

The Innovative Role of NGOs in Corporate Agricultural Sustainable Practices: Evidence from India

Dr Khushboo Sharma

(Assistant Professor, Khandelwal Vaish Girls Institute of Technology, Jaipur)

Abstract

The main role of Non-Government Organizations (NGOs) is to help the society through a systematic way to help in social improvement and welfare activities with the help of funding and support. Some NGOs working in rural and agriculture work with the support of corporate fund who wants to fulfill their corporate social responsibility (CSR) work for society.

This study is descriptive in nature and based on qualitative research. The study shows that a new and innovative agriculture-based approach has a great impact on rural people with the support of CSR fund. Corporates and NGOs are collaborating to provide a sustainable solution of the livelihood to rural people especially farmers. The CSR fund is utilized and has a great impact on the development of agriculture with the help of NGOs. The agriculture approach based NGOs in India are more engaged in improving small farmer's social and economic conditions due to poverty, low awareness and lack of knowledge of new agricultural technology. The agriculture based NGOs with innovative approaches working proactively by collaborating with corporates, foundations, government, national and international organizations, and other stakeholders. In a water crisis situation, Indian agriculture uses more than 80% of freshwater in its production, so with the help of cost-effective technology with local recourses of natural resources and with sustainable model without any conflicts in society. This implies that CSR funds should play a pivotal role in this regard since it is the corporate thematic area of activities that dictates the NGOs, agriculture development programs and corporate find better sustainability of their business with the help of sustainable agricultural product supply.

Keywords: Non-Government Organizations, Corporate Social Responsibility, Stakeholder, Agriculture, Sustainable Development.

Introduction

India is the largest democratic country, areawise where the main motto of government is the welfare of its society. As the mandatory CSR policy of corporations indicate the strong desire of the government to involve the corporate directly in social development. In the last few years, corporate social responsibility in India has acquired new status with the Companies Act, 2013. As per Companies Act 2013 the NGOs would be the main CSR partner for implementation of social and welfare projects. Indian agricultural sector continues to be weak factor in the economic growth of India. Although, the rising demand for food in domestic and global markets can create huge possibilities, small and declining land holding, price volatility, soil degradation, and climate risks continue to trouble the farmers. Fewer opportunities and constraints to improve the agricultural sector also affect the farmer's income, especially small and marginal farmers.

The overall development of agriculture needs to involve various service providers such as private agribusiness companies, NGO's in dissemination of agricultural technologies with knowledge, skills, expertise and leveraging corporate social responsibility (CSR) funds.

NGOs have developed that type of technology which is much useful for individual farmers or group to group farmers that they find it there situation (e.g., Sollows, Thongpan, and Leelapatra, 1993). for example, PRADAN's endeavors in India to downsize advances created by government for mushroom and raw silk production, thus making them available to small scale farmers (Vasimalai, 1993) In the context of developing countries, Non-Governmental Organizations (NGOs) are well-positioned to have a powerful impact on corporate social responsibility partner in agriculture and rural development as any other stakeholder. According to Arenas et al, NGO and rural-based development organization is a powerful and important stakeholder, represented by key stakeholder groups and trusted institution. By taking these major agriculture development issues of India into consideration, our study contributes to the existing studies in three key areas. First, it brings a perspective from a developing country, India, into the studies of corporate social responsibilities. Second, it contributes to the literature on secondary stakeholders. Third, it provides an original framework that agriculture NGOs can make use of influencing companies to improve their social responsibility impact.

Literature Review

1. Bhaskar Suresh (2014) - investigates that NGOs engaged in health, hygiene sanitation field in the rural area with the support of government and foreign funding project approaches areas with high needs. In this paper, it analyses the participation of people in NGOs promoted projects and their satisfaction of the services.
 2. Schools Lawrence (2012) - In this research paper rural development NGO were classified in four categories according to their functions in a rural development project in India. They were classified as local, regional, national and international according to their working areas. The regional and national NGOs are better in their funding and ground approach to implement the rural development work than having greater impact.
 3. Das Bijoy (2019) - The researcher investigates that NGOs provide their health services to rural north east India with the help of government collaboration. The government provided support to NGO in terms of funding and other resources and the NGO gives the quality based service to the rural and poor people of village. This type of NGO is specially recommended by World Health Organization. In 2003, primary health care indication of health system consider it as a responsibility of the state where NGOs have a scope to increase their role in providing different types of services.
 4. P Manikanta and Osudhakar Reddy (2013) - In this paper some rural based NGOs provide their services for extension and development of rural agricultural technology for sustainable development of the society. They develop some easy and practical agricultural based technology, which is cost effective and more productive on ground level to improve the livelihood and basic standard of the rural farmer. These types of NGOs also tie up with the government for development in extension of rural technology in different sectors like agriculture, water harvesting, skill development, employment generation, rural infrastructure, health and sanitation.
 5. Anushree Prakash & Sandhya Praniti (2018) - This report links the government, corporate and NGOs working for rural development projects and try to find out maximum benefit of all three sectors.
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It provides some case study to CSR focus areas of rural development and give the road map of the mobile location of the village community and its participation in rural development programmes and taking the ownership of the sustainability of the project.

There is a limited study on agriculture activity taken by CSR organization and companies. Even though these initiatives use new innovation tools which benefits the farmers with low cost to hire on return. Maximum NGOs are working on agriculture projects take care all these points of success on grass root level in rural areas and depend upon profitability in implementations that have good impact on agricultural sustainability development. The four highest agriculture support CSR program were declaring of environmental sustainability, social development, market development & scientific advancement in agriculture.

Research Methodology

Research Problem

After the Companies Act 2013, there are so many studies conducted in corporate, NGOs and communities development, but there are no study in CSR, agriculture development and NGOs for the important role they play for better implementation of rural development projects especially sustainable agricultural development practices.

Not only in India but there are thousands of NGOs working for the development of society and agriculture worldwide. The use of innovative approach in different climate and cultural regions globally indicate that different top rural based development organization specially working in agriculture development have a positive impact on all stakeholders. This research study discloses the best practices with utilization of corporate funds in agricultural development actives with the help of NGOs. It also discloses that agriculture development activities provide directly and indirectly for long term sustainable supply chain management system to the corporate.

Research Gap

1. There are so many studies about CSR and NGOs, yet there is a lack of study conducted on the innovative working style of the top ten rural-Agri based NGOs and their utilization of corporate fund for better impact on the community.
2. This study shows that Agri-based NGOs adoption and mainstreaming of Good Agriculture Practices (GAP) approach to small and marginal farmers with cost effective and sustainable requirements of energy, water and labour resources minimize the impact on environment. Presently, there is no study which clearly discloses what is the best approach of an agriculture and rural NGO that has better to good impact on communities.

Objectives

- To understand the innovative role of NGOs in corporate agricultural CSR practices.
- To find out the new technology/model in agriculture development.

Hypotheses

H0: There is no significant role of NGOs in innovative corporate agricultural CSR practices.

H1: There is significant role of NGOs in innovative corporate agricultural CSR practices.

Data Collection and Methodology

The nature of the study is descriptive and sample method was adopted through a questionnaire. The questionnaire had 30 questions belonging to NGO, CSR, innovation, organization method, plan and implementation of CSR program and impact on rural and agriculture development. The questions were circulated among leading reputed NGO and foundations which are directly supported by corporates. Through CSR programme officers and managers of these NGOs were shortlisted people with minimum graduate degree with 5-year experience in organization and rural agriculture development activities were chosen. The questionnaire include 30 questions, which is selected from 10 most reputed agriculture development NGOs. In this study, stratified random sampling, which is also called quota random sampling and proportional sampling was used, that divides the population in subgroups, each group is called strata.

In India, there are a million registered NGOs in working or non-working mode while working in different sectors of welfare and development like education, livelihood, sanitation, health, disaster, urban development, rural development and many more. For collecting the secondary data to this study, we used the memorandum and article of association of corporates, annuals reports, CSR reports, policy, corporate strategy documents, and publications, online reports of CSR organization and consultant, press releases, relevant proclamations, websites of the NGOs corporate, government and private CSR firms. We employed content analyses to analyse the collected data.

Successful Agriculture CSR Projects in India

Some reputed agriculture CSR projects “Assistance to the Farmer” (HDFC Bank) “Soil and Water Testing” (Bank of Maharashtra) “Krishi Mitra” (Mahindra and Mahindra Limited) “Agriculture Skilling” (Cash India Limited) “Farmers Centric Watershed Management” (The Rural Electrification Corporation Limited) “Farmer Support Programme” (Adani Ports and Special Economic Zone Limited) “Assistance to Apple Growing Farmer” “Seeds the Rice” (Mahindra and Mahindra Limited) “Wardha Farmer Family Project” (Mahindra and Mahindra Limited) “Irrigation Support”(Bharat Heavy Electricals Limited) “Farmer First” (Numaligarh Refinery Limited) are implemented and used in different states of India. This long term programme was divided in many sub-programs which supported different sectors of agriculture in collaboration with NGOs, Foundations and communities based organization (CBOs). They also mobilize resources with different sources of Government and Non-Government organization.

Reputed Agriculture NGOs of India

Identifying the right NGO for CSR intervention is not an easy task. It takes years to identify a NGO on the basis of operation, geographical areas, reputation, certification (Income tax exemption, FCRA, service tax, proper internal document, relevant experience, leadership and credentials).

In India, there are top NGO's that play important role in rural and agricultural development with their new and innovative approaches. They have also research-based activities which have the greatest impact on rural life. The most important NGOs are Sewa Mandir-Udaipur (Rajasthan) ,PRADAN (Professional Assistance for Development Action)- New Delhi, SRIJAN (Self-Reliant Initiative through Joint Action)-New Delhi, ISAP (India Society of Agri-Business Professionals)- New Delhi, Reliance Foundation- Nevi Mumbai(Maharashtra),BAIF Development Research Foundation-Pune (Maharashtra), Sehgal Foundation, Gurugram(Haryana) , ACCESS Development Services-New Delhi, Bajaj Trust-Sikar (Rajasthan) and N. M. Sadguru Water & Development Foundation- Dahod (Gujarat) that are mainly working on agriculture and rural development work of remote areas with support of CSR funds .

S. No	Name of the Organization	Major CSR Funding Partners	Innovative Activity
1	Sewa Mandir-Udaipur (Rajasthan)	Axis Bank Foundation	Natural Resource Management, New Agricultural Techniques
		Colgate Palmolive (India) Ltd:	Rural Women Self-Help Groups (SHGs), Promote Farming of Flowers
		JK Tyre & Industries Limited:	Self-Help Groups (SHGs), Water Harvesting, Natural Resource
2	PRADAN (Professional Assistance for Development Action)- New Delhi	Tata Trust	Producers' Company (Pc) ,Market-Linked Production
		ITC Limited	Water Harvesting Structure, Market-Oriented Production Models
		Aditya Birla Capital Limited	Self-Help Groups (SHGs), Input-Output Linkages, Natural Resource
3	SRIJAN (Self-Reliant Initiative through Joint Action)- New Delhi	Axis Bank Foundation	Self Help Groups, Farmer Producer Organizations,
		Azim Premji Foundation	Smallholder Horticulture Through Nano-Orchards Demonstration
		Mahindra & Mahindra Ltd.	Sustainable Agricultural Practices, Natural Resource Management
4	ISAP (India Society of Agri-Business Professionals)- New Delhi	Dupont India Pvt. Ltd.	Women SHGs),Farmer Producer Organizations (FPOs),
		Walmart India	Income Through Innovative Technologies and Cultivation Of Crops.
		Mahyco Monsanto	Promotion Of Enterprises, Rain Water Harvesting
5	Reliance Foundation-Nevi Mumbai(Maharashtra)	Tata Trusts	Sustainable Livelihood Solutions, Community Infrastructure
		Bill & Melinda Gates Foundation	Water Conservation And Rain-Water Harvesting, Improving Food Security
		Reliance Foundation	Farmer Producer Organizations (FPOs),Awareness for Improving Life
6	BAIF Development Research Foundation-Pune (Maharashtra)	ITC Ltd	Generating Rural Livelihoods, Management of Natural Resources
		Hindustan Unilever Limited	Tree-Based Farming System, Value Chain Management
		Ultra Tech Cement Ltd.	Enterprise Promotion, Proper Use of Water Resources In Agriculture
7	Sehgal Foundation, Gurugram, Haryana	Mosaic	Agricultural Awareness, Improved Agriculture,
		Coca-Cola India	Demo Plot Micro-Irrigation System, Sustainable Farming Practices
		Buyer	Integrated Nutrient Management, Training on Modern Agriculture
8	Ambuja Cement Foundation,Andheri (E), Mumbai	HDFC Bank	Revival Of Traditional Water Sources, Water Harvesting
		Cipla Foundation	In Situ Moisture Conservation, Promote Micro-Irrigation System
		Tech Mahindra Foundation	Farmer Producer Organizations (FPOs), Training And Awareness
9	Bajaj Trust-Sikar (Rajasthan)	Bajaj Auto	Soil And Water Conservation, Farm Based Livelihoods, Energy
		Bajaj Electrical	Bio-Gas Production, Watershed, Natural Farming
		Bajaj Allianz General Insurance	Self-Help Groups (SHGs),Rural Development
10	N. M. Sadguru Water & Development Foundation-Dahod (Gujarat)	Axis Bank	Micro Watershed Development, Lift Irrigation Federations
		Coca-Cola Foundation	Horticulture Cooperatives, SHGs ,Farmers Producers Organization
		Ratan Tata Trust	Check Dams Renovation, Seeds Production and Marketing

Source: Self-Occupied

Agricultural Challenges and their Possible Solutions in India

Agriculture is the backbone of Indian economy, which has contributed 14% of all over the GDP of India, but its CE impact on manufacturing and service sector of India where the rural population depend directly on agriculture-related activity. Nearly 86% of them it's main 140 million farming family landholding left to go to acres. Small land holding restricts the farmer who adopts the agriculture technology and investment to improve theirs for square meter productivity the agriculture is a primary source of lively food near about 50% of the working population of a rural part of India.

Agricultural Challenges In India	Possible Solutions	
	Small and Fragmented Land-Holdings	Consolidation of Holdings, Cooperative Farming
	Lack of High Quality Seeds	Produce and Distribute Adequate Quantity of Quality Seeds
	Low Supply of Manures, Fertilizers and Biocides	Distribute Adequate Quality Fertilizers/Bio-Fertilizer/Pesticides
	Inadequate of Irrigation	Extend Canal Area, Permote Micro Irrigation System, Water Harvesting
	Lack of Mechanisation	Encourage and Aware of Advanced Agricultural equipment's
	High Level Soil Erosion	Aware to Manage Fertility with Sustainable Methods
	Agricultural Marketing	Promote of Organised Marketing Structure
	Inadequate Storage Facilities	Permote Scientific Storage in Govt. And Pvt. Sector
	Inadequate Transport	Development of Rural Infrastructure
Scarcity of Capital	Develop of Rural Credit Scenario with Banks/Co-Operative Institutes	

Table- 2: Agricultural Challenges and Possible

Findings and Suggestions

Most of the organizations that work with CSR activities in the agricultural development sector, generally select their factory surrounding areas. It is indicated that corporate do their social marketing to the local community that if they use a local resource like land, water, the air they feel obligated to protect the natural resources of that area. They also support the local farmers in many kinds of agri- inputs; fertilizers, seeds irrigations and others with free of cost or subsidize the system. It also minimizes the competition between local community farmers and the company.

	Cronbach's Alpha	Number of Questions
Economic	0.713	10
Social	0.0710	10
Environmental	0.730	10
NGO	0.735	10

Source: Primary data

Table 3 Cronbach's Alpha

Responses	Economic	Social	Environmental
Most satisfied	24	27	22
Satisfied	57	58	62
Neutral	9	8	3
Unsatisfied	4	5	7
Most unsatisfied	6	2	6
Total Percentage	100	100	100

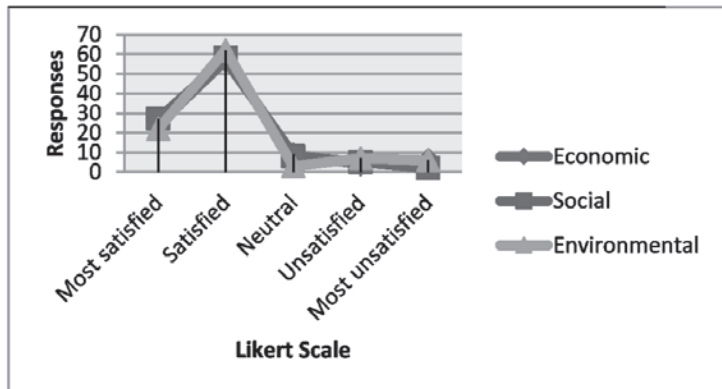


Table 4 NGOs innovative role in Economic, Social and environmental development

1. Maximum NGO's and foundations receive multiple funds from different sources like government CSR funds, national and international donors in order to better manage long term sustainability of their organization. They work from project to project as per funding agency's requirements.
2. All the organizations link the agriculture and rural development projects with one other, so that impact factor can be improved.
3. The CSR funder monitors from time to time monitors NGOs, social and financial field activities so that the project can be run in the proper direction in order to fulfill its main purpose.
4. In holistic agriculture development NGOs and foundations use multiple activities which improve the income of rural poor farmer with basic needs like education, health and sanitation.
5. Market linkage strategies, concept of organic farming and Integrated Pest Management(IPM) are very important for the sustainability of agricultural projects in the planning phase and they include, supporting sustainable community income even after the project is completed.
6. The maximum staff thing so that if free stream distributed in project area, it is today fail or not sustainable of areas so they provide small external support to the farmer in any kind of improved seed fertilizer small agriculture implementations and irrigation system for their basic agriculture need.
7. All believe that the use of organic farming, natural farming, drip irrigation system, sprinkler irrigation system improve production quality and have more economic benefits in the long term agricultural production.
8. The common practices found in NGOs foundation is that the primary selection of their project is a small and marginal farmer, women of schedule castes and schedule tribes and they mainly approach remote rural areas where agriculture development optimize patients need maturity of development organization selection that type of area which is much backward in education, economic and agricultural development.
9. Their approach is of self-help and they depend only on local resources and resources that can be developed locally so that expenses are minimum and the sustainability of the project is maximized.

Implication of the Study

In every agriculture development activity, water is the basic need for produce to improve the production. Presently NGOs are more focused on spreading awareness for rain water harvesting for better irrigation (micro irrigation system). The corporate and NGOs use market linkages, farmer producer companies, organic farming and natural farming activities with low cost of cultivation with good prize to produce sustainable agriculture products.

Limitations and Scope of Further Research

The present study gives an idea that an NGO uses a systematic approach to the development of needy small and marginal farmers in rural areas with the help of corporate fund and other recourses.

- The different agriculture development activities should be focused more on water saving techniques so the concept of per drop more crop is developed.
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- These study was limited to the top ten NGOs foundations that are working on some agriculture development project with reputed national and international companies with CSR funds, so that thousands of other NGOs with their working style and innovative ideas can be benefitted.
- CSR funded projects in this proper is belongs to different state of India, but there are many other NGO and corporates working of on agricultural development activities this study NGO and CSR activities very fruitful two other organization and corporates.

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