extending existing assets to complementary priority areas.

DFs following this approach look for ways to apply their existing assets in more sectors or contexts. For instance, a DF with a strong network of community leaders may choose to leverage this network to improve outcomes across health, livelihoods or gender.



“As a bank, we could contribute most to livelihoods, where there is a value chain. We decided to apply our expertise to improve rural household income, which automatically tackles other problems like health, education, nutrition, etc.”

10. Collaborative action by DFs is more relevant than ever to maintain the hard-won momentum despite resource constraints. DFs prioritise the following aspects while designing a partnership:

- (a) Alignment on objectives and values
- (b) Complementary assets
- (c) Credibility and performance

The intervention grids for Agricultural Livelihoods, Water and Sanitation, Women's Empowerment and Digital Financial Inclusion and Health Systems and Delivery in Section 4 of this report reveal multiple hotspots where DFs have similar and complementary programmes to each other. Such areas are ripe opportunities for collaboration across DFs. While DFs unanimously acknowledge collaboration as a critical pathway to enhance impact, they also note that the collaborative process takes time and resources and is not entered into lightly. Foundations specified the following key parameters for a successful partnership:



1. Alignment:

Most DFs mentioned alignment on objectives, values and focus areas to be a key consideration while selecting a partner. For some DFs, this simply means that they would not consider a partnership outside their chosen geographies or thematic priorities. More commonly, alignment extends beyond this to include common values, ways of working and approaches such as community-centricity, agility or specific approaches to achieving outcomes within a sector. DFs acknowledged that alignment can often be assumed, and the time taken to achieve it is underestimated. Part of the success of prominent collaboratives such as the Maharashtra Village Social Transformation Mission or 10 to19 Dasra Adolescents Collaborative, is due to independent backbone organisations who play the role of orchestrators, bringing partners to consensus, monitoring progress and sharing knowledge to achieve a set of predefined goals.¹⁰¹



“Alignment of objectives is important. Intent has to be clear upfront.”



“What we majorly look for in a partner is transparency, honesty and clear communication, because these things matter in a long-term relationship.”



2. Assets:

Another critical question for DFs assessing a partnership is the hard and soft assets that a potential partner can bring to the table. DFs look for partners who can bring assets that complement their own and fill gaps that they cannot address alone. These assets include community networks, implementation manpower, infrastructure, technical expertise, strong networks and relationships with key stakeholders such as the government, community and other DFs, knowledge sharing and innovation capabilities.



“Each partner has to bring certain specific value to our portfolio, and they should all add up to a bigger picture.”

Funder-implementor partnerships are on the rise among DFs, whereas co-funding relationships are less common. For instance, Swades Foundation receives funding from HDFC Bank Limited, HSBC, Deutsche Bank and Reckitt Benckiser to implement programmes.¹⁰² Partnerships for technical expertise, such as technology integration and product development are popular as well.



“Presence of complementary skills is important in a partnership.”

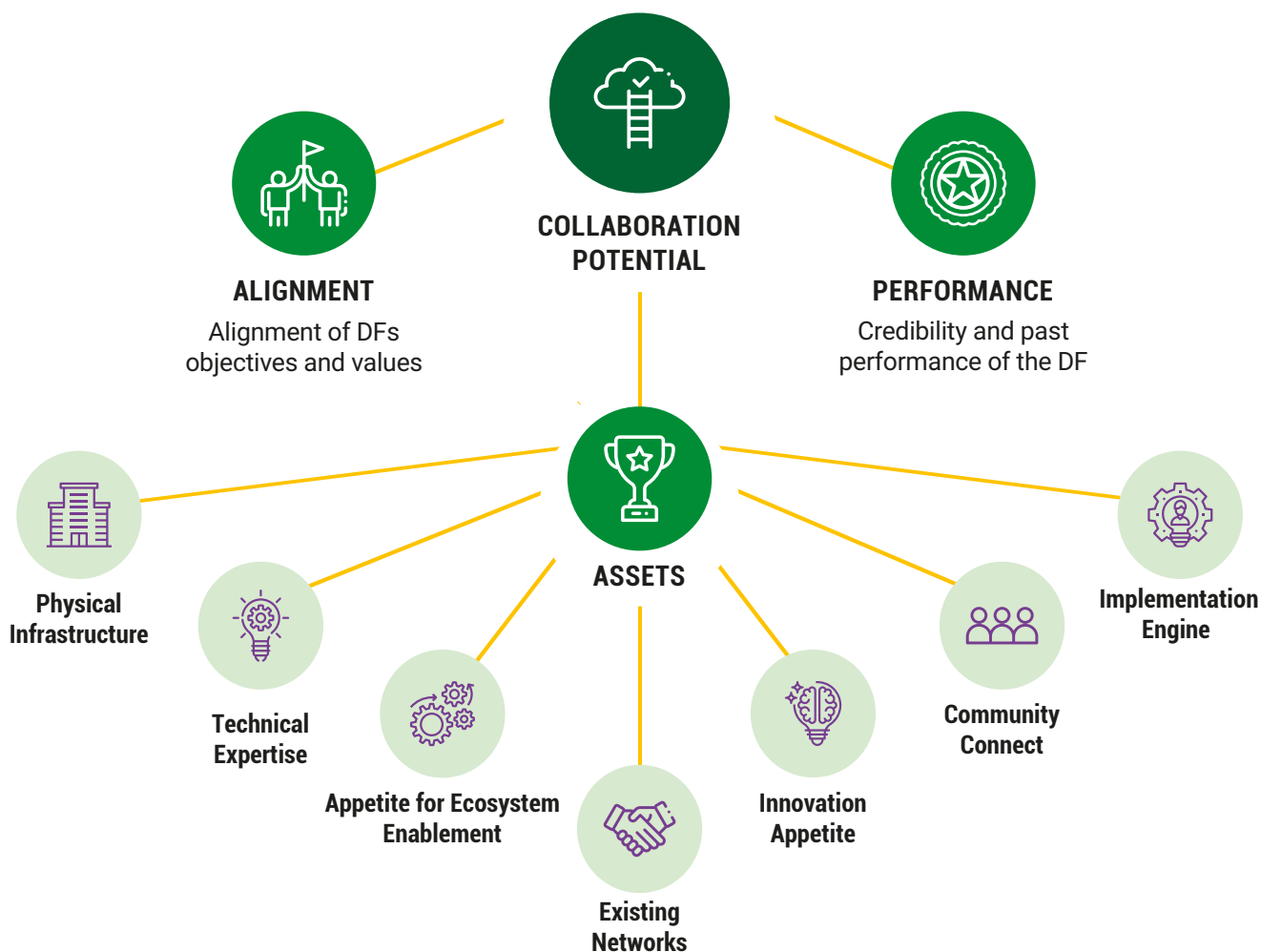


Figure 14: DFs' Assets in Partnerships
Sources: Sattva Analysis



3. Performance:

Past track record, credibility and demonstrated impact were considered basic expectations from a potential partner. They are treated as minimum screening criteria in partner due diligence and shortlisting, rather than a deciding factor in final partner selection. Apart from scanning annual reports and impact figures, DFs mentioned looking at media articles and other sources giving an indication of public perceptions.



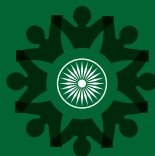
“We look for financial transparency and monitoring capabilities.”

COVID-19 has demonstrated the Indian development sector's capacity for rapid collaboration on a large scale. The Action COVID-19 Team (ACT) has seen 56 funders pool together over INR 100 crores to combat the

pandemic, releasing 50% grants in a couple of months.¹⁰³ IforIndia brought together 85 celebrities to create the world's biggest Facebook live fundraiser, raising INR 52 crores from institutional and individual philanthropy.¹⁰⁴ In less than 10 days and a budget of INR 3 lakhs, #charcha2020 saw 500 development sector leaders come together for knowledge sharing, drawing 20,000 viewers from over 50 countries. It will be important to see how learnings from these rapid collaborations can be applied in other sectors and priority areas, especially given funding shortfalls and diversions expected ahead.



“Partners should have a proven track record and pass our due diligence tests.”



Annexures

Annexure 1: Explanation of terms

DFs' vehicles of funding and implementation

Based on origin and vehicles of funding, domestic institutional funding for social good can be categorised as CSRs, corporate foundations (CFs), family

foundations (FFs) and independent foundations (IFs). The term 'domestic foundation' is used in the report to encapsulate all these sub-categories.

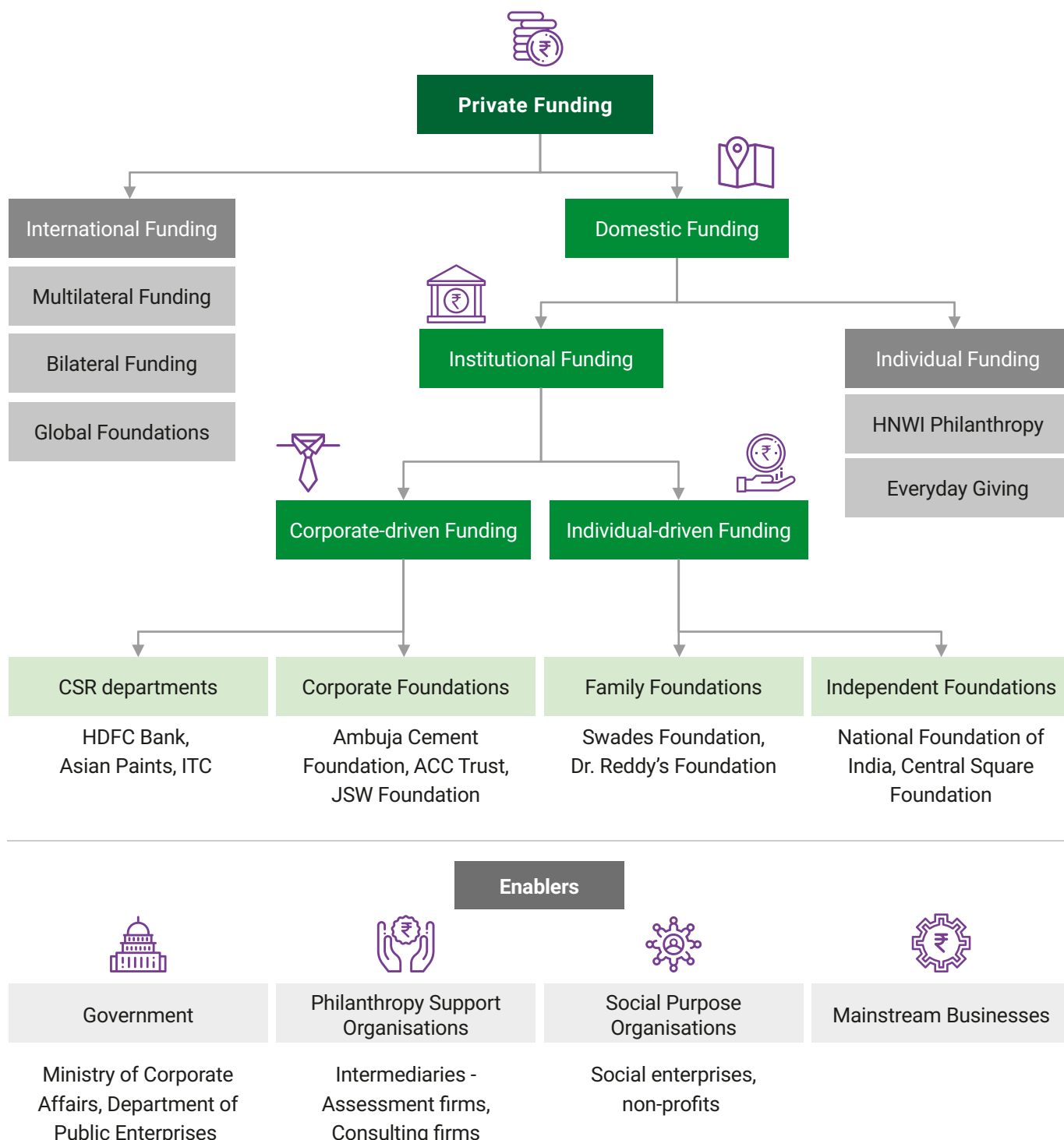


Figure 15: Domestic foundations' vehicles of funding and implementation
Source: Sattva analysis

DFs' nature of work

It is important to note that a 'foundation' is not a distinct legal entity in India, and Indian 'foundations' can be grantmaking, implementing or a hybrid variation of both. Although the term 'foundation' is usually associated with grantmaking organisations in a global context, many Indian organisations that refer to themselves as 'foundations' are not pure grant makers and in some

cases do not make grants at all.

In fact, a CF such as Ambuja Cement Foundation receives funding to implement programmes directly through the organisation's own field staff. Other DFs that do make grants work closely with their NGO partners to co-create and manage programmes on a regular basis.¹⁰⁵

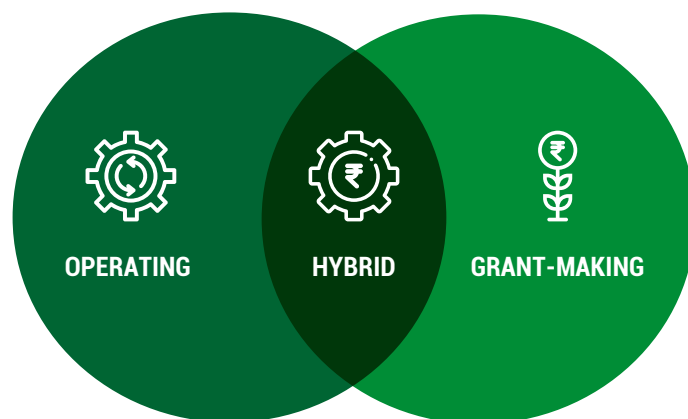


Figure 16: DFs' nature of work
Source: Sattva analysis

DFs' legal structures

DFs can operate through various legal structures. CSR departments are departments within corporations that are allocated a budget to disburse to non-profit organisations. Public limited companies, private limited companies and Central Public Sector Enterprises (CPSEs/CPSEs) can all be eligible to contribute 2% of

their net average profits from the preceding three years under the CSR law.¹⁰⁶

Unlike CSR departments, CFs, FFs and IFs are independent non-profit legal entities. They may be registered as a section 8 company, society or a public charitable trust. As independent entities, they can receive funds from multiple sources.

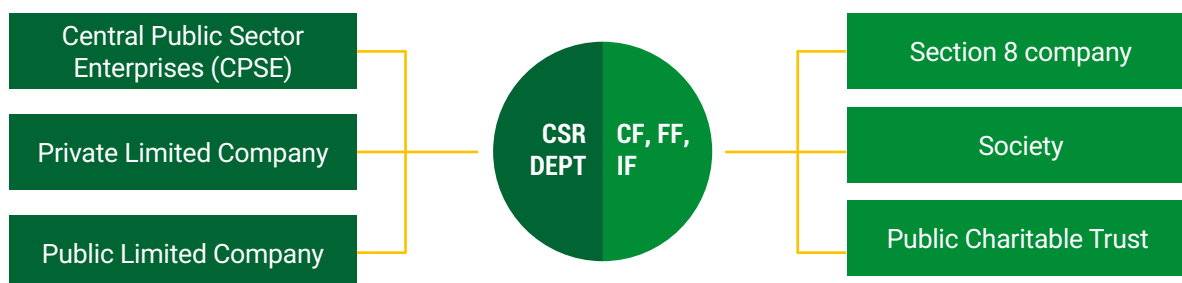


Figure 17: DFs' legal structures
Sources: Indian Companies Act, 2013; Societies Registration Act, 1860; Indian Trusts Act, 1882

Annexure 2: Study scope and Methodology

Study objectives and scope

This study examines the landscape of domestic institutional philanthropy in India, with a view to provide detailed insights on evolutions and patterns in foundations' organisational and funding strategies, programmatic interventions, approaches to scale and collaboration within four key sectors: agricultural livelihoods, water and sanitation, women's empowerment and digital financial inclusion, and health systems and sanitation. Following the impact of COVID-19, the study was updated to include insights on shifts in strategies, programmatic focus and outlook for the landscape due to the global pandemic.

Research methods

1. Four sectors of focus were chosen by considering the sectors most heavily funded by CSR (i.e., education, healthcare, livelihoods, rural development, water and sanitation), and eliminating sectors where significant knowledge sharing has already occurred (i.e. Education). Women's empowerment was included since gender is a cross-cutting lens and an area requiring greater attention.

2. 39 DF study participants were selected through a three-step process: First, a long-list of 150+ CSRs, CFs and FFs were shortlisted based on a minimum quantum of spending across the four chosen sectors in the last three years, as indicated by MCA data. Second, 60 DFs were shortlisted for outreach based on the size and scale of their impact and availability of public information regarding their strategies, programmes, impact measurement and partnerships. Finally, 39 DFs were chosen for in-depth study based on their willingness to participate in in-person interviews.

3. In-person semi-structured interviews were conducted with foundation and programme heads from the final set of 39 DFs, followed up with telephonic interviews as needed. Interviews covered organisational priorities and structures, funding distributions, strategic drivers, approaches to collaboration, approaches to programme design, implementation, impact measurement, scale and sustainability. Interview respondents validated and supplemented publicly available information regarding their work.

4. Insights on the funding landscape were drawn

through mining public data sets such as Sattva's India Data Insights analysis, MCA data on CSR spending and the Department of Public Enterprises' data on CPSE presence in aspirational districts. Insights were also drawn through a comprehensive literature review of existing studies on the domestic funding landscape.

5. Insights on DFs' responses to COVID-19, and the outlook for the DF landscape in 2020-2021 are drawn from Sattva analysis and market engagement since the pandemic, such as India Data Insights analysis of CSR funding outlook for 2020-2021, and multiple Sattva webinars conducted with leaders of foundations and implementing organisations during lockdown to enable decision-making. Public announcements by the 39 DFs were scanned to identify new initiatives launched following the crisis.

Limitations

The study is not representative of the entire landscape of domestic institutional philanthropy, since participants were selected by willingness to participate in interviews and focus in the four chosen sectors. Due to paucity of public data on family and corporate foundation spending, insights on funding are skewed towards CSR. Insights are based on DFs' self-reporting.



CRISIL Foundation | Mein Pragati - Digital Financial Inclusion

Annexure 3: List of interviews

ORGANISATION	NAME
ACC TRUST	Pratyush Kumar Panda
Accenture Solutions Private Limited	Kshitija Krishnaswamy Ravi Viswanathan
Adar Poonawalla Clean City initiative	Krishnan Komandur
Aditya Birla Group	Dr. Pragnya Ram
Ambuja Cement Foundation	Pearl Tiwari Anagha Mahajani
Apollo Tyres Ltd	Rinika Grover
Asian Paints Limited	Andrew Williams
A.T.E. Chandra Foundation	Deepti Kommera Shantanu Gharpure
Axis Bank Foundation	Jacob Ninan Dhruvi Shah
Bajaj Group	Pankaj Ballabh
Bharti Foundation	Mamta Saikia Antony Nellisery
Cipla Foundation	Anurag Mishra
CRISIL Foundation	Maya Vengurlekar Tania Pal Amita Abichandani Abhishek Neelakantan Geetai Nivangune
Dalmia Bharat Foundation	Vishal Bhardwaj Samta Kapur
Deshpande Foundation	Vivek Pawar C.M. Patil
Dr. Reddy's Foundation	Pranav Kr. Choudhary Shamik Trehan
Godrej Consumer Products Limited	Sagarika Bose
Godrej Group	Gayatri Divecha
Harish & Bina Shah Foundation	Amira Shah

Annexure 3: List of interviews

ORGANISATION	NAME
HCL Foundation	Nidhi Pundhir
HDFC Bank Limited	Nusrat Pathan Pradeep Singh
Hindustan Unilever Foundation	Reshma Anand
ICICI Foundation for Inclusive Growth	Anuj Agarwal
Indraprastha Gas Limited	Amandeep Singh
IndusInd Bank Limited	Adwait Hebbar
InterGlobe Aviation Ltd.	Raju Sharma
ITC Limited	Mukul Rastogi
JSW Foundation	Ashwini Saxena Abhishek Lakhtakia Rupa Dawane
Larsen & Toubro Limited	Mabel Abraham Deepinder Janeja
Larsen & Toubro Public Charitable Trust	Gayatri Oleti Pramod Nigudkar Supriya Kamble
Lupin Human Welfare & Research Foundation	Sita Ram Gupta
Mahindra & Mahindra Limited	Sheetal Mehta
PI Industries Limited	Vijay Kumar Singh Utkarsha Pathak
Pidilite Industries Limited	Dr. P.K. Shukla
REC Foundation	Dr. S.N. Srinivas
SBI Foundation	Mahendra Kumar Rekhi Nixon Joseph
S M Sehgal Foundation	Anjali Makhija Anjali Godyal Devika Batra
Serum Institute of India Ltd	Adar Poonawalla
Swades Foundation	Mangesh Wange Rahul Katariya

Annexure 3: List of interviews

ORGANISATION	NAME
Tata Steel Foundation	Sourav Roy
	Subrat Mahapatra
	Captain Amitabh
Tata Power Community Development Trust	Shalini Singh
	Avilash Dviwedi
Transform Rural India Foundation	Anirban Ghose
	Gajanan Rauta
Village Social Transformation Foundation	Pritha Banerjee
	Dilipsing Bayas
Villoo Poonawalla Charitable Foundation	Jaswinder Narang
Wipro Limited	P S Narayan
Wipro Foundation	Vibha Sequeira
	Praveen Beechagondahalli

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Guided by the belief that every life has equal value, the Bill & Melinda Gates Foundation works to help all people lead healthy, productive lives. In developing countries, it focuses on improving people's health and giving them the chance to lift themselves out of hunger and extreme poverty.

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Sattva is a social impact strategy consulting and implementation firm. Sattva works closely at the intersection of business and impact, with multiple stakeholders including non-profits, social enterprises, corporations and the social investing ecosystem. Sattva works on the ground in India, Africa and South Asia and engages with leading organisations across the globe through services in strategic advisory, realising operational outcomes, CSR, knowledge, assessments, and co-creation of sustainable models. Sattva works to realise inclusive development goals across themes in emerging markets including education, skill development and livelihoods, healthcare and sanitation, digital and financial inclusion, energy access and environment, among others. Sattva has offices in Bangalore, Mumbai and Delhi.



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