



The Aditya Birla Group: Transcending business

A US\$ 40 billion corporation, the Aditya Birla Group is in the League of Fortune 500.

It is anchored by an extraordinary force of 136,000 employees, belonging to 42 nationalities.

The Group operates in 36 countries. Over 53 per cent of its revenues flow from its overseas operations.

Beyond Business -

The Aditya Birla Group is:

- Working in 3,000 villages globally. Reaching out to 7 million people annually through the Aditya Birla Centre for Community Initiatives and Rural Development, spearheaded by Mrs. Rajashree Birla.
- Focusing on: Health Care, Education, the Girl Child, Sustainable Livelihood, Women Empowerment Projects, Infrastructure and espousing social causes.
- Working closely with Habitat for Humanity, we have so far built more than 400 houses as part of our community outreach programme, besides supporting the building of an additional 3,800 houses.
- We are also engaged in creating model villages in rural India. We have chosen 300 villages for this transformation - whereby in a five year timeframe the villages would be self-reliant in every aspect, moving out of the "below the poverty line" status. So far more than 90 villages in India's hinterland have already reached the level of model villages.

Highlights

- Over 2 million patients treated at 4,000 Medical Camps and its 18 hospitals. More than 1,200 children learnt to smile again as they underwent cleft lip surgery. We helped immunise 6 million children against polio as well.
- At our 42 Schools across India we provide quality education to 45,000 children. Of these 18,000 students belong to the underprivileged segment. Merit Scholarships are given to an additional 12000 children from the interiors.
- Our Vocational Training Centres and the Aditya Birla Rural Technology Park accord training in sustainable livelihood projects to 80,000 people.
- Our 4,000 Self-Help Groups have led to the empowerment of 40,000 women.

- To embed CSR as a way of life in organizations, we have set up the FICCI - Aditya Birla CSR Centre for Excellence, in Delhi.
- In line with our commitment to sustainable development, we have partnered the Columbia University in establishing the Columbia Global Centre's Earth Institute in Mumbai.
- Ongoing education, healthcare and sustainable livelihood projects in Philippines, Thailand, Laos, Indonesia, Egypt, Korea and Brazil.

Transcending the conventional barriers of business because we believe it is our duty.

Inclusive Growth – An Imperative

~ Rajashree Birla

We are a country conspicuous for its gaping divides. Divides between urban and rural areas. Divides between states. Divides between the backward regions and the rest of the country. This is not sustainable, let alone equitable. India cannot let its vast majority remain untouched by development and out of the mainstream. This is the single most important change that must happen quickly. It is here, that we need the engagement of every Indian.

Often we hear the phrase that there are two Indias – the India of the cities and the India that exists in the hinterland. And so they say there is one India and there is the other Bharat. When we think of a social vision, we are alluding by and large to the rural India and India's poor. This is because after more than six decades of independence, we have not been able to mainstream the marginalised. Ofcourse, every successive Government has done its best to execute their social responsibility. But there's still a long distance to cover.

Stark figures

India is a land of sharp paradoxes and polarities. On the Human Development Index, we rank at the lower end, a 136th out of 186 countries.

Nearly **40 per cent of our population is not literate**. More than **1/3rd of our 1.2 billion** plus, what we call our "demographic dividend" **lives on less than a dollar** and a quarter a day. India, is home to the largest concentration of people, living in poverty. And this is a pity.

In India, between **50 to 70 million citizens do not have a decent roof** above their head, which they can call their home. Of this, around 24 million are in the urban areas and the bulk of around 46 million, in the rural parts of the country.

You will be shocked to learn, that India accounts, for more than 20% of the global maternal and child deaths, which currently, I believe, is 4 deaths per 1,000 births. Shocking as it may seem – two million children under 5 years of age die every year in our country. This means that one child dies every 15 seconds – which is the highest anywhere in the world.

The number of baby girls who die is far greater than boys. So today, for every 1,000 boys, there are only 914 girls. We still live in an outdated world where families believe that having a son is the sure path to heaven. Therefore we have unfortunately, several cases of female infanticide and abandoning newly born girl children. We must destroy this myth and foster the girl child. We must stem all such ill founded prejudices. The current ratio is a precursor of several social ills that may occur as we go forward. I am sure all of you understand the gravity of the situation and I hope you will all engage in changing mindsets and rooting for the girl child.

Some more numbers. As distressing as it may seem, more than half of our Republic's 200 million children, between 6 and 14, do not complete even 8 years of elementary education. Over 42 million children do not go to school. Here also the Government through its Sarva Shiksha Abhiyan has tried to do its best. For this financial year, India's elementary education allocation was nearly rupees one-lakh fifty-thousand crores.

A recent newspaper report indicated that the number of Standard-III students who could read a Standard-I textbook is just 30%. The survey covered 14,600 schools all under the Sarva Shiksha Abhiyan. We believe, there must be accountability and even the quality of education must be improved drastically. Some NGOs are doing excellent work.

Several facts have come to light because of the Right to Information Act. This is a phenomenal development. It is an exemplary step that ensures probity in public life. By this act, today an Indian citizen can ask for any kind of information relating to policies, use of the taxpayer's money, progress on projects, and other matters of relevance, to the concerned public bodies and institutions. This helps, bring malpractices in the open, and mobilize action. Armed with this information, a citizen can ensure that, people in position play by the rules.

Push for SSA and Secondary School Education

Going back to the topic of education, I would like to mention that at our Group's 42 schools, 45,000 children are provided quality education. Of these 18,000 are from the marginalised sectors. At one of our Units in Uttar Pradesh, to stoke the interest of children in learning, we have set up computers on the walls of village houses. Hundreds of children access the computers and pick up a lot through E-learning.

I very strongly believe that, Sarva Shiksha Abhiyan should not be limited only to primary education, but should extend to secondary school education as well. That is a part of the social vision.

While on the issue of education, I recall my son Kumar Mangalam often expressing the need to reorient our education system. In his words – *"I find our current education system puts our students on a process line. It is much like a car assembly plant where the same model is produced day in and day out. It places tremendous mental stress on both parents and students – having to compete with each other to secure some obnoxious high marks, to in turn find a place in a premier institute in the country"*. I am sure, you all feel the same way.

Another point, that I want to drive home, is the need for more Vocational Training institutes, as part of the social vision.

Through it we can tackle the problem of unemployment and really take our demographic dividend to a new level.

In this regard, with a view to create both employability and entrepreneurship, we are working on a **major project, namely – “Nation Building”, in South India.** Our project encompasses a diverse range of disciplines that will foster inclusive, sustainable growth, and create employability for the nation's youth. At the heart of all these interventions, our primary goal is poverty alleviation, and long term sustainability.

Currently, we have Vocational Training Centres at several of our Units. We have also set up 4,000 Self Help Groups, which helps women be financially secure.

A Social Vision

It's very simple. A vision which should enthuse all of us. Our dream is – “An India free from poverty. An India of inclusive growth. An India where every person realises his or her optimal potential. An India where every human being lives a life of dignity. An India that can hold her head high in the hegemony of nations”.

All this can be possible, when all of us – stakeholders such as corporates, the Government, academia, NGOs, the media and every individual puts his or her weight behind this vision.

The Government is seized of the issue. Over the last 5 years the Government has pumped rupees four-lakh four-thousand crores under various programmes, for constructing roads, electrification, drinking water, health and irrigation facilities and employment under the MGNREGA programme.

On the economic front, the most important change, in recent times has been the **National Rural Employment Guarantee Scheme.** NREGA is a game changing development. As you may be aware it guarantees employment for 100 days a year to the poor. This effectively means that one in every four rural households have been employed. It is a path-breaking step towards poverty alleviation in our country. With the Unique Identity project rolling out, the misgivings that were nursed on the implementation of NREGA, no longer hold water. I believe, more than Rs.40,000 crores was disbursed in 2011-12, under this scheme. UID will also help stem the leakage levels.

Inclusive growth is happening. The latest National Sample Survey Organization (released in July 2012) indicated that the growth of rural household consumption, has been at a faster clip than that of urban consumption between July 2011 to June 2012, compared to 2009-10. In a sense, the gap between the rural and urban living pattern is reducing. There is hope. And I say this from our own Group experience. Idea Cellular – which is our telecom company – has over 120 million customers.

The Story of Vishnu

Listen to the story of Vishnu who lives in Nagda in Madhya Pradesh. Vishnu, now a 22 year old lanky girl, is a great farm-hand. From sunrise to near sundown, like a lark she sings in the field while helping her parents on their two acre farm. You can see shoots of wheat, almost golden in colour swaying in the wind. Vishnu apparently is enjoying herself. She says, “Once upon a time I was only three feet tall because I had to bend over and grip my legs while dragging my feet which were crippled. My parents were always praying that I should walk again. And then a miracle happened as I underwent polio-corrective surgery, persuaded by your teams. After months of physiotherapy, much anguish and physical pain, now I can almost walk straight again”. Sure she does walk well. The little limp that she has is barely visible. We should not let any child get to this stage at all.

In Vishnu's case fortunately we were able to turn the clock back as we saw a lot of hope when the surgeons reviewed her case. Reconstructive surgery in acute cases is not even attempted. Then we try to rehabilitate polio victims with the Jaipur foot (artificial limb) which accords them mobility to a large extent and reduces their dependents on the family. In a way it restores their dignity and sense of self-esteem. Since almost a decade, polio eradication has been, and continues to be a priority. For the year 2012, we helped administer 6 million polio drops, working closely with the Government and Rotary International.



these more than 50 percent are rural customers. In fact mobile phones are a great leveller.

Another interesting fact - according to the first census of slum households released by the Census of India, more than 63% of slum households, had mobile phones.

Next, to transform several parts of the rural landscape from poverty to prosperity, there is an urgent need to harness the potential of agriculture. This can be done by facilitating agriculture in a holistic way. At our Group, we have linkages with more than a million farmers as we provide them with total agri input solutions and teach them best-in-class agricultural practices through farmer training programmes, demonstration plots and sessions with experts in the field. Additionally, we have linked up with several NGOs like BAIF to better the health of their cattle and higher breeding through artificial insemination.

We have very strong linkages with rural India. Let me mention that all of our projects are based on the needs of the communities that live close to our plants. Our projects are very inclusive. At the same time we treat our social projects just as our business projects.

Let me briefly dwell on how we reach out to communities. We have set up the Aditya Birla Centre for Community Initiatives and Rural Development, which I spearhead across the Group globally. The Centre is anchored by Dr. Pragnya Ram, Group Executive President, Corporate Communications & CSR and the various CSR Heads report to her. The work our teams do to make a difference to the lives of the marginalized is most touching. In fact we have an articulated Vision which is: “**To actively contribute to the social and economic development of the communities in which we operate. In so doing build a better, sustainable way of life for the weaker sections of society**”. In a nutshell it epitomises, inclusive growth and dignifying the lives of the underprivileged.

Above all, the invaluable contribution of our 250 strong committed CSR colleagues and the leadership team gives us the edge. Their energy, their passion and their commitment to make a difference to the underprivileged makes our work count.

Giving is Living

I now come to my final point – what is the commitment that all of you can make? There is a philosophical ring to it. Make 'Giving is Living' as your magic mantra in life. We can all start in small ways. Firstly, in our own circle of influence – embed CSR in the DNA of your company and that of your spouses. Try and enhance their sensitivity towards the larger issues that we as a nation face – that of our poor and work out ways to make a difference. Broaden the spectrum.

Move from the company to an area that you control - your household. Take charge of the betterment of the household staff. Ensure that their children are well educated. Mentor them and guide them to become good, responsible, economically independent citizens, proud of our country. Even if you are able

to reach out to just 4 individuals – the impact will be palpable. Suddenly you will find that these children and their parents show vigor. The ripple effect will be seen over a period – from households to communities.

The cause of children is something that is very close to my heart. When I see children who are crippled because they did not take the polio plus dose, I feel miserable. I want you to pitch for polio eradication. Your support is needed to ensure that we keep polio away from our country. As a Group, we have been working with Rotary International and the Government machinery to ensure that every single child is immunized against polio. In the last 3 years only, our teams have helped administer polio drops to over 18 million children through thousands of booths all over the country.

Two years and not a single new case of polio, is a message of great hope. But let me add a word of caution. Polio still exists in Afghanistan, Nigeria and Pakistan. The virus can still travel to India as people move from one country to another. We have to be very cautious and pro-active to ensure that the virus is not allowed to re-enter our country. Rotary International is fully committed to see that we remain a polio free country. It will be nice if you can all help fund them.

To me giving is an expression of joy, love and caring. It is being useful to those around us and to the world, in concrete ways. Giving is like blessing your own life. Because when you give with an open heart, the good that you do for the other person, comes back to you in some form as a blessing.

The act of giving, in my view, brings about a different kind of renewal – that of hope. It is a life re-affirming act.

When you reflect, in the quiet of your soul, you realize fully well that God has given you and me an abundance of his grace. All of us have a moral duty to share some part of it in any way we can to enhance and to make a difference to the lives of the needy. If we practise this precept with heart and soul, we can make inclusive growth happen. We can lift our poor. We can dignify their lives. Then freedom from poverty in India will be a reality and not just rhetoric.

And as Mahatma Gandhi said - “You must be the change you wish to see in the world.” ENDS.....

Mrs. Rajashree Birla is the Chairperson of the Aditya Birla Centre for Community Initiatives and Rural Development.



ADITYA BIRLA GROUP
Making A Difference
www.adityabirla.com