



Creating Collaborative Opportunities for Rural Communities



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Summary Report

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Table of Contents

1. Overview	3
2. Objective of the forum.....	3
3. Key highlights of the forum.....	4
4. Summary of the sessions	4
4.1. The need to invest in clean energy and rural development	5
4.2. Can CSR transform un-electrified/ under electrified villages?.....	5
4.3. Interactive session	7
5. Closing remarks and way forward	8
6. Key actions emerging from participants	10
7. Acknowledgements.....	10
8. Annexure.....	11
8.1. Agenda.....	11
8.2. List of attendees.....	12
8.3. Summary of programs presented	13
8.4. About the organizers.....	15

1. Overview

Four billion low-income consumers, most the world's population, constitute the bottom of the pyramid (BOP). One fourth of them - nearly 924 million of these live-in India¹. Business interest in BOP markets is rising. Companies have proved to be innovative in meeting the needs of BOP consumers and producers, especially in economic and community development through investment in off-grid energy, energy efficient devices, agriculture, consumer goods, and financial services.

However, a large part of India is still deprived of electricity, an estimated 83 million rural households in India have little or no access to electricity with 15,161 villages completely disconnected to the grid. The most electricity deficient states in India (namely Bihar, Uttar Pradesh, Odisha and Jharkhand) house more than 378 million people and require immediate power for economic development². Electricity helps communities with the opportunity to improve their social and economic well-being, for example, education, improved healthcare access, access to information, livelihoods and entrepreneurship etc. Thus, holistic development of a community would be the end-goal of most energy projects.

The **Rockefeller Foundation** aims to electrify 1,000 villages in the next three years through its Smart Power for Rural Development initiative under its Indian Entity Smart Power India (SPI). The impact of this initiative can be magnified if the **economic development** of these villages can be advanced through investing in **community-based programs**.

Many companies with an interest in community undertake a **community approach** that involves a comprehensive set of interventions to benefit the community.

The aim of the forum was to explore possible ways of facilitating collaboration between companies and organizations in the development sector for the holistic development of the rural communities. In addition to scaling existing programs developed by Rockefeller partners, Samhita's intent was to initiate discussion and create opportunities for new product development and innovation.

2. Objective of the forum

The event brought together companies, foundations, sector experts and practitioners to achieve the following:

- Reflect on the clean energy sector, share insights from their interventions and develop actionable ideas for effective CSR interventions in clean energy
- Present the programs developed by Rockefeller Foundation and the associated Energy Service Company that highlight tried and tested interventions which are impactful and scalable across the country
- Provide the option of program management to companies and technical assistance to implementers
- Further understand the needs of the key stakeholders

¹ The next four billion – Market size and business strategy at the base of the pyramid, a report by IFC – World Bank Group

² Inclusive Green Growth: The Pathway to Sustainable Development, The World Bank

3. Key highlights of the forum

- The Rockefeller Foundation and Samhita Social Ventures organized the forum to bring together key stakeholders to **facilitate collaborative partnerships** to implement programs that electrify villages and enable micro enterprises in rural communities
- The Foundation aims to electrify 1,000 villages by 2018. They have set up **95 minigrids**, helped expand **450 - 460 micro enterprises** and set up **54 new micro enterprises** across Uttar Pradesh, Jharkhand, Orissa and Bihar with the help of their implementation partners - OMC, TARA Urja, Mlinda, Husk Power, D.E.S.I Power, Free Spanz, and Vayam Renewable
- Companies have expressed interest in **exploring innovative models** to make their program **sustainable and scalable**, Samhita will schedule meetings to understand specific requirements
- Companies have expressed interest in not only investing in programs as their CSR initiatives but also in **exploring business opportunities**, Samhita will schedule meetings to understand specific requirements
- There is a significant demand of electricity and other services in villages, however, understanding the **profile of demand in a village is essential** before setting up minigrids and micro enterprises
- With the right investments, a completely unelectrified village can be **lit up within months**
- Lighting up villages not only increases the standard of living but has the power to **catalyse socio – economic development** of individuals in a community
- Companies can **collaborate to provide a holistic solution**; they can either choose to disburse the funds through Samhita or Collective Good Foundation (Samhita's NGO arm) or give the funds directly to an NGO to implement a program. Samhita's role would be to design interventions if needed, choose a location and work with NGOs to manage the project

4. Summary of the sessions

The forum hosted on the 20th of January, 2017 saw participation from 13 companies and foundations and 6 NGOs or Energy Service Companies (ESCOs). Most of the corporate participants were based in Mumbai, whereas the NGO and ESCo participants had flown in from across the country. Please find the list of attendees in the annexure.

Priya Naik, Founder & CEO of Samhita, opened the discussion by welcoming all participants and provided an overview of the challenges and opportunities in the clean energy space. She highlighted that the aim of the forum was to understand what companies are doing in the space and support them in collaborating to address the challenges in the ecosystem. She encouraged companies to not only partner with implementation agencies for CSR but to also identify how their businesses can be aligned to the cause.

4.1. The need to invest in clean energy and rural development

Deepali Khanna, Director, Smart Power for Rural Development opened her discussion by introducing and acknowledging the implementation partners of Rockefeller Foundation.



Deepali Khanna addressing companies, NGOs and Energy Service Companies

She provided an overview of the work implemented by the Rockefeller Foundation across Uttar Pradesh, Bihar, Jharkhand and Orissa. They have currently set up 95 minigrids, helped expand 450 - 460 micro enterprises expand and set up 54 new micro enterprises. Deepali focused on highlighting challenges and successful case studies seen on ground, the influenced changes in minigrid policies, steps taken to create demand for clean energy in the community, and finally, the impact of the programs on the community. Apart from providing energy access to communities, the Foundation aims to uplift the socio – economic conditions of individuals through sustainable and scalable interventions.

4.2. Can CSR transform un-electrified/ under electrified villages?

The journey so far

Anil Misquith, Executive Director of Samhita, urged the audience to step back from traditional Corporate Social Responsibility (CSR) and discussed the possibilities of leveraging Schedule VII of the Companies Act to make strategic and innovative investments that are aligned with the company’s businesses in the long run. The opportunity of collaboration between non-competing companies to pool their funds and drive large-scale, sustainable, and innovative interventions was another key highlight. Anil emphasised how innovative products are transforming lives and the corporate shift of product distribution to rural areas due to an all-time low in sales. Anil explained that the clean energy ecosystem currently needs sustainable investments in community, enterprises, and infrastructure.

“An extremely engaging and thought provoking forum. It provides a platform to identify partners with whom we could collaborate. Look forward for more such events in the future and hope to see the discussion shift from CSR to business”
– Amit Singh, Head, P&M – Operations, Mahindra Susten

Soumya Kavi, Manager at Samhita and Anil presented six program models in detail, highlighting the investment needed for each program and the outcomes that were seen on ground. After explaining each model, the implementation partners of each program were invited to provide their insights on program sustainability and challenges faced on ground. Please find more details about the programs in the annexure.

The first and second program enables infrastructure and electricity access in a village community and households, and is implemented by OMC. The rising energy costs of diesel in villages led OMC to tap the opportunity of clean energy. **Sushill K Jiwaraajka**, the chairman of OMC spoke about the various challenges in villages of UP and Bihar such as zero access to power and the underground diesel mafia that hinders the consumption of clean energy in villages. He mentioned how with the help of mini grids a rural community can be lit up in a matter of months. Apart from energy access the program enables socio economic activity of individuals in the community. OMC intends to put up 5000 sites covering 150,000 villages in the next 4 years.

“She lost her first baby because she fed him rat poison by mistake”

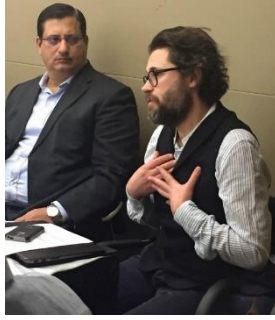
- Sushill K Jiwaraajka, the chairman of OMC talks about the challenges in rural UP and Bihar because of the lack of access to any power



Sushil talks about OMC's initiatives

The third program involves the creation and expansion of micro enterprises that increases livelihoods, is implemented by TARA Urja. **Shrashtant Patara**, Chief Executive Officer of TARA Urja talked about the value of information that has been of significant impact to micro entrepreneurs such as how to grow a business and the business opportunity available in the area. TARA Urja has helped 450 micro enterprises and has set up 54 micro enterprises till date by providing them with technology support. Additionally, they are the only organization in India who has partnered with the International Labour Organization to conduct workshops that help entrepreneurs. The workshops include sessions on how to generate, start and improve businesses at the micro enterprise level. Shrashtant also mentions that understanding the profile of demand in a village is essential before the micro enterprise is set up

The fourth, fifth and sixth programs enable women huller groups, enable cold storages and promote energy efficient devices respectively, are all implemented by Mlinda. **Vijay Bhaskar**, Country Director of Mlinda talks about how they work with communities to suggest ways of development as well as the process of setting up cold storages and huller groups in a village. He mentioned how the organization aims to increase the GDP by five or six times in a community. **Richard Azarnia**, Managing Director of Mlinda encouraged the audience to enable rural communities to make intelligent choices which will lead to long term development. Please find more details about the programs and the impact in the annexure.



Richard Azarnia, Managing Director of Mlinda addressing the audience on intelligent choices and long term development



Vijay Bhaskar talking about working with communities

“It was a good opportunity to understand the various NGOs and corporates work”

– Abhinav Sen, Programme Manager, RBS Foundation India

4.3. Interactive session

The overview of detailed programs was followed by an interactive discussion between companies, each corporate went over their current CSR interventions in community development, their interest and inclination in the collaborative models, and product development & innovation.



Vikash Kumar talks about HDFC's CSR initiatives

For example, **Vikash Kumar** being born and brought up in Bihar and Jharkhand related to the topics that were presented. He spoke about HDFC's initiatives in 621 villages in India that focus on economic development, livelihood generation, water and sanitation. He also mentioned that there could potentially be a fit for the programs in their current portfolio as they are directly aligned to HDFC's focus area of economic development.

Shipra Sharma, from Welspun Energy spoke about how she has witnessed electricity catalyse development in a village through their CSR efforts in rural areas. Additionally, she was interested in exploring innovative models to make their program sustainable and showed keen interest to explore business opportunities.

Amit Garg, from Godrej highlighted how the forum covered both the thematic CSR areas of the company. He mentioned that they would be interested in a mechanism where the Rockefeller Foundation would fund the power plant and Godrej would enable micro entrepreneurs like tailors, craft stores, or kirana stores to work for longer and increase their income.

“Fantastic session – Fruitful discussions” – Aria Ohri, Manager, Eureka Forbes

5. Closing remarks and way forward

Anil closed the session by highlighting the different ways companies can collaborate to take things forward. He pointed out how Samhita or Collective Good Foundation (Samhita's NGO arm) would play the role of a nodal agency to aggregate the funds from different companies for a certain program. In this case, Samhita's role would be to design interventions if needed, choose a location and work with NGOs to manage the project. A company can either choose to do this or disburse funds directly to an NGO to implement a program. Companies had a couple of points as feedback to this model; **Ashwini Saxena** from Essar Foundation mentioned that while this was an interesting model; however, it is challenging for a company like Essar to invest in a corpus fund because of pressures put on them by the public sector and the uncertainty to where the funds are attributed once pooled in. **Priya Naik** clarified that the intent of the fund is to create an enabling structure to drive corporate funds to select programs.

Amit Garg, pointed out a successful example of collaboration between Godrej and Castrol; wherein both companies pooled in a certain amount of investment to towards skill development by providing to an NGO who implemented the program. Followed by this, he questions the management fee that will be taken by Samhita; Priya addressed this by clarifying that Samhita's intent is to cap the fees at five percent, however, it depends on the complexity of the program. There could be a standard fee for project management and depending on the level of customization and the capacity of the on ground partner the charges may increase.

Vikash Kumar from HDFC, posed an interesting question, *"if we decide to collaborate to work on the model with X company, who will take the ownership of the work at the end of the day?"* Priya addressed this by explaining that the ownership of the impact depends on the number of beneficiaries and activities the company has funded. Another way to solve this would be to agree on joint ownership with the partner at the time of signing the contract.

Companies can collaborate to provide a holistic solution to the community or directly invest in the NGO or Energy Service Company. Before breaking for lunch, Anil pointed out that all the six programs are ready to be implemented immediately.



Mahindra Susten and TARA Urja have one on one discussions

After lunch, companies, NGOs, and ESCOs had one on one interactions which gave them the opportunity to discuss program models further. The feedback was taken, both from the companies, NGOs and Energy Service Company's. Many appreciated the initiative, recognising its need in the overall ecosystem, and mentioned how the forum was different from others as it intended to facilitate partnerships going forward. There was significant learning for both the stakeholders, who had come in with set expectations to the forum but talking to each other opened them up to exploring different collaborative models

“This format provides a platform for partnerships, it has been more effective than a conference style set up” – – Shipra Sharma, Head Social engagement and enablement, Welspun Energy

The forum was successful in creating some new relationships for everyone and over the course of the next three months, Samhita shall assist these companies, NGOs and ESCOs in taking the conversations that initiated at the forum to the next level, hoping to successfully translate a few of them into fruitful partnerships.



Anil Misquith interacting with the audience



Rockefeller Foundation, Essar Foundation, Samhita, Mlinda, OMC, TARA Urja and Ecozen team members at the end of the forum

6. Key actions emerging from participants

"We are working on agriculture a lot, bringing in topics like cold storage was great, this is something our implementation team needs to talk about." - Aria Ohri,
Manager, Eureka Forbes



"This is interesting, we have never gotten into this. We usually pitch for projects where our employees can volunteer and make something of it when we reach the threshold, I'd like to take this back to my team today and discuss what's possible." - Dionne Gonsalves, Sr Executive, Thomson Reuters



"We usually do a lot of work on education and IT; clean energy has been an unfamiliar territory but thanks to this forum this is something we will be discussing at work very soon."

- Dr Aniruddha Agnihotri, India Head for Environmental Sustainability, Health and Safety, TCS

"An extremely engaging and thought provoking forum. It provides a platform to identify partners with whom we could collaborate. Look forward for more such events in the future and hope to see the discussion shift from CSR to business" – Amit Singh, Head, P&M – Operations, Mahindra Sustain

7. Acknowledgements

Special thanks to Mr. Deepak Arora and team at the Essar Foundation for graciously hosting the forum.

8. Annexure

8.1. Agenda

<i>Time</i>	<i>Session</i>	<i>Description</i>
9:30 am – 10:00 am	Registration	
10:00 am – 10:10 am	Opening Remarks & Welcome	
10:10 am – 10:30 am	The need to invest in clean energy and rural development	<ul style="list-style-type: none"> • Impact of Smart Power for Rural Development (SPRD) on community development, education, operations of public facilities, safety & security, and gender issues • Rockefeller Foundation’s commitment in India • Right time to invest – the clean energy way <p style="text-align: right;"><i>By The Rockefeller Foundation</i></p>
10:30 am – 11:15 am	<p>Can CSR transform un-electrified/ under electrified villages?</p> <p>The Journey so far</p>	<ul style="list-style-type: none"> • Innovative program models that can transform rural India <ul style="list-style-type: none"> ○ Alignment of business and sustainability objectives for companies ○ Benefits for rural India – community and economic development • Collaboration for greater impact <ul style="list-style-type: none"> ○ Collaboration for economic development ○ Collaboration for community development ○ Collaboration with the clean energy as a catalyzer to create exponential impact • Overview of Clean Energy CSR fund • Experiences and success stories of Rockefeller Foundation’s implementation partners <p style="text-align: right;"><i>By Samhita and Rockefeller partners</i></p>
11:15 am – 11:30 am	Transforming villages	<ul style="list-style-type: none"> • A preview of program initiatives by a leading MNC
11:30 am – 12:30 pm	Interactive session	<p>Discussion to encourage companies to speak about:</p> <ul style="list-style-type: none"> • Current initiatives in community development • Interest and inclination in the collaborative models • Interest and inclination in the Product development & innovation
<p>Lunch</p> <p>12:30 pm – 2:00 pm</p>		
2:00 pm onwards	One-on-one interactions	<p>Opportunities for companies to outline specific project requirements with Rockefeller, Samhita and implementation partners to discuss opportunities for collaboration</p>

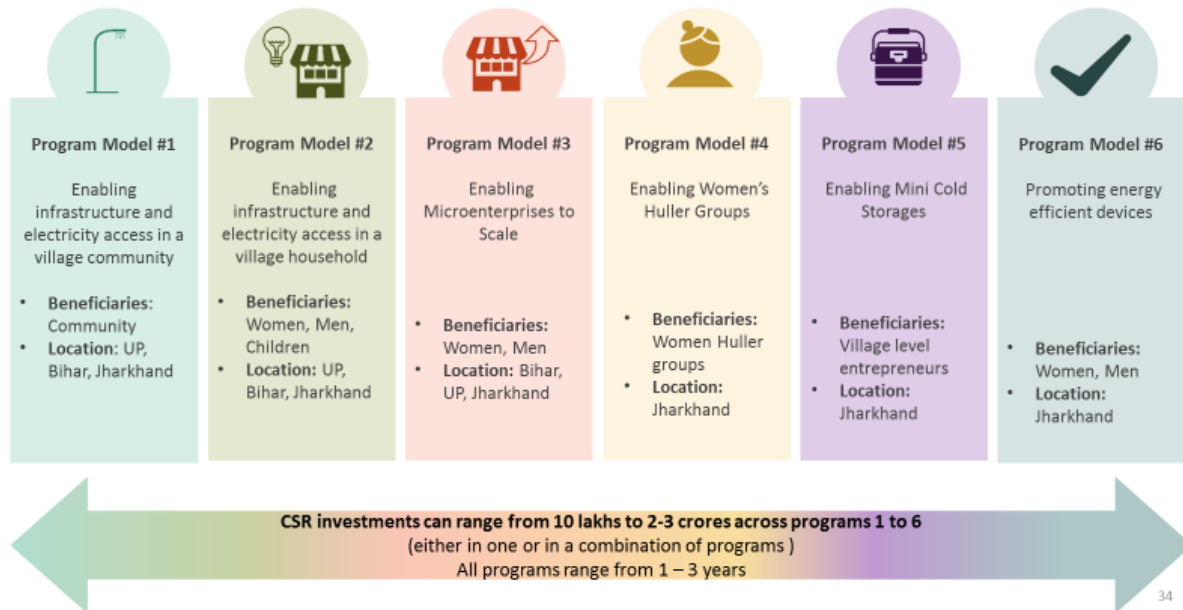
The forum was held at the Banquet Hall of Equinox Business Park, Kurla West, Mumbai.

8.2. List of attendees

Companies and foundations who attended		
Sr no	Company Name	Representative and Designation
1	Welspun Energy	Shipra Sharma – Head, Social Engagement and Enablement
2	Yes Bank	Rakesh Shejwal – AVP, Climate Finance, Responsible Investments
3	Godrej	Amit Garg – Manager, Sustainability and Social Responsibility
4	Mahindra Susten	Amit Singh – Head, P&M – Operations Allison Kammert – Deputy Manager Surmai Kaushik – CSR Executive
5	TCS	Aniruddha Agnihotri – India Head for Environmental Sustainability, Health and Safety
6	Powerica	Saroj Sahoo – Manager, CDM Aniket Deshpande – Project Executive
7	Royal Bank of Scotland	Abhinav Sen – Programme Manager, RBS Foundation India
8	Thomson Reuters	Dionne Gonsalves – Sr Executive, Human Resources
9	Essar Foundation	Ashwini Saxena - Director of Programmes Dheeraj Kapoor – Senior Manager
10	HDFC	Vikash Kumar – Deputy Manager Shahin Indulkar – Deputy Manager
11	Castrol	Shrikant Kulkarni – CSR Manager
12	Eureka Forbes	Aria Ohri – Manager
13	Omkar Foundation	Venkat Rolla – Group Head, CSR
NGOs and Energy Service Company (ESCO) who attended		
Sr no	NGO/ESCO name	Representative
1	Dhriiti	Nidhi Arora - Co-Founder and Executive Director
2	Ecozen	Aalok Awalikar - Head, Markets and Partnerships Prateek Singhal – Chief Operating Officer
4	Tara Urja	Shrashtant Patara – Chief Executive Officer Kanika Verma – Associate Programme Director
5	Mlinda	Vijay Bhaskar – Country Director Richard Azarnia – Managing Director
6	OMC	Sushill K Jiwarajka – Chairman

8.3. Summary of programs presented

Below is an overview of the programs:



Program 1: Enabling infrastructure and electricity access in a village community

Implemented in: Uttar Pradesh, Jharkhand, Bihar

Beneficiaries: Community

The program requires funds to expand its reach to critical social infrastructure viz. street lights in a village. The street lights can be installed in areas which currently receive no power like the central market of a village, the lanes around clusters of households, lanes around temples etc.

Program 2: Enabling infrastructure and electricity access in a village household

Implemented in: Uttar Pradesh, Jharkhand, Bihar

Beneficiaries: Women, Men, Children

The program requires funds to expand its reach to critical social infrastructure viz. households in a village. The objective of this is to provide infrastructure support for energy access to households in a village which are un-electrified altogether or have unreliable access to the central grid with solar off-grid energy

Program 3: Enabling Micro-Enterprises to scale

Implemented in: Uttar Pradesh, Jharkhand, Bihar

Beneficiaries: Women, Men, Children

The program involves developing local entrepreneurs within a community and create livelihood opportunities through providing access to technology, training local entrepreneurs or creating a revolving fund for enterprise development.

A company can choose to invest in developing micro enterprises in the communities where SPRD initiatives are present by leveraging access to reliable energy source. Mahindra Susten can invest their CSR funds in micro enterprise development to improve the situation or drive the inception of small scale business across local entrepreneurs in the village. This acts as a driver in the economic development of the village through innovative business opportunities.

Program 4: Enabling Women's Huller Groups

Implemented in: Jharkhand

Beneficiaries: Women Huller groups

This program includes engaging with women huller groups to incubate rice hulling business model locally. One such group is being incubated in each intervention village. The women group members (consisting of 5 members in each group) make a margin of Rs. 2 per kg of rice when they themselves hull the paddy locally and sell the rice in nearest market hub rather than through middle men as is the present practice. After paying for the electricity, their own labour and the machine capex, they make a profit of Rs.2 per kg of rice. They also make a profit of Rs. 0.25 per kg from the husk which is sold as cattle feed. Each member earns an average income of Rs. 3000-3500 per month. Hence, we are working intensively with tribal women groups to pilot and scale this model.

Program 5: Mini cold storage

Implemented in: Jharkhand

Beneficiaries: Village level entrepreneurs

The program includes engaging with village entrepreneurs to help them setup a mini cold storage for farm/non – farm products.

Program 6 Promoting energy efficient devices

Implemented in: Jharkhand

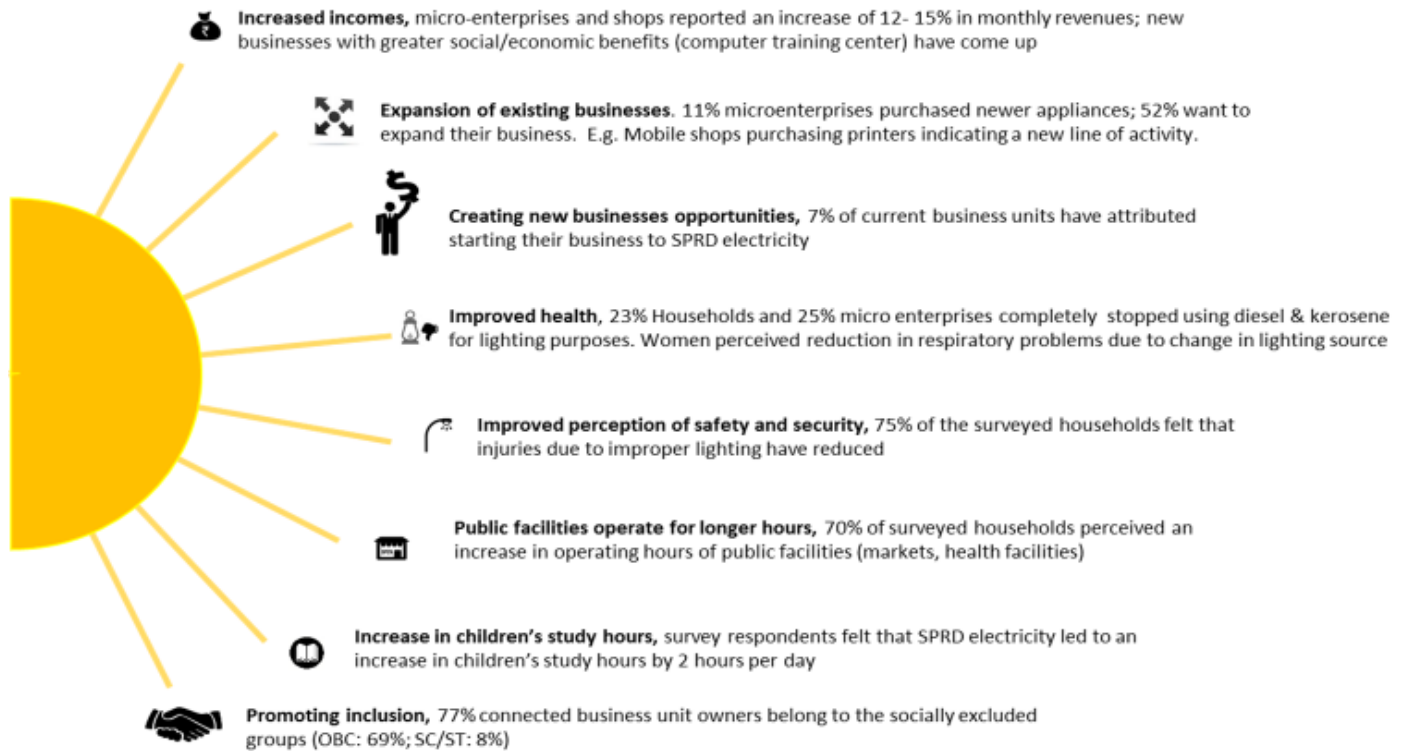
Beneficiaries: Women, Men

The program includes engaging closely with the locals to promote the usage of energy efficient devices for community transformation and enable them to use low-wattage appliances

CSR support can be leveraged at three levels under this vertical:

- Community education and awareness raising on usage of energy efficient farm devices like electric pumps and electric rice hullers, including live demonstrations
- Revolving fund to finance energy efficient farm devices to catalyse uptake
- Subsidizing transmission and distribution works towards connecting these productive farm loads, which are typically 3 phase loads and located in outskirts of the villages

Social and Economic Impact of SPRD Mini Grid Plants



12

8.4. About the organizers

The Rockefeller Foundation



For more than a century, The Rockefeller Foundation has been dedicated to a single mission: promoting the well-being of humanity throughout the world.

Today, the Foundation pursues that mission with our dual goals of building greater resilience and advancing more inclusive economies. Through their portfolio of initiatives, we strive to catalyze and scale transformative innovations, convene sector-spanning partnerships, and create systemic change to benefit poor and vulnerable people around the world.

The Rockefeller Foundation have been working address energy gaps in India through mini-grids for households and businesses using solar energy. By securing telecom and other intensive sectors with significant energy needs as anchor tenants and contractually guaranteed customers, the Foundation is working to make it sustainable for smaller-scale energy-services companies (ESCOs) to bring electricity to rural India.

Samhita Social Ventures



Samhita is a social enterprise that collaborates with companies to develop impactful corporate social responsibility (CSR) initiatives. Samhita's focus areas include CSR strategy, programme design and sector research. It also works with foundations and donor agencies to facilitate multi-stakeholder platforms around critical social issues. Since its establishment, Samhita has been involved in a wide range of social sector initiatives in healthcare and sanitation, education, community empowerment, vocational training, rural livelihoods and financial literacy amongst other.