CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY

Vice-Chancellor's
Message

*I*t is indeed heartening and apt that the students of the MBA Programme at the TERI University are posing difficult questions on the issue of Corporate Social Responsibility. Expectedly, when any intervention is imposed by policy or regulatory dictate, the push back from actors is strong and, implementation, as a result, half-hearted. Combine with this the mistrust that Corporates have in the ability of non-corporate partners to deliver high-effectiveness/efficiency and the same transparency as is demanded of them and you have a recipe for disaster!

It is therefore of critical importance that barriers to a desired outcome of the CSR rules specified under the Companies Act 2013 be identified early and continuously and that the gaps, be they in the form of supporting actors, monitoring mechanisms or accountability, addressed quickly.

Having said that, the Corporates in India will not be setting a very good example of their managerial effectiveness or business organisation if they assume onto themselves the responsibility to deliver directly on their CSR obligations by engaging in non-core operational areas!

The CSR rules and the obligations therein, must be seen to be part of a medium to long-term process of engaging with society on broader issues of concern to them and an opportunity to develop and showcase business models that would drive development and improvements in the quality of life for all Indians, particularly the poor! As part of this process, we must indeed learn from both the successes and the failures of others through sharing of experiences openly and analytically, which the students have attempted to do in this issue. I would like to congratulate them on their effort.

Leena Srivastava

From the Editor's Desk

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*T*his edition of Connect is about 'CSR and Sustainability'. It is positioned in a scenario of significant developments in India wherein the new Companies Act 2013, provides for a separate mention of mandatory CSR initiatives for select Indian Corporates.

The issue begins with an interview with Mr Pranshu Singhal, Head, Sustainability, Nokia India Sales. He details out the challenges Nokia took on itself for its commitment to Environmental and Social Sustainability, keeping the Business Sustainability intact. The interview is followed by a discussion on CSR, from a historical as well as a future perspective. It also mentions a few industries that have done remarkable job in fulfilling CSR as a choice by setting examples.

The triple bottom line approach is a burning topic, both in the academia and the corporate world. Tremendous research is underway to understand the latent motivation of companies towards its responsibility to stakehold-ers. In their book titled 'Leveraging Corporate Responsibility', authors Prof C B Bhattacharya, Prof Sankar Sen and Dr Daniel Korschun share their experiences. In addition, a review of 'Conscious Capitalism', co-authored by Prof Raj Sisodia and Mr John Mackey, is a part of this edition.

In the next section, alumni of MBA+ Programmes at TERI University share their views and experiences about CSR and Sustainability followed by coverage of select campus events which elucidate life at TERI University. The last section is a new addition in the form of a challenging brainteaser.

We hope that this issue interests you and is able to provide you new insights on the role of businesses as harbingers of Social and Environmental Sustainability while keeping the aspect of Business Sustainability intact.

Your suggestions and feedback are of utmost importance. Please feel free to connect with us at connect@teriunivesity.ac.in and help us improve this newsletter.

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Inside the Issue

Our Impact is Much Larger than Our Products: Pranshu Singhal

*In this section, renowned personalities share their perspectives on integrating sustainability in one's business practices. This edition features **Pranshu Singhal, Head, Sustainability, Nokia India Sales Private Limited, a subsidiary of Microsoft Mobile Oy**, who is a strong advocate of sustainable consumption shares with us his experience in inspiring people to follow green lifestyles. He is credited with the designing and execution of many collaborative programs like the Nokia's out-of-the-box 'Create to Inspire Fellowship'.*

Connect team: How does Nokia incorporate sustainability in their operations?

Pranshu Singhal: First I will start with environmental sustainability and then will talk about social sustainability.

Almost all our work in environmental sustainability has traditionally focused on life cycle thinking. Life cycle thinking involves the complete usage of the product produced, leaving no trace of its production on the earth. The programmes, either global or local, always fit into life cycle thinking.

Nokia is an assembly or device manufacturing organisation, not involved in component manufacturing. It primarily designs a product and then assembles the unit.

Life cycle analysis of a mobile phone shows that nearly 30-40 percent of the environmental impacts are caused from component manufacture. Thus managing this impact from component manufacturing including its raw material acquisition can minimize significant bearing on the environment. The use phase creates the remainder of the impacts. Designing a product to reduce energy usage during charge and discharge periods is the key to lower impacts significantly.

Component Manufacture is primarily done by 900 suppliers based all across the world. Raw materials cause the prime impacts and Nokia has global, mandatory supplier guidelines for both the primary and lower tier suppliers. It includes issues such as how you manage energy, procurement of materials for different products, and specific points related to elimination of certain hazardous chemicals. For instance, particular components were manufactured with brominated, chlorinated flame retardants and other heavy metals initially. Nokia's 'Substance List', available

> **Designing the product to reduce energy usage during charge and discharge periods is the key to lower impacts significantly"**

on the website, informs suppliers about its plan to exclude certain substances from a product, to reduce toxicity and thereby social or environmental harm. 'Social harm' refers to materials obtained from conflict regions such as tantalite, taken from Congo.

Nokia was the first company to become free of PVC in 2006. It did away with antimony trioxide, brominated and chlorinated flame-retardants in 2010, when there was no regulation worldwide. Furthermore, with the help of the supplier guidelines, water, energy usage per hour, supply chain targets were set up forming the preliminary step of our life cycle thinking.

Connect team: Although it is known that the suppliers are audited, please tell us if both internal and external audits are carried out?

Pranshu Singhal: All suppliers are required to be certified by external auditors. Nokia's suppliers are all ISO: 14001 or OHSAS: 18001 certified. It further conducts random internal audits. A person from the Nokia supplier team conducts a regular thorough audit, checking their compliance with social and environmental guidelines provided to them. This indicates the first part of the life cycle approach.

Strategies such as ecosystem set-ups in the manufacturing stage are used to minimize wastage. For example, the Chennai manufacturing plant is coupled with nine other supplier units, which reduce logistics impacts of moving components into the final assembly unit. Energy and water indexed targets are set alongside to minimize consumption.

Also, most of the manufacturing units (Chennai, Gurgaon) are LEED certified increasing design efficiency. Once impacts on manufacturing phase are looked into, Nokia deals with 'Design for Packaging'.

The company's impacts on packaging have reduced manifold over several years. Nokia piloted programmes where consumers could pick up purely what they need, no ancillaries attached, thus reducing packaging substantially. Unfurling of the box, revealing the new phone was an experience and changing this ideology to one with minimal packaging was a struggle. The packaging material is now sourced from Forest Stewardship Certified (FSC) forests supplied and maintained by ITC. Additionally, 100 percent of the packaging material is recyclable. Information about the source and recycling techniques are disclosed to the consumer.

The phone then moves into the consumer space. Here the company has developed 'Design for Energy' programmes. The greatest amount of energy loss happens while charging. The transformer is constantly converting energy to low voltage, in the plug-in socket. Although in India we still have the On/Off switch with the plug; there is no such facility internationally. Research shows that charger's plugged in constantly, waste about 40 percent of energy. Nearly three years back Nokia initiated a charger-rating scheme along with the European Commission that aimed to reduce the 'No load energy'. Nokia has managed to reduce it to as low as 0.3 watts. The scheme was primarily to reduce the energy losses while plugged in, also sending out a reminder message saying "unplug the charger" to initiate dialogue with consumers.

Next step in the life cycle approach was the recycling stage: in India, a phone goes through at least two to three cycles of ownership, extending the phone's usable life. The technical lifespan of a phone is almost eight to ten years in use, although within three years, the phone becomes outdated, as per the current trend.

In 2008, Nokia initiated recycling programmes in India, 'Give Your Old Phone A New Life, Your Old Phone Is Amazing' campaign where the idea was to give up old devices. Certain materials of these old devices are extracted and reused.

The need to set value on commodities is innate amongst Indians causing immense roadblocks to this campaign. An act of philanthropy is what is needed. We leveraged on this idea that consumers have to be urged to recycle. Nokia's first campaign was to get a tree planted in your name for every phone recycled. Though that was a very expensive proposition from a purely Nokia point of view because planting and maintaining a tree for a period of two years is seven to eight times the money that you can extract from a phone. However it was beneficial.

This campaign has since significantly moved on. We started from four cities in January 2008 to 28 in September 2008 to a nationwide campaign in 2009.

"Selling the product is a business case itself"

Connect team: India is a huge landmass with a population that is quite dispersed. How can you run a programme where consumers are spread over such a vast geographic area?

Pranshu Singhal: The campaign was incorporated as a part of the care centers and retail chains. Thus all Nokia Priority partners have a recycling bin. Nokia trains staff of those stores and also leaves certain POSMs (point-of-sale material), i.e. certain material information a consumer can access once inside the store. Nokia has 1400 stores, across the country, as drop points for the phones to be recycled.

This was the foundation of where we started. Then we kept on adding layers to this very basic sort of programme. We initiated programmes with the informal sector. We have tried programmes in conjunction with *Kabadiwala* – can we reach households, can we provide, can we buy these at some value or avoid buying and still encourage people to recycle so that when they pass on other things, they pass on their phones and old chargers and other electronic goods for recycling to *kabadiwalas*. This has given us mixed results.

Another mass outreach programme (3,000 schools) initiated two years ago was to educate school children about the benefits of recycling

Life cycle of a mobile phone

phones. It has, become a significantly successful programme for Nokia.

One thing is fairly clear that we need a lot more activity from different electronics manufacturers. The message should reach out from different channels across different pathways for different product categories, across industries; only then people are going to register it.

Nokia has engaged with brands to ensure people receive the message and start recycling.

In addition, the company also does its bit towards the societal development, specifically in health and education. In education, we have two fairly large programmes in India active in the southern states of Andhra Pradesh and Tamil Nadu. Nokia has a platform called 'Nokia Education Delivery Tool' which runs on Nokia phones. In this programme, we have mapped local curriculum for certain classes to digital curriculum. Any chapter of Class V in Science would have a digital chapter. Teachers are provided with a phone that can be plugged into a digital output device that could be a projector or TV etc. This audio-visual version of a chapter has a very different impact on learning itself. This programme has been hugely successful amongst almost 300 schools right now. It is very widely appreciated by the State Government. Educational departments who are planning to adopt it and make it a state-level programme. In terms of impact, we see almost 40 percent increase in content understanding in schools, according to a scientific study carried out between a control group and the group using the technology.

Similarly, in the health sector there have been programmes where we have worked with *Anganwadi* workers on 'how to use a mobile phone for delivery content' to keep them updated. There are a fairly large number of case studies that are available. Wide impacts have been witnessed.

Then there is 'Nokia Life' campaign that is Nokia's services on agriculture, education, health and entertainment. This is an SMS-based platform that delivers information to farmers on all sorts of things. Nokia runs an agriculture-desk, a health-desk and an education-desk. This desk runs on an ecosystem of partners wherein relevant content that is hypolocal in nature is passed on to the agriculture, education and health sector that can then be utilized.

Connect team: For Nokia, what is the business case for sustainability?
Pranshu Singhal: The business case from the environmental point of view is fairly clear; take responsibility for any product placed in the market. Sporting a better supply chain, better management of factories, ensuring clean products, less energy intrinsic, and more recyclable are matters of concern. It is a part of the broader philosophy of manufacturing and placing products in the market. Certain organisations do not find it intrinsic to the product manufacturing and selling cycle but for Nokia, it has always

> **"The business case from the environmental point-of-view is clear – Take responsibility for any product placed in the market"**

been an intrinsic part of the product being put in the market. "Do we need to have a case", we ask ourselves. Selling the product is a business case itself.

Connect team: How does this impact Nokia's sustainability directly or indirectly?
Pranshu Singhal: It is a clear case of business sense. Clean manufacturing can translate to resource conservation. Eco-efficiency always makes sense, which is a no-brainer. Recycling has always been the basis for the product design and sales strategy. It is considered a part of the business. However, if we look at the benefits that emerge, consumer loyalty is the biggest things. Nokia has been one of the most trusted brands of India and things like these do have a significant contribution on how a consumer views your organisation. And I can say that consumers have always viewed Nokia as one of the organisations that has spearheaded the change. In all, business case does exist in terms of social programmes and especially for Nokia Life. From environmental programmes, it is more a way of functioning something driven purely by a business case.

Connect team: Would such programmes reach saturation or adhere to the law of diminishing return as the next step becomes more difficult and expensive?
Pranshu Singhal: That will always be true. Start off with the low hanging fruits and then head to the more challenging ones. I would rather look at the challenging part than diminishing returns part because today, within Nokia, we do not consider being water neutral or energy neutral or xyz-neutral as amazing. It is a hygiene factor. Our manufacturing units are obviously not water-neutral or carbon-neutral today but they would be in some time. We do not look at these things as an innovation today. Innovation continues in this space, which challenges the company continuously. At the end of it, we can say we have become a zero-impact company, but is that the only contribution? That is where a good dialogue comes into the picture that 'No, our impact is much larger than our products'. I could be an impact neutral organisation but I can do much more because we interact with consumers and the entire ecosystem. How do we bring behavioural changes in this larger ecosystem? One of programmes called 'Create to Inspire Fellowship' was launched last year in an effort to look in a broader direction. The whole idea behind the Fellowship is to inspire and initiate a positive dialogue on behavioral change amongst the masses. It really came out as a challenge that now that we have set up the programme of becoming xyz-neutral which would continue, what do we do to go henceforth. ∎

*This interview was conducted by **Sanju Vargeese,** a student of MBA Infrastructure (2012-14), currently working in Statkraft India; transcription was done by students of MBA Business Sustainability (2013-15) **Ananya Khosla** and **Kartika Dubey**.*

CSR: Its Development and Present Perspective

In this section we examine the historical development of CSR and its adoption as a choice by companies. India is probably the first country to make CSR spending a mandate for select companies. This article also discusses about the reactions of some sectors to the new law.

G enerally responsibility is interpreted as burden, restriction and obligation. Is responsibility actually a burden? Doesn't it all depend on how we think about it? Responsibility is duty and duties are inevitable with rights. If basic need is a right, fighting against poverty, that denies people their basic right, is a duty. If use of earth resources is a right, sensitivity towards environmental concerns is a responsibility. Same is the case with Corporate Social Responsibility.

Companies are interwoven with society. They have tremendous strength; they have extremely capable people, technology, access to money, geographical reach, etc. Many companies worldwide and now even in India are more powerful than governments, and thus companies are important stakeholders in society. Winston Churchill once said that the price of greatness is responsibility, and companies have a great responsibility on them.

CSR is a company's initiative to take responsibility of its effect on the environment and impact on society. It has also been interpreted as corporate conscience, corporate citizenship, social performance or sustainable responsible business. The term was highlighted in Bowen's publication 'Social Responsibility of Businessmen' wherein he raised the question 'what responsibilities to society can business people be reasonably expected to assume?' The discussions gained heat in 1970s to 1980s amongst the academicians.

This was the era of immense economic developments, scientific inventions and discoveries, technological advancements and evolving concepts of good governance. This was also the historical era of mankind when time witnessed the fastest development of man. Expectations were high on the trickledown theory's effectiveness. This was also the time when companies started understanding the involvement of stakeholders as those groups without whose support the organisation would cease to exist. The company Ben and Jerry's was the first to publish their social report in 1989.

However, 1990s witnessed an outrage on the so-cietal and environmental degradation done by unregulated activities of companies. At this time, CSR matured in the context of 'institutional turn' which had both an analytical and normative or constructivist dimension. The analytical view of institutional CSR threw light on how institutions affect society and economic performance, and big organisations enjoy autonomy from market forces to pursue their own interests. The constructivist dimension however concerns with filling governance gaps, to minimize the perverse incentives that affected the workers and labourers. Legal sanctions for the General Agreement on Trade in Services (GATS), and the Trade Related Intellectual Property Rights (TRIPS) gave greater power to companies. Intensive improvements in infrastructure and opening up of economies accelerated exploitation. All this resulted in overexploitation of natural and social resources. The need to address this concern came in the form of 'The 1992 Earth Summit' where corporates were asked to 'find ways to halt the destruction of irreplaceable natural resources and pollution of the planet. Voluntary corporate environmentalism was preferred over governmental regulations.

Since then, the term CSR has evolved with new dimensions adding wholeness to the existence of companies, personifying their objectives and missions in line with social inclusion incrementally. Wayne Visser, in his work '*The Age of Responsibility: CSR 2.0 and the New DNA of Business*', has categorized CSR as defensive, charitable, promotional, strategic and systematic approach. (Table 1) All approaches of CSR have paid results but the problem is that our challenges are much larger. Visser's sys-

TABLE I

Table of Key Characteristics				
Economic Age	Stage of CSR	Modus Operandi	Key Enabler	Stakeholder Target
Greed	Defensive	Ad hoc interventions	Investments	Shareholders, government &
Philanthropy	Charitable	Community programmes	Projects	Communities
Misdirection	Promotional	Public relations	Media	General public
Management	Strategic	Management systems	Codes	Shareholders & NGOs/CSOs
Responsibility	Systemic	Business models	Products	Regulators & customers

Source: The Age of Responsibility 2011, Wayne Visser

tematic approach is based on five integrated principles C-creativity, S-scalability, R-Responsiveness, 2-Glocality and 0-Circularity which seems promising for the future.

Wayne Visser's approach to CSR got many heads turning. A grave interest emerged which took it beyond CSR – The Stakeholder's Perspective.

A fundamental question that has not yet been examined is – Who are the stakeholders? If the stakeholders are those individuals or group who are dependent on an organisation to meet their own goals, and on whom, in turn, the organisation is dependent to meet its own, then an organisation is related to a large number of people or groups. Furthermore, if an organisation is accountable to all its stakeholders (i.e. everyone), and not to just one element (i.e. shareholders), then the idea of accountability becomes worthless, as it is too widely spread and useless from the managerial perspective.

The inconvenience of a very wide scope of definition of stakeholders is that managers are unable to comprehend the power and bargaining potential of the various stakeholders. Therefore, the need to define stakeholders in a sufficiently comprehensive manner, with crystal clarity to avoid any misinterpretation, emerged. This resulted in development of stakeholder analysis tools, like identification of key stakeholders, stakeholder mapping, power/interest matrix and stakeholders' moral responsibilities matrix, which provided pragmatic framework to the managers. Therefore, it now became critical to institutionalize fruitful and open dialogue with key stakeholders to obtain long-term sustainable growth.

It is often argued that the stakeholder approach is not feasible, as it implies giving away the sound business objectives of making profits to morally accepted social goals. However, it is to be comprehended that the stakeholder theory does not reject profitability as an objective of corporate existence, but it rather widens the largely accepted shareholder model. The stakeholder model recognizes the legitimate claim of shareholders to profit but at the same time also recognizes the legitimate claims of other elements.

The New Companies Law
With these evolutionary changes in the concept of

CSR, it became invaluable to modify laws in accordance with the changing trends. The Companies Act of 1956 had no mention of the CSR obligations to the company whereas the new law requires companies that meet certain set of criteria, to spend at least two percent of their three-year average annual profit on Corporate Social Responsibility (CSR) activities. But only companies reporting Rs.5 crore or more profits in the last three years have to make the CSR spend. The Bill allows companies the freedom to choose areas of work for CSR and the mandate of a rotation in auditors every five years gives the process added credibility. In case, entities are unable to comply with the CSR rules, they would be needed to give explanations or pay penalty. The Bill takes a significant step in strengthening corporate governance with introduction of key provisions around duties and liabilities of Directors including Independent directors, Auditor rotation, the Serious Fraud Investigation Office (SFIO), constitution of National Financial Reporting Authority (NFRA) and Class Action Suit.

In-spirit
With this legislation, India is possibly the first country to have CSR spending through a statutory provision. The law ensures that CSR is as much about how companies make their money rather than how they spend it. CSR has to be strategic and linked to business gains. The Law's requirement for a CSR Committee will be a key way for companies to set out a strong strategy that links to their core business.

To equate 2 percent spend to its impact, policy transitions will have to be taken up by the management. If CSR is actually going to tackle major social challenges then it needs to allow bigger partnerships that provide sophisticated analyses of the problems and coordinate different initiatives. Auditors and verifiers should look for impact in their assurance statements. Transparency and accountability for both civil society partners and business will be an important part of that in order to deliver desirable outcomes.

Response of Different Sectors
This is an opportunity for companies to produce ambitious plans and incentivize them. Though a strong legislation, the effect will depend on how well it is implemented. In flair, this law has the potential to transform the landscape of CSR in India.

Energy Sector
Energy sector is the backbone of our economy. Energy is directly linked with a country's growth rate. Higher the growth rate, higher is the need for clean and efficient energy resources to sustain the requirements of energy.

Sustainability as we say is the Triple Bottom Line approach. This paradigm is extensively followed by various organisations, particularly in the

energy sector. Do few things but do them well is the maxim of responsibility. Organisations in energy sector are taking responsibility by acknowledging that the destiny lies in their hands. CSR has been imbibed in the companies' values. NHPC for instance has included the CSR aspects in the mission statement which is "to execute and operate projects in a cost effective, environment friendly and socio-economic responsive manner". With this focus, a full-fledged policy on CSR has been put in place. NHPC has been practicing CSR in the areas of community welfare, education, environment, healthcare, heritage conservation, upliftment of physically challenged, poverty eradication, rural development, sports, vocational training and women empowerment.

Torrent Power, the company that deals with electricity generation, transmission and distribution, also is not lagging behind in the race when it comes to practicing a business which is ethically right, and is socially responsible. Torrent Power lives by moral values. They believe that businesses which practice such values will never erode. It recognizes that environmentally and socially responsible considerations are the two fundamental pillars which sustain long term business survival and growth. It takes into account the effluent discharge and has Stack Pollution Monitoring Systems to keep in check. Torrent Power was among the first corporate houses to rush in medical aid and relief supplies immediately to Gujarat when the earthquake occured in 2001. It has established medical institutions such as the Institute of Cardiology and Research Centre and the UN Mehta Heart Institute. The biggest example in community welfare by Torrent Power was the reconstruction of the Parimal Garden in Ahmedabad, which revived great community spirit.

Reliance Infrastructure Limited (RIL) distributes more than 36 billion units of electricity to over 30 million consumers across an area that spans over 1,24,300 sq kms. Reliance Infrastructure's Sam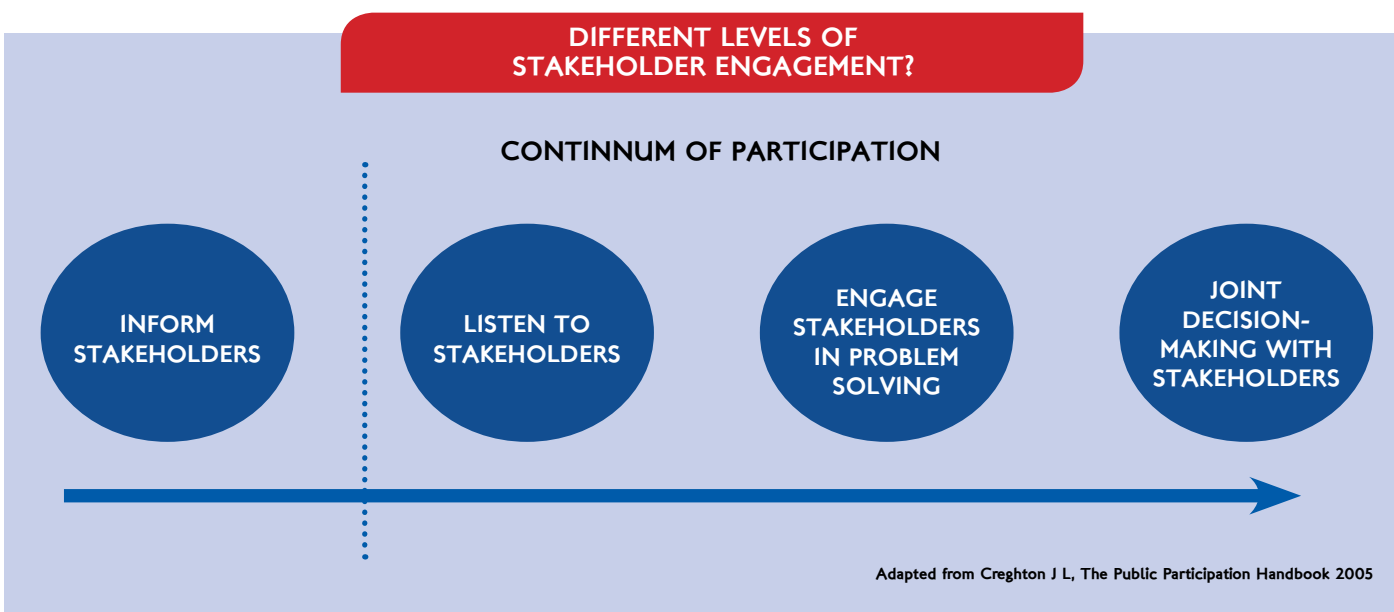alkot Power Station uses natural gas as a primary fuel. By using zero discharge of industrial effluents, RIL is following cradle to cradle concept and sustaining business and the environment. Their CSR initiatives have been recognized through awards like, CII national award in excellence in water management – Beyond the Fence, Golden Peacock Award for Corporate Social Responsibility 2007, etc.

For organisations like these and more, which have already been doing so much as part of CSR, the advent of the New Companies Bill mandating 2 percent of profits for CSR activities, will serve as an enthusiasm. The companies that started earlier will last longer.

Construction and Real Estate

As far as construction and real estate companies are concerned, simplest of the CSR activities include incorporating basic principles such as corporate governance, risk compliance, and transparency, in addition to promoting environmental management, social programmes, creating a diverse workforce and engaging communities and stakeholders. By integrating in depth CSR within the corporate strategy of an organisation and communicating those strategies efficiently and transparently to stakeholders, these organisations are reaping brand and reputational rewards. Take for instance, the number of tenants moving towards having green lease spaces and facilities because it exemplifies their own CSR commitment.

Real estate companies are becoming more transparent and are employing economic best practices, which include communicating business practices and disclosing a financial snapshot of the company. Real estate companies are also adding economic value to the community through corporate philanthropy and community contribution, which are both being measured and disclosed. Amit Enterprises Housing Ltd provides schooling to the children of the construction workers at all sites. They have tied up with 'Door Step School' - an NGO which addresses the need to educate the marginalized sections of society. Shapoorji Pallonji

DIFFERENT LEVELS OF STAKEHOLDER ENGAGEMENT?

CONTINNUM OF PARTICIPATION

INFORM STAKEHOLDERS LISTEN TO STAKEHOLDERS ENGAGE STAKEHOLDERS IN PROBLEM SOLVING JOINT DECISION-MAKING WITH STAKEHOLDERS

Adapted from Creghton J L, The Public Participation Handbook 2005

Foundation from India is creating a sustainable and responsible business by offering livelihood opportunities for the challenged, supporting the mentally challenged, healthcare and safe drinking water, health awareness programmes at construction site and investing in education and child care. Adani and DLF have accomplished a greater impact through their CSR activities than if they had deviated from it.

Real estate companies are finding ways to reduce or offset greenhouse gas (GHG) emissions and measuring and disclosing their emissions annually. Earth Infrastructures Ltd sticks to its three R's (Reduce, Recycle and Reuse) of reducing the use of plastic bags, promoting the use of recyclable paper and jute bags and reusing the same plastic bags as many times as possible. Real estate companies are also extending their environmental policies to their suppliers by providing preferential contracts to local, sustainable suppliers with similar policies. By utilizing the best practices to enhance CSR practices, real estate companies have the opportunity to take a leadership role in CSR.

CSR real estate activities benefit the original dwellers in an area in many ways. They do not originate from the developer's sense of social responsibility, but are direct benefits. This provides immediate and future employment to locals in an area. The infrastructure improves by raising property values and benefiting the original land and property owners of the area. The area is connected to municipal water and electricity supply.

FMCG

Another sector taking an active part in CSR is the fast moving consumer goods (FMCG) sector. CSR by companies like P&G, Hindustan Unilever Ltd, Dabur India Ltd and Tata Tea Ltd, to mention a few, plays a key role in the field of women empowerment, girl child education, environment and community welfare. The Indian FMCG sector is said to be the fourth largest sector in the economy and is set to grow to US$ 33.4 billion by 2015. These companies are socially responsible and have achieved Karmayog rating of level 3 (the highest rating so far in FMCG) by contributing close to two percent to CSR activities. The potential benefits of implementing a CSR approach by them are better anticipation and management, improved reputation management, enhanced ability to recruit, develop and retain staff, improved innovation, competitiveness and market positioning, enhanced operational efficiencies and cost savings, improved ability to attract and build effective and efficient supply chain relationships, enhanced ability to address change, more robust 'social license' to operate in the community, access to capital and improved relations with regulators, a catalyst for responsible consumption.

Every good deed comes with obstacles and with benefits come challenges. The main CSR challenges for these companies are designing, developing and executing standard facilities and guidelines, reduction in the use of packaging material, use of organic supply chain and recycling of waste material. Other challenges include identification of credible NGOs to run the various CSR programmes and securing active partnerships with the *Panchayats* in rural CSR, securing participation of the entire community on account of inter caste politics operating in the villages and securing participation of girl child in the education programmes.

With consumers in the driving seat and growth of the middle class and tech-savvy consumers, companies need to build more sustainable businesses; collaborate towards better optimized supply chains; and drive brand value with continuous innovation and flexibility to adapt at all levels, global, national, local and personal. Companies intending to capitalize on sustainability and CSR need to match with the rapidly changing needs and demands of the world via investments, innovations and collaborations.
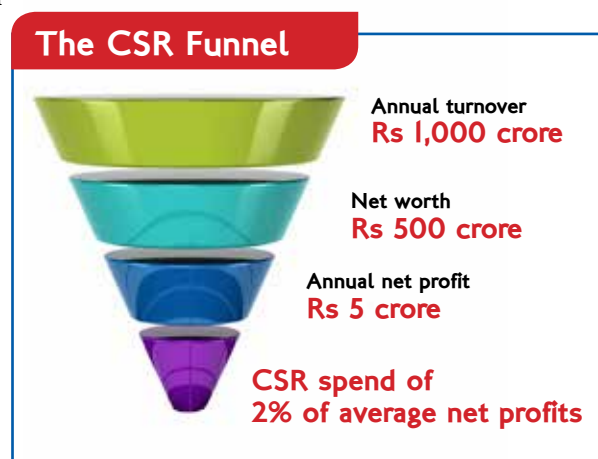
In Conclusion

In no time, the companies will now be evaluated on the strength of their CSR projects and programmes and how it enmeshes with its corporate strategy for business. The strength of the New Companies Law also lies in the performance of the kind of responsibilities that businesses will assume towards the society in which they operate. Sustainability of the provisions seem unquestioned in the way they have been formed but the practical success will depend on how the businesses embrace the spirit of the Act.

Many companies have set up a separate CSR department; many others are doing the requisite under the PR or the HR department. Consultancies have added climate change and sustainability departments and parallel specialty organisations have come up that are providing expert advice to companies, acting bridges between companies and NGOs and much more. New dimensions of CSR, beyond corporate responsibility and corporate accountability are themes of current discussions.

From the way companies are operating, we see that today there is a thin line of difference between CSR and sustainability of the corporates. While business sustainability deals with the holistic development of businesses by incorporating internalized strategies, CSR refers to company's conscience. A more successful amalgamation of these is what the future seeks. ■

This article has been co-authored by the students of MBA (Business Sustainability and Infrastructure), Class of 2015.

The CSR Funnel

Annual turnover
Rs 1,000 crore

Net worth
Rs 500 crore

Annual net profit
Rs 5 crore

**CSR spend of
2% of average net profits**

Leveraging Corporate Responsibility

C orporations are moving away from the image of moneymaking vicious entities as perceived. They are now being transformed into sensitized, living organisations with a consumerist approach.
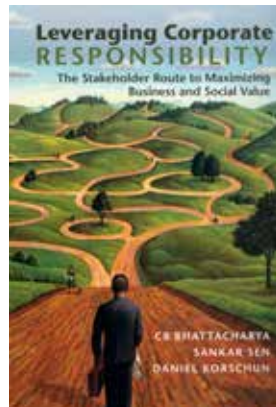
Corporate responsibility with all the rage and the trend shows little signs of slowing down. Almost all big companies have run some sort of CR initiatives in the corporate world. The concept of 'Do Well by Doing Good' attracts billions of dollars towards social and environmental issues by a variety of means.

Corporate responsibility has an extensive and opulent history. It began in the 1830's where individuals took initiatives to bring out change in society. George Cadbury, who is the son of John Cadbury, the chocolate maker invested in a model village to improve the life of his workers. GD Birla, the initiator of philanthropy in India and owner of Birla Group had a vision of actively contributing to the social and economic development of the communities, creating a better and a more sustainable way of life for the weaker sections of society and raising the country's human development index. Before CSR found a place in corporate lexicon, it was already textured into our society's value system. Undoubtedly, these men were believers of change and their workers appreciated it, but it was not their initiation, which caused the change.

CR today has a whole new outlook. Companies are driven by the demands of their stakeholders to engage in CR activities. Awareness amongst the stakeholders has increased resulting in them preferring products offered by companies with a socially responsible background. A recent study shows that when three yogurt boxes of different brands were laid out for customers, a majority of them picked the brand attached with a tag of CR central to their vision. Companies blinded by shareholders and investors as the only stakeholders face difficulties in catering to community needs since profit is the only concern. But a much broader identification of stakeholders is now underway. Stakeholders not only include shareholders, and investors but also employees, consumers, communities and anyone who would be impacted by the organisation's functioning. This understanding of stakeholders has been derived from what the authors mention as 'the routes to CR'.

The book describes two routes to CR, namely the direct route and the indirect route.

In the direct route CR activity - in and of itself-leads to cost savings or increased revenues. For example, programmes that successfully reduce carbon emissions have a direct and favourable impact on both the environment and the bottom line. This direct link between CR activity and CR value is fairly obvious, and since these returns are clearly assessable and sometimes easily quantifiable it is an attractive starting point for CR managers.

The indirect route, also known as the stakeholder route takes stakeholder reactions into consideration. This route exposes stakeholders to the CR activities, assesses their response towards it before implementation. The outcome may not be immediate in this process. Thus when the stakeholders are pleased with the company's actions, the company gets rewarded by its stocks and products being purchased, but in contrast, if the stakeholders are displeased, they may switch to other products.

An understanding of stakeholder's interpretation of the CR activities is crucial when companies adopt the stakeholder route. The three U's are considered in this regard: Understanding, Usefulness and Unity.

Understanding refers to the stakeholder's knowledge about the company's engagement in CR activities. Since understanding is mostly perceptive, it is best measured at an individual level using common forms of marketing scales. The three most important aspects that managers should track are awareness, attributions and efficacy. Usefulness deals with the benefits to stakeholders on carrying out CR activities. These benefits need not be monetary rewards. For many stakeholders, a meaningful benefit may be more psychological; something as simple as making them feel good.

Lastly, Unity describes the stakeholders overall relationship with the company, indicating whether the company shares his values or if it is trustwor-

Monica Simha
MBA Business
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Class of 2013-15

ABOUT THE AUTHORS OF THE BOOK

■ **Prof C B Bhattacharya** is the Dean of International Relations and E.ON Chair Professor in Corporate Responsibility at ESMT European School of Management and Technology in Berlin, Germany

■ **Prof Sankar Sen** is Professor of Marketing at the Zicklin School of Business, Baruch College, the City University of New York

■ **Dr Daniel Korschun** is an Assistant Professor of Marketing at Drexel University's LeBow College of Business and a Fellow of both the Center for Corporate Reputation Management and the Center for Corporate Governance at LeBow

thy. Unity can be measured via customer satisfaction. Customer satisfaction in turn can be assessed by identification; the extent to which the stakeholder feels a sense of oneness with the company and trust that the company will act in a socially responsible way.

This book identifies the multi-step road to CR as a long and arduous one. But when followed by managers, better prepared to respond to stakeholder pressures, it is more likely to reap rewards from their CR efforts.

Each of us plays a variety of roles in society- consumer, investor, family member, community participant etc. And social initiatives touch each one of our lives. For the long-term success of sustainability, the issue of viewing strategies through separate lenses must be our concern. We as consumers want all green products to be inexpensive, as employees we want to earn a lot of money and as family mem-
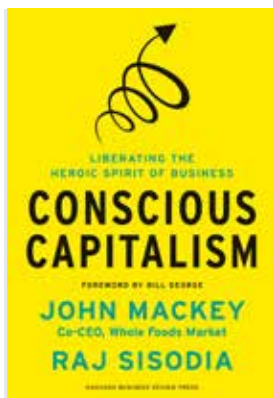
bers we want to have the best for the family. This tends to put companies under pressure to think on short term basis - by cutting down prices, reducing quality and improving demand and supply and so on. But if all stakeholder's put their mind to view all activities via a single lens, practicing 'responsible stakeholder-ism' without boundaries, then the focus can be shifted towards a single goal- a more sustainable future. ■

Conscious Capitalism

*C*apitalism especially corporate capitalism has been under criticism for failing to act in the interest of the people. Milton Freidman's stockholder theory, as discussed in his book Capitalism and Freedom stated that a company's only responsibility is to earn profits while staying within the rules of the game. John Mackey, in this book asserts the majestic and noble nature of business and how its compassionate concern is an opportunity to creativity and longevity of the company. He puts the blame of the present bad reputation about capitalism on narrow-mindedness of businesses, especially of the corporate leaders.

Today's obsession of the financial markets, as also highlighted in Jordan Belford's memoir *The Wolf of Wall Street,* published on 2013, has led financial advisors to compromise on their integrity. The financial analysts' denial of the concept of conscious capitalism is also addressed in the book. The stock market rewards the economically successful and it measures success only in terms of money. But it should also be kept in mind that every type of financing option has a specific role like the role of the venture capital is to fund risky early-stage business and the equity capital is to provide the long term financing for growth and expansion etc. The book envisions optimism that with time the mutual fund and stock market indices based on conscious capitalism will come into existence and markets will develop their philosophies and values in order to be able to identify such businesses.

ABOUT THE AUTHORS OF THE BOOK

■ **Mr John Machey** is the Co-Founder and Co-CEO of Whole Foods Market
■ **Prof Rajendra Sisodia** is the Professor of Marketing at the Bentley University

Whole Foods Market Co-Founder John Mackey and Prof Rajendra Sisodia state that though it is not impossible for traditional business to reinvent itself as conscious business, it is a metamorphosis from being a business caterpillar to a business butterfly. Becoming a conscious business requires a fundamental philosophical realignment-intellectually, emotionally and spiritually. Here the authors cite an example of Pedigree Petfoods, a company specializing in pet food, to show how a small change in the attitude helped them develop a new purpose and thus a new approach that led to healthier relations with stakeholders, a strong brand position and above all stellar financial outcomes.

The book details out the steps of such transformation. If only the aim of making greater profits motivates a leader to adopt this philosophy, then the philosophy is unlikely to help to its utmost potential. Also expecting implausible results from a bottom-up approach is rare. Once the leadership is aligned with the idea of conscious capitalism, the first step is to conduct a 'conscious business audit' to understand the present situation and identify the areas of need thereof. The search for this purpose is the most critical and then communicating it effectively to all the stakeholders is equally challenging. It needs a lot of understanding of quantum of aspects and information. For this to be effective the leader needs to get into the shoes of the stakeholders and identify their needs before them. Coinciding with this, the focus should shift from leveraging to value-creation and service. Be it a fresh
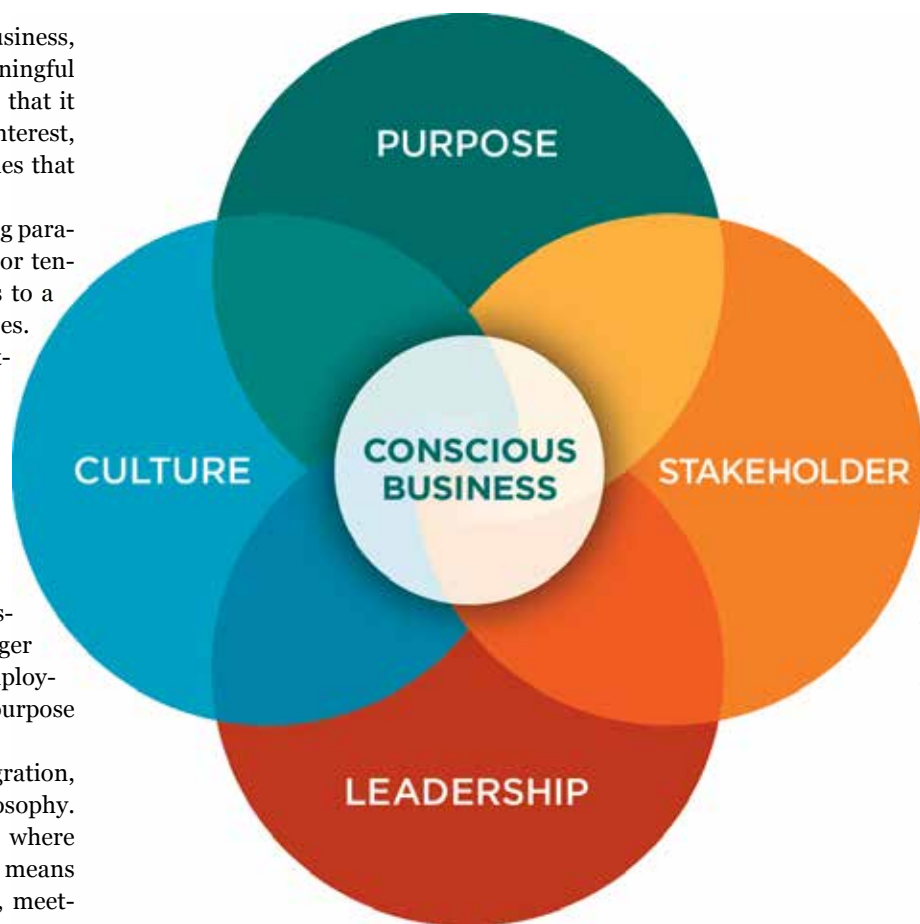
business idea or a revamp of an existing business, the path of conscious capitalism is a meaningful undertaking for all businesses in the sense that it is beyond profit-maximization and self-interest, instead it deals with natural human qualities that will assure the viability of the business.

Today, conscious capitalism is an evolving paradigm. The book is organized in four parts or tenets. The first tenet is to bring the business to a higher purpose that influences its core values. The idea is to be self-aware by a contemplating enquiry into why does the business exist? What is the contribution they want to make? Why is the world better because they are here? And would they be missed if they disappear? Such companies, like Google, Apple, have transformational impacts on hundreds of millions of people. Aligning corporate purpose with inner passion has an added benefit of being a harbinger of career satisfaction for the company's employees. The company grows and with it the purpose grows and finally becomes explicitly heroic.

The second tenet, the stakeholder integration, is central to the conscious business philosophy. Contradictory to the traditional business where stakeholders other than stockholders are a means to achieve the goal of profit maximization, meeting the needs of all the major stakeholders are an end in itself for a conscious business. Conscious capitalism looks for synergies amongst different stakeholders and finds opportunities for being innovative and creative. The authors bring in the responsibility of marketing and address the cynicism that has engulfed it. Marketing is widely seen as trying to manipulate people by persuading them to do something that is not in their best interest. Marketing, both internal and external, has enormous persuasive power. The book talks about heroic selling where the unarticulated needs of a customer are well met, using anecdote of a man in desert who is nearing death and is attended well beyond his immediate needs and concerns.

The second tenet also talks about passionate inspired teams, conscious hiring and retention practices, patient and purposeful investors, collaborative and innovative suppliers, flourishing and welcoming societies and healthy and vibrant environment. It breaks up the stakeholders as major or inner-circle stakeholders and outer-circle stakeholders depending on the amount of voluntary exchange they do with the organisation for mutual benefit. For example, customers, team members, investors, suppliers, competitors etc. are included in the inner-circle stakeholders. Bringing in light the interdependence of stakeholders, the book talks about the virtuous cycle of ideas and actions.

The third tenet, conscious leadership builds on the concepts of self-appraisal and motivation. It is clear that the philosophy of conscious capital-

Deepti Mahajan
MBA Business
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Class of 2013-15

ism has to flow top-down to produce its potential results. The work culture has to go beyond hit the deadline and capture market share culture to emotionally and spiritually driven service. The authors seem to be in line with the ethical ways, as propagated by the Vedas and Kautilya's Arthashastra, which support the accumulation of wealth and describe business as an integral part of the society and also identify the right path to earn wealth and riches and the right action on its use. Conscious capitalism, like Gandhian philosophy of Trusteeship, visualizes leaders as trustees of business, seeking to nurture and safeguard it for future generations. This calls for missionary leadership that emphasizes on values like cooperation, care and benevolence. The leadership is witnessing a paradigm shift from left-brain domination to right-brain domination.

The book elevates the game of business from mind to heart where the authors prompt businesses to stress on creativity and innovation. The book replenishes the heart of capitalism with its antiquated virtuosity and consciousness. By citing living examples of companies like Google, Starbucks, UPS and IBM, the authors have made their point that their philosophy is not just a different way of thinking and speaking but also is very well actionable. It talks about a transformational shift, and a fundamental transmutation. ∎

Source: Conscious Capitalism

The alumni of TERI University are successfully placed in various organisations carving out a niche for themselves. In the following messages, the alumni reflect how the University has helped shape their perspective and thoughts.

Apurva Mathur
Yale University
Alumnus MBA Business
Sustainability
Class of 2009-11

*A*s I connect the dots backwards, my education at TERI University was the launch pad in my journey so far as a sustainability professional. I gained tremendous value from the experience of the teachers, industry experts, bureaucrats, and researchers whose intellectual and practical insight added to my arsenal as I started my career in the consulting space. The development of a business plan as a part of the Acara challenge was a great learning experience as a student of management. My meeting with Wangari Mathai at the Delhi Sustainable Development Summit was one of my most inspiring and memorable moments and as students, we could not ask for a better way to formally conclude our education than to have Dr Elinor Ostrom address our batch at the convocation ceremony.

As I move forward with my education, here at Yale, I am grateful to TERI University for the various opportunities that have shaped me as a professional and an individual. I wish the University the very best to continue to be the perfect crucible for the creation of pioneers of sustainable development. ■

Radhika Kapoor
Stanford University
Alumnus MBA Business
Sustainability
Class of 2010-12

*M*y MBA degree at TERI University provided me with a strong foundation, critical skill sets and tools to further my pursuit to study international policy from Stanford University. Courses, such as macroeconomics, statistics, econometrics and sustainability strategy, offered at TERI University, are salient to my current field of research. The MBA programme at TERI University, as a whole, is uniquely structured to provide the student with an analytic bent of mind, which is useful, both in problem-solving at work and decision-making in everyday life. TERI University's faculty is the most important asset of this institution. The faculty encouragement for thinking beyond the box has added immense value to my experience. I would like to specially thank all my professors for believing in me and making my experience at TERI University enriching and memorable. ■

*T*ERI University opened new doors for my life and my future. The back-to-back lectures, seminars and projects captivated my interests and gave me the opportunity to discover new things and challenge myself more than ever. The experience I gained during the MBA Infrastructure programme was invaluable and will last for a lifetime. The programme not only taught me valuable academic skills, but also pushed me outside of my comfort zone and allowed me to explore new ideas and try new things. It allowed me to learn new subjects in a challenging environment that made it truly beneficial to my overall learning. Moreover, TU gave me a unique opportunity to learn from the wisdom and experience of everyone around me and get inspired by each and every one of them in a different way. Words cannot describe how much fun I had and how many amazing friendships I made in two years. Every moment of the journey at TU was so precious and I wish that I could live it all again. TU has definitely broadened my horizon, made me a better person, and completely changed my life. I would recommend TU's programme to every student. ■

Rohit Chaddha
Senior Sales Officer, HPCL
Alumnus MBA Infrastructure
Class of 2008-10

My MBA at TERI University was a special experience for several reasons. One, I had the opportunity to interact with faculty members who were thorough with concepts, and also ensured a healthy environment for class discussions. Two, the guest lectures exposed us to various specialized sustainability and infrastructure related areas. I realize the value of these guest lectures even more now. Three, we attended many conferences, and also organized a few that were good learning opportunities. The University also extended the student community every help it could for extracurricular activities. Finally, I must thank the MBA programme leadership for running the programme efficiently. ◼

Arun Sharma
University of Colorado, Denver
Alumnus MBA Business Sustainability
Class of 2010-12

My two years at the TERI University were transformative. It was the place where I was exposed to great ideas, to professors who stimulated intellect, and to batch mates who had wonderful experiences to share. The MBA (Infrastructure) programme provided an opportunity to acquaint myself to critical sectors of the economy and the issues plaguing them. Rightly said, it is an MBA+ programme with its competitive edge being that it prepares students with knowledge that is over and above 'general' MBA course students. The core curriculum provided an excellent foundation for higher learning and has defined my personal and professional being. The knowledge imparted by core faculty and eminent guest speakers including top shots from the industry helped me to develop newer perspectives. In addition, an opportunity to attend world class conferences and events such as the Delhi Sustainable Development Summit enabled me to stay abreast with latest developments around the world. The MBA (Infrastructure) programme at TERI University has immensely helped me in my current role as a Research Analyst with India Infrastructure Publishing. Further, the friendships I formed at TERI University are the ones that will stay forever. Undoubtedly, the years at TERI University were the best years of my life. ◼

Neha Bhatnagar
India Infrastructure Publishing Pvt Ltd
Alumnus MBA Infrastructure
Class of 2008-10

Nirbhay: A Game Changer for the Indian Armed Forces

Dinakar Peri
Special Correspondent-
Defence, The Hindu
Alumnus MBA Business
Sustainability
Class of 2011-13

*I*n the near future if terrorist elements based in Pakistan were to carry out a major attack on Indian soil, the Indian Prime Minister can order punitive strikes on those responsible across the Line of Control in Pakistan Occupied Kashmir (POK). Soon after Indian naval ships deployed in the Arabian Sea along with their army counterparts across the Line of Control (LoC) would launch missiles to eliminate the terrorist leaders in their camps without crossing the border. Nirbhay, the latest addition to India's widening missile arsenal brings in this capability.

Nirbhay, the long-range sub-sonic cruise missile, has given a major fillip to the gaping hole in the Indian response options. With a range of over 1,000 km, Nirbhay is a game changer providing maneuvering space to carry out surgical strikes across the LoC and international border on terrorist elements while still preserving the nuclear threshold.

Speaking to the media after the test launch from Interim Test Range (ITR) at Chandipur on October 17, Dr Avinash Chander, Director-General, Defence Research and Development Organisation informed, "The missile maintained an accuracy better than 10 meters throughout its path and covered a distance of more than 1,000 km" (although it was planned for a range of 900 km the missile covered more until all fuel onboard was exhausted).

COLD START DOCTRINE

The introduction of nuclear weapons in the subcontinent has virtually stalled a conventional Indian response to Pakistan's cross border terrorism. "Often citing what it terms as 'India's conventional military threat', Pakistan forgets that given its offensive strategic posture and continuing involvement in terror strikes in India, it is New Delhi which is confronted with the problem of developing a strategy to counter Pakistan's 'first-strike' and continuing proxy war," says Dr Monika Chansoria, noted Nuclear Expert.

It is in this context that Cold Start as an offensive doctrine has been put forward in the Indian strategic establishment. Though it has been 'officially denied', its presence is widely acknowledged in strategic circles. In the event of an Indian offensive, with its precision strike capability, a volley of missiles flying low, making it invisible to enemy radars, can effectively take out key command and control centres blunting the resistance to the advancing armoured columns.

"The successful indigenous development of Nirbhay cruise missile will fill a vital gap in the war-fighting capabilities of our armed forces," Dr Avinash Chander DG DRDO said after the test launch on October 17.

Presently the effective operationalization of the Cold Start is debatable as several key components are missing due to snail-paced decision-making and delayed induction of weapons and weapon systems.

Defence analyst Rahul Bedi observed, "Nirbhay would be a force multiplier to the in-waiting Cold Start doctrine but the cold start itself is a non starter as of now for lack of critical assets like artillery, armour and helicopters. The Indian Army has to fast forward acquisition and induction of these platforms."

Hence, for the short-term Nirbhay along with its shorter-range sibling Brahmos is likely to form the backbone of the offensive Cold Start doctrine.

TACTICAL NUCLEAR WEAPONS (TNWs)

To counter the Indian Cold Start doctrine, Pakistan has developed TNWs and fielded 'Babur' and 'Nasr' missile to deploy them. Nirbhay stands as an answer to this as well. "Pakistan advocates that its concern stems from India's proactive military doctrine for which it presumably has no response, despite periodic assertions made by Pakistan's military to the contrary. The number of TNWs required to halt an Indian offensive is large but the fact that they may be used opens up a whole new dimension of concerns, especially with respect to the possibility of nuclear escalation," advocates Dr Chansoria.

In the event of a TNW strike on an Indian formation inside Pakistan the Indian stand has been consistent that it amounts to a nuclear attack on India and will invite a 'massive retaliatory nuclear response'. It is theoretically correct but practically untenable as, though nuclear, it amounts to a strategic response for a tactical threat. The issue is not about proportionality but rationality and no political leader will risk such a decision. This effectively punctures the nuclear doctrine in time of need.

In this context Nirbhay also plays the offensive role by presenting a cost effective, tactical option. India can respond with a massive second strike by mounting nuclear warheads on Nirbhay and take out the adversary's entire military bases and command centres. Employing Agni missiles neither makes strategic nor economic sense.

Any further escalation to a strategic level will be suicidal for the adversary because should India choose to respond in kind, it is bound to change the geography of the sub-continent.

Euphoric after the successful test, DRDO has announced that it is working on multiple variants of Nirbhay for launch from ships, submarines and aircraft to make it an all-terrain system. "Now this missile's other versions would be developed in a phased manner and integrated with the terminal guidance system making the missile more lethal," Dr Chander informed the press.

While the Army version of the missile is expected to go for production in the next three years, DRDO is planning to make its Naval and Air Force variants ready in next five years.

The icing on the cake is once the Indian Regional Navigation Satellite System (IRNSS), equivalent to the US Global Positioning System, is in place it will free India of any restrictions on usage and give unprecedented coverage of the subcontinent. This not only augments the accuracy of missiles and guided munitions but also foolproofs the weapons from interception.

It would be prudent to say that once inducted Nirbhay is going to be the backbone of Indian Armed Forces for both conventional and strategic needs.

With Nirbhay, India has acquired its Tomahawk. ■

Lecture by Mr Pooran Pandey
(Executive Director, UNGC Network)

T he MBA programme had the privilege of attending a lecture on UNGC and its sustainability initiatives by Mr Pooran Pandey, Executive Director, UNGC Network.

The prime focus of his talk was on the business world, challenges faced by UNGC in holding its objectives. Mr Pandey explained the primary initiatives between UNGC and various corporate and governmental organisations in sync with UNGC's principles including human rights, environment, and corruption.

Mr Pandey further detailed out UNGC's Environmental Principles, its origin, history and present state. The Environmental Principles came about as a result of various UN summits and are constantly evolving. It is with this background that Mr Pandey talked about the role of these principles in the contemporary world, especially in the realm of business initiatives. The Global Compact, Mr Pandey highlighted, is facing various challenges, and it is up to various national and governmental entities to uphold its values. He showcased the various kinds of work being done in India and how India is trying to be on board with the environmental principles through numerous initiatives. The talk mentioned the COP (Communication on Progress) between UNGC and its partners, which is vital to the effectiveness of the Global Compact. The lecture concluded with a first-hand account from the CEO of Accenture Global who talked about the various sustainability initiatives and strategic steps the organisation is undertakiing to comply with the values of the Global Compact Network. ◼

- **Shourabh Gupta**
MBA Infrastructure,
Class of 2013-15

Talk by Smt Naini Jayasaleem, IAS
(Member Secretary, National Capital Region Planning Board)

S mt Naini Jayasaleem, IAS (Member Secretary, National Capital Region Planning Board (NCRBP)) visited TERI University on 14 August, 2013 to share her thoughts on Infrastructural Development of Delhi National Capital Region (NCR).

Her talk incorporated the objectives and functions of NCRPB and in what ways NCRPB is working on the development of NCR areas. This regions includes NCT- DELHI, nine districts of Haryana, six districts of Uttar Pradesh and one district of Rajasthan. NCRPB aims to provide economic rail and road based transportation system well integrated with the land use patterns to support balanced regional development of NCR Delhi. Constructing peripheral expressways would facilitate accessibility to all parts of the region and provide alternative means for freight transport and thereby open new avenues for economic development as explained by her. The main functions of NCRPB are preparation of regional plans, emphasis on environment related urban infra development projects such as rapid metro corridor, transport corridor development along Bhiwadi-Dharuhera, ensuring proper and systematic programming/ phasing by participating states with regard to project formulation and determination of priorities in the NCR.

Students understood the major issues in the infrastructure development and shared their innovative ideas too. ◼

- **Upasona Choudhury**
MBA Infrastructure,
Class of 2013-15

Talk by Dr Michael Levi
(Director, Energy Security and Climate Change, Council on Foreign Relations)

Dr Michael Levi, Director, Energy Security and Climate Change, Council on Foreign Relations, Washington DC delivered a talk on the fallouts of the rising energy production in US on India and the rest of the world. USA is currently experiencing a boom in shale gas production and also experiencing an increase in oil production especially tight oil. With the increasing use of established and proven technology for exploiting natural gas, US will eventually become a net gas exporter to the world and would progressively reduce its dependence on oil import. Given that US oil consumption has peaked and renewables are also gaining in the energy mix due to favourable policy and reduced cost of technology, this may eventually reduce world oil prices with potential fallouts on an oil-importing nation like India. The path of the future, as Dr Levi indicated, would be contingent upon how fast the low cost technologies spread and their implication on climate. ■

Dr Ashok Chakraborty, Executive Director, ONGC shared his professional life experiences with students

*T*he MBA department played host to Dr Ashok Baran Chakraborty, Executive Director and Chief of Carbon Management & Sustainability Group ONGC who gave a lecture on 'Sustainability Strategies, Communication and Implementation' and what it means for India.

He emphasized the need for long term plans by companies and the implementation procedures to be adhered to in their agenda. Impact and value creation were highlighted as the most important for companies. Innovation on the part of companies and organisations was a recurring theme throughout the talk, as well as a special emphasis on environmental and social impacts. He also spoke about internalization of sustainability by the companies, i.e. the preaching of the gospel of sustainability to the employees. Eco-footprints, Energy Efficiency, Government Regulations, Carbon/Water/Waste Management, tapping into Oil/Gas sources were some of the key points discussed by Mr Chakraborty. He concluded the talk by elucidating about the role of CSR in India, especially in the private sector along with the social costs and carbon footprints. He also talked about his belief in social entrepreneurship and affordability.

The main takeaway for students from this discussion was the practical experience sharing of Mr Chakraborty which had in it the intricacies of doing work in the field. ■

- Shourabh Gupta
MBA Infrastructure,
Class of 2013-15

TERI University students interacted with IPCC Fifth Assessment Report Authors

*O*n August 5, 2014 with the support of Intergovernmental Panel on Climate Change (IPCC), Climate Development Knowledge Network (CDKN), TERI and the Business Council for Sustainable Development (BCSD), in partnership with the Ministry of Earth Sciences organized an event in the university to discuss IPCC Fifth Assessment Report and give an opportunity to emerging young managers and scientists the chance to ask questions directly to IPCC authors.

TERI University welcomed Mr Sam Bickersteth, CEO, CDKN, and Indian IPCC Coordinating Lead Authors, including Dr Krishna K Kanikicharla, Coordinating Lead Author, IPCC Working Group I, Dr Purnamita Dasgupata, Coordinating Lead Author IPCC Working Group II, Dr Shobhakar Dhakal, Coordinating Lead Author IPCC Working Group III, and Dr Joyashree Roy, IPCC Coordinating Lead Author, WGIII.

IPCC has been providing the world with a clear scientific view on the current state of knowledge in climate change and its potential environmental and socio-economic impacts. Authors in the event explained how human influence in the climate system is becoming more and more relevant leading to the highest-ever anthropogenic emissions of greenhouse gases. Authors described how climate change has widespread impact on human and natural systems through continued emission of greenhouse gases that will cause further warming and long-lasting changes in all components of the climate system, increasing the likelihood of severe, pervasive and irreversible impacts on people and ecosystems. Also, how climate change could be limited which would require substantial and sustained reductions in greenhouse gas emissions was discussed.

While interacting with students of TERI University, authors emphasized them to communicate the concept of sustainable development in their work and motivated them to contribute towards real world challenges. ■

- Sumit Prasad
MBA Business Sustainability,
Class of 2013-15

'ABHIMANTH' 2013

'Abhimanth' 2013 had the central theme as Corporate Social Responsibility – The HR Perspective. It was a two-day conclave (November 15 and 16, 2013) that provided a broad platform to all students to interact with HR executives from various sectors who deliberated on contemporary issues in the world of business.

Eminent speakers such as Mr Anil P Gupta, Director NCC Ltd and senior advisor to the Global Management, Dr Bhaskar Chatterjee, Director General & CEO, Indian Institute of Corporate Affairs, MCA, Ms, Pushpa Sundar, Founder and Executive Director, Sampradaan Indian Centre for Philanthropy (SICP), covered an array of topics such as CSR and shared value, CSR and corporate governance, challenges in CSR to name a few. The two-day robust sessions were concluded with a workshop by Ms Tanya Ramani, Creative Director, CELL Advisory on linking CSR to organisation equity. This workshop threw light on CSR being not only a management directive, but a strategic asset in an organisation.
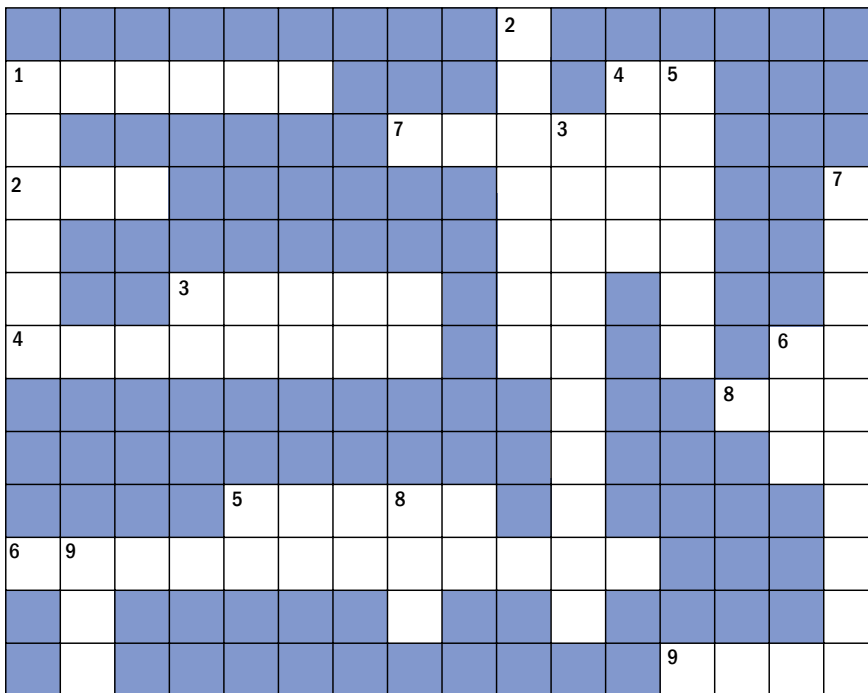

'PRAVAAH' 2014

'Pravaah', the annual student conclave, hosted competitions such as debates and presentations on Sustainable Development and Ethics for undergraduate students from various colleges across India. The event, inaugurated by Dr Leena Srivastava, Vice Chancellor, TERI University, had an opening session by Mr Asim Parekh, Vice President, Technical, Coca Cola, Mr Pranshu Singhal, Head, Sustainability, Nokia and Mr Madhur Kalra, Deputy Manager, Corporate Affairs, TATA Tele Services Ltd. Following the session, the students presented their views on 'Business Ethics and Sustainable Development' while the debate was on the issue of Business Sustainability being the touchstone of success. A daylong event of discussions and thought provoking questions ended with a cooling off session of business tambola.

Introducing 'brainteaser' with the intension to promote sustainability concepts and lingua. The current edition features two sections; a crossword and a quick look at your ISO's.

crossword 1

ACROSS

1 In the PPP of sustainability, Profit is the third P. This is the first.

2 In the PDCA cycle, this is what A stands for.

3 Assessment of financial implication of adopting environmentally sound policies is called environmental ____.

4 Sacrificing one thing to obtain another.

5 In the acronym PDCA, C stands for.

6 Deceptive Green PR or Green Marketing.

7 This is the intersection of Profit and Planet in the Triple-Bottom Line Model of sustainability.

8 Certified sustainable seafood.

9 Vision of this organisation is 'creating innovative solutions for sustainable future'

DOWN

1 In the PPP of sustainability, Profit is the third P. This is the second.

2 Local climate

3 This commission released the report 'Our Common Future'.

4 In the PDCA cycle, this is what P stands for.

5 In the acronym AR5, this is what R stands for.

6 An international NGO and world's largest developer of voluntary international standards.

7 He represented IPCC at the 2007 Nobel Peace Prize ceremony.

8 The link between Competitive Advantage (CA) and CSR

9 Oil Palms are originally from West Africa. The issue of unsustainable palm oil has been under fire for several years. This is the colour of the oil.

know your ISOs

No.	ISO	Particular
1	ISO 9000	Quality Management
2	ISO 14000	Environmental Management
3	ISO 20121	Sustainable Events
4	ISO 22000	Food Safety Management
5	ISO 26000	Social Responsibility
6	ISO 27001	Information Security Management
7	ISO 31000	Risk Management
8	ISO 50001	Energy Management

Source: International organisation for standardization. Retrieved from www.iso.org

The causes India Inc supports

A sectoral break-up of CSR spends of the top 100 companies

Figures in %

Pie chart labels:
- ADDICTION — 1
- ELDERLY — 1
- ART/CULTURE — 2
- HIV
- FINANCE
- CHILDREN — 3
- DISABILITY
- AGRICULTURE — 4
- INFRASTRUCTURE — 5
- VOCATIONAL SKILLS
- SPORTS
- WOMEN'S EMPOWERMENT — 7
- WATER — 8
- EDUCATION — 15
- HEALTH — 14
- COMMUNITY DEVELOPMENT — 10
- ENVIRONMENT — 9

Source: CSRidentity.com; company annual reports

SOLUTION I

Crossword solution grid:
- 1 ACROSS: PEOPLE
- 2 ACROSS: ACT
- 3 ACROSS: AUDIT
- 4 ACROSS: TRADEOFF
- 5 ACROSS: CHECK
- 6 ACROSS: GREENWASHING
- 7 ACROSS: VIABLE
- 8 ACROSS: MSC
- 9 ACROSS: TERI
- 1 DOWN: PLANET
- 2 DOWN: WE
- 3 DOWN: BLEND
- 4 DOWN: PART
- 5 DOWN: REPORT
- 6 DOWN: ICHAUR
- 7 DOWN: RKP
- 8 DOWN: COSH
- 9 DOWN: RED

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Knowledge for Sustainable Development
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