

“Corporate Social Responsibility” to “Total Social Responsibility”: The Journey of Kizhakambalam Gramapanchayath into Sustainable Development with Twenty-20

Jolly John O.V.

Abstract

The Twenty-20 movement in Kizhakambalam GramaPanchayat in the State of Kerala is a new model in rural development. Twenty 20 is a CSR project initiated by Kitex Garments Ltd and Anna Aluminum Company with the participatory framework, which captured the governance in the local panchayath (Local Self Government) with an absolute majority. Twenty-20 is implementing unique projects to attain sustainable development within 2020. The researcher used an exploratory sequential mixed method design. The researcher undertook interactions with key informants - Twenty-20 activists, panchayat authorities, social workers, significant people of the study area and the general public. Subsequently, a questionnaire was prepared, and data generated from 60 households.

The participatory system designed in the Kizhakambalampanchayath is very progressive. The various innovative projects put forward by the twenty 20 such as food security markets, income generation projects (IGPs) and agri-based career development changed the quality of the life of the community members. The Multidimensional Poverty Index (MPI) which was designed

Jolly John O.V : Asst. Professor, Department of Social Work, St. Alberts College, Ernakulam. email: jollyjohnov@alberts.edu.in

by OPHI was ascertained to be .003 in Kizhakambalam, versus .004 for Kerala and .121 for the rest of India. This high MPI is an indicator of the fruitful intervention into alleviating poverty in the Kizhakambalam Grama Panchayat.

The Corporate Social Responsibility usually demands a minimum involvement of the Corporate sector into the community affairs. But the Kitex Garments Ltd and Anna Aluminum Company go beyond the minimum involvement as prescribed by the Indian Companies Act. It enhances its involvement to “Total Social Responsibility” where the company consider themselves a friend and well-wisher of every person in the Panchayat. It is dedicated to the last person in the community for their welfare and development.

Keywords: CSR, SDG, Participatory Rural Development, Poverty, Community Development,

According to World Business Council for Sustainable Development (WBCSD) definition: “Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development, while improving the quality of life of the workforce and their families as well as of the local community and society at large” (WBCSD, 2014). It indicates the responsibility of the corporate sector towards society. The Indian Companies Act, 2013 Section 135 mandates that at least 2% of the net profit of the company should be used for the upliftment of the society. The activities permitted to be undertaken by a Company under CSR have been specified under Schedule-VII of the Act; it includes poverty eradication, gender equity and women empowerment, child mortality and improving maternal health, combating HIV-AIDS, Malaria and other diseases, environmental sustainability, employment-enhancing vocational skills, etc.

However, when we analyse the CSR, we can understand that the CSR fund allocation is nominal 2% of net profit and the law demands this minimum participation by the corporate world to the issues prevailing in the Society (Ministry of Corporate Affairs, 2013). However, in this case, a corporate group in Kerala thought differently; it takes “Total Social Responsibility” instead of “Corporate Social Responsibility”. Total Social Responsibility denotes

the maximum support for the community to empower them to stand on their own feet. Kitex Group of Kizhakambalam, Ernakulum, Kerala is exhibiting such a model to the world. Anna- Kitex group spend 10-12% of their net profit in CSR activities to reach the aim of “ Total Social Responsibility”. Average net profit of the company for the last three financial years: Rs. 151,80,78,742. Prescribed CSR expenditure by Companies Actis (two per cent of the amount) Rs. 3,03,61,575 only. However, Anna-KitexGroup’s CSR spending during the financial year 2017-18 stands at Rs. 12,75,12,054.

Method

The researcher used an exploratory sequential mixed method design. The researcher undertook interactions with key informants - Twenty-20 activists, panchayat authorities, social workers, significant people of the study area and the general public. Subsequently, a questionnaire was prepared, and data generated from 60 households. The Global Multidimensional Poverty Index (MPI) was developed in 2010 by the Oxford Poverty & Human Development Initiative (OPHI) and the United Nations Development Programme was used to compute the poverty level of the households. Sample size is 60 taken from 4 different wards in Kizhakambalam Gramapanchayat by multi-stage sampling method.

Anna Group

Anna group was founded by M. C. Jacob, one of the famous entrepreneurs in Kerala in 1968. The company entered the market with its initial venture- Anna Aluminium. The company now enjoys a high profile across the world. Anna Aluminium which was founded by M. C. Jacob, with a total of eight workers, now it is one of the largest private-sector employment providers in the state. The company has an annual turnover of INR. 1200 crores, besides enjoys a monopoly in the market of utensils, aluminium sheets and vessels. Besides, the company enjoys the market in the Middle East, Australia, and the USA. Later, the group expanded its prospects through diversification of product range. After the success of Anna aluminium products, the company

registered Kitex Limited, a textile manufacturing unit in 1975. In 1979, textile production initiated at Kitex Ltd. In 2008, the company introduced 'Trawell-day', bags designed for travel purposes. Sabu. M. Jacob, son of M.C. Jacob, is the Managing Director of Kitex Limited since 2006.

Twenty-20: Kitex and CSR

'Reaching out to the under-served community' is the motto of Kitex's CSR initiatives. Kitex Garments Limited, which believes in trusteeship policy proclaim their CSR initiatives are meant for bringing a significant difference to the life of the underserved community they operate in. It is this perception which motivated Kitex to come down in favour of Kizhakkambalam panchayath to impart their CSR initiatives through Twenty-20. It is a difficult task to understand the format of the entity Twenty-20. It is a CSR project, voluntary organisation as well as a political movement simultaneously. Twenty-20 is the CSR wing of Kitex Garments Ltd registered as a Voluntary Society under Travancore-Cochin Literary, Scientific and charitable Act 1955, with a vision to develop the Kizhakambalam by 2020. Twenty-20 coordinates the CSR activities of the Anna-Kitex group through 40 professional social workers, engineers, agricultural experts, besides volunteers. Twenty-20 is also a people's movement in which the community members are organized in the grass-root level with formal leadership. The most interesting is its political face which emerged lately and now enjoys the governance of the Kizhakambalam Gramma Panchayat.

Historical Roots of Twenty-20

Twenty 20 finds its humble start in a free medical camp conducted in 2013. The coordination group of the medical camp continued to gather even after the medical camp to look forward to similar charity events. Mr. Sabu M. Jacob, M.D. of Kitex garments eventually took up the leadership of these activities. He believed that a systematic approach to intervention is needed. With this purpose, they undertook a survey to understand the situation of the people. This gave them a realistic picture of the area, and after rigorous deliberations,

they concluded that it would take at least seven years to achieve the planned objectives of development. So they titled it Vision 2020, and eventually the movement took the popular name Twenty-20. Twenty 20 concentrated in changes in the grass-root level such as employment, poverty eradication, food security, water conservation, etc. Awareness creation and training was the strategy they used to achieve these goals. Kitex Garments Ltd. initiated their CSR activities by appointing professional social workers at this point of time which made their activities more goal-oriented. Soon the political parties wrath showed up as disruptions to their operations in the form of interventions of undertaken in the Grampanchayat. Political leaders eventually made the Twenty-20 to contest in the Panchayat elections to get the green signal for their activities. This gamble paid off with Twenty-20 bagging 17 out of 19 wards in the Gramapanchayat and allowing them to initiate start their people-oriented governance in Panchayat. So, as it turned out, Twenty-20 was a CSR project, a peoples movement and political entity at the same time.

United we stand, divided we fall

The task envisaged by the Twenty-20 equalled to moving mountains, something not ponderable and that could not be achieved by a few people. So they decided to bring people with them. When dealing with the thousands of men, all of them should be motivated, convinced about their right and duties. A series of awareness programmes and early interventions in the problems generated a ‘sense of brotherhood’ among people. Eventually, Twenty-20 started to systematically group them into working communities. The primary community comprises four families guided by a secretary, and 20 of such primary communities make the area community with a four-member area committee and secretaries of all the basic communities. All the area committees in a ward constitute the ward executive committee and the high power committee. This system functions as the ultimate uniting force in which all the problems the communities face are discussed and solutions found. It is in this ward meetings the crucial decisions of the beneficiaries are taken. Area committees in the Gramapanchayath meet in convention every month. It is this

people standing together, that seems to have strengthened Twenty-20 besides themselves. It is the people who are well aware of their rights and privileges that aid the effective functioning of Twenty-20. Indirectly, the Anna-Kitex group has been able to empower people to stand together.

Is poverty reduced in Kizhakambalam

The research gave an in-depth understanding of the poverty level of the Kizhakambalam Grama Panchayat. The MPI score of the Kizhakambalam Grama Panchayat was 0.003, which was way lower than the MPI index of Kerala (0.004) and the whole of India, i.e. 0.121. The MPI score of .003 is at par with Scandinavian countries, who top the MPI score. There is a good mixture of poverty eradication measures in three levels. For a first it measures the immediate impact such as food security, employment, medical facilities, etc. that caters to the poor people in their survival on a daily basis; secondly, it measures with the immediate and long-term impact of employment training and job security measures, entrepreneurship and small household industries, infrastructural development of roads and canals that helps him to financial stability; thirdly, it measures the long-term impact of educational quality enhancement, special training for children, special care for infants and pregnant women, industrial fruit farming creates an investment in future generations.

Food security and Poverty Eradication

The primary aim of the Twenty-20 activities revolves around the eradication of poverty. During the survey in 2013, Twenty-20 identified the economic condition of the people. Out of the total 6500 families, 4624 families (nearly 71%) fall under low-income and below-poverty category. Given that most of these families could not afford good food, Twenty-20 came up with a plan to provide provisions at a half-price through "Food Security Market". "Food Security Market," a 40,000 sq. ft. food security bazaar managed by "Twenty20 Kizhakambalam," takes care of the essential commodities, including vegetables, groceries, chicken and fish, of the 60,000 people in the panchayat. All these essential commodities are sold at an incredible discount of 50-70 per

cent. For example, a half-litre sachet of milk which sells at Rs 22 in open market costs a mere Rs 10 in the Food Security Market. Twenty-20 issued Blue, green, yellow and red cards to the villagers based on their incomes. Nearly 4620 families fall under the red and yellow categories which are provided with subsidised provisions. The lowest group red has a free wallet amount of Rs. 2000 every month, which may be used to buy provisions. This has a huge impact on the family budget. There is also another project named “Mother and Child” in which the pregnant women, lactating mothers and children upto the age of five are given free milk and eggs every week.

Employment enhancement

The sustainable eradication of poverty can be attained, when people earn a steady income. Employability of the people was enhanced through various skill development training. Womenfolk in the Kizhakambalam were trained in tailoring, printing press, animal husbandry, jewellery-making, agriculture, etc. Entrepreneurship training is provided to the members, and small-scale enterprises are started. Anna-Kitex group provided support to a group of small enterprises in textiles, packaging materials, food products, etc. offering employment nearby, which enabled the homemakers (womenfolk) to participate without disturbing the family affairs. CSR fund was used to engage members in animal husbandry - cattle farms, poultry farms, goat farms, pig farms etc., are stated widely in the panchayath.

Organic and Industrial farming

Kizhakambalam Gramapanchayath has nearly 1000 acres of barren paddy fields, as the farmers had given up on farming due to water scarcity and high labour charges. Twenty-20 provided farming machines such as tractors, tillers and harvesting machines free of cost, enabling farmers to resume farming. At the time of the study, there was paddy cultivation in the entire 1000 acres. Twenty 20 promoted plantain farming in which one lakh plantain saplings were planted in the area.

Moreover, also the cash crops such as spices and fruit plants such as rambutan, mango are planted as industrial farming. To promote farming, Twenty-20 not only gives the saplings at a free cost, but it also provided manure and organic pesticides free, together with free planting of the saplings in the designated areas provided by the people. As a result, there were nearly fifteen thousand rambutan trees, and fifteen thousand mango trees are newly planted by the Twenty-20. The Twenty 20 promoted healthy farming practices such as organic vegetable farming, poultry, and aquaculture. Twenty 20 also provided marketing assistance to the farmers to get fair prices for their products.

Housing for all

Under “EnteVeedu (My Home) Scheme”, Twenty20 Kizhakkambalam has completed about 300 houses, besides renovating 800 houses for the needy. The contemporary-looking 750sft houses include two bedrooms, a hall and a kitchen. Every house is furnished with basic kitchen accessories and facilities like European toilets, sink, light and water. The initiative also provides accessories like fans, fancy lights, furniture, dining tables, mixer/grinder sets, beds, TVs and sofa sets worth Rs 2 to 4 lakh at 50 per cent of the cost.

List of Social related CSR activities of Kitex

Services	Short Description
Free Food	Free food delivery for select poor in Kizhakkambalam Nagar
Education Sector	Distribution of school bags, renovation of toilets, measures to improve educational standards
Drinking Water	Distributed potable drinking water to ensure food security
Agricultural Produce	Vegetables Fests are organized during the festive seasons to sell produce at a reasonable price
Health and Medical Care	Organised medical camps at Kizhakkambalam
	Offered financial assistance for 1890 surgeries
	Nine surgeries performed for infants from disadvantaged families
	Financial assistance for dialysis
	Free ambulance service
	Funeral assistance
Epidemics Control	Fogging and related measures to control the outbreak
Disaster Relief Services	Financial help was provided for the drought and flood-affected areas
Anthrax Control	Assistance for the farmers, whose cattle were infected with anthrax
Crop Destruction	Compensation was provided to the farmers affected by crop destruction
Road Construction	Fifteen roads connecting Kizhakkambalam with other places widened
Sports Sector	Programmes and assistance for youth and teenagers interested in sports
Relief Fund	Assistance offered for disaster-affected people of the village
Mosquito Control	Measures to prevent the growth of mosquitoes
Prevention of Corruption	Measures were taken to initiate corruption-free governance.
Renovation of Places of Worship	Temples, mosques and churches were renovated under this scheme.

Stormy Seas never frighten an excellent Captain

The activities of the Twenty-20 always happened amidst the hostile environment created by the political parties. All major political parties considered Twenty-20 as infiltration into their fiefdom, and an attempt to sabotage their political base. In the early days, the activities of the Twenty-20 was not intended to disturb against any political parties, and, the welfare of the people was the only concern. However, the growing popularity of Twenty-20 found political parties trying to oppose the various programmes. Even some of the people friendly programmes such as the Food Security Market was openly opposed and threatened with closure following violent attacks. However, these actions made things worse for the political parties, as people grew courageous enough to denounce political affiliations. As the political parties govern the other governing bodies in the higher - district and state-levels, constant interruptions of various forms continuously arose. However, Twenty-20 leadership remained unperturbed through the storm. Sabu M. Jacob the Chairman and his team were determined to make changes and responded well to each threatening situations boldly and differently without fear.

Conclusion

Development is the keyword of political success in India. It is being used by all the parties that ruled India since independence. "achedin" (better days ahead) promised by the current prime minister of India Narendra Modi is a prime example. All the political parties thrive on promises of development in India. However, some changes are happening in India at the behest of some leaders, who think differently and believe that the development of the common man means development. The Delhi experiment of Aam Admi Party by Arvind Kejriwal lit some hope for India. Such home-grown people's movements such as Twenty-20, has offered new sparks of hope for the populous in Kizhakkambalam and stands a shining example of how Corporates can intervene meaningfully. Twenty-20's 'Total Social Responsibility' being taken over the Kizhakkambalam community, had triggered drastic change in the

community dynamics resulting in development and sustainability, once considered impossible.

References

Deccan Chronicles. (2017). NitinGadkari to open Twenty20 initiative at Kizhakkambalam. <https://www.deccanchronicle.com/nation/in-other-news/151117/nitin-gadkari-to-open-twenty20-initiative-at-kizhakkambalam.html>. 2017 Nov 15.

Jayaram, A. (2018). Kizhakkambalam set to become a model panchayat. <https://telanganatoday.com/kizhakkambalam-set-to-become-a-model-panchayat>

Kamal hands over keys to 37 houses built under Twenty20. (2018, December 4). The Hindu. <https://www.thehindu.com/news/cities/Kochi/kamal-hands-over-keys-to-37-houses-built-under-twenty20/article25657752.ece>

Kumar, S. (2015). Kitek gives T20 a new spin in KizhakkambalamThe Times of India. <https://timesofindia.indiatimes.com/business/india-business/Kitek-gives-T20-a-new-spin-in-Kizhakkambalam/articleshow/47621536.cms>

Ministry of Corporate Affairs.(2013). Companies Act, 2013. <http://ebook.mca.gov.in/default.aspx>

Srinsha, & Peedikakkal, L. T. (2017). Politicizing Corporate Social Responsibility: A Triple Bottom Line Perspective of Kitek’s Twenty20 Association. *IOSR Journal of Humanities and Social Science*, 22(05), 54–59. <https://doi.org/10.9790/0837-2205075459>

WBCSD.(2014). CSR. <http://www.gaea.bg/about-GAEA/corporate-social-responsibility.html>