

RURAL RESPONSIBILITY IT company aims to transform villages with scalable models in areas of water, women's welfare, education, health and sanitation

HCL Tech Set to Change Lives in 100 Villages

As part of CSR initiative, company to adopt villages in UP, TN and Karnataka under Project Samudhay

Shelley.Singh@timesgroup.com

New Delhi: HCL Technologies is adopting 100 villages as part of an ambitious corporate social responsibility (CSR) initiative by the country's fourth-largest technology services company. The goal is to transform the villages with scalable models, impacting village communities and life in five areas — water, women's welfare, education, health and malnutrition and sanitation.

"We are partnering with 100 villages under Project Samudhay," HCL Group founder and chairman Shiv Nadar told ET in an exclusive interview. "The board has approved it. These projects are not one-way streets but one-way doors: when you enter, you don't plan to come back. That's why these are models, built to scale."

HCL Technologies, which hit \$5 billion in revenue and \$1 billion in profit for the year ended June 30, will adopt villages in three states — Uttar Pradesh, Tamil Nadu and Karnataka — where most of its operations are based.

Efforts will be focused in villages around 10 clusters, including Chennai, Bangalore, Tumkur, Kolar, Delhi and Gautam Buddh Nagar for the Samudhay project. The longer-term plan is to expand efforts to 200 villages. HCL will hire

a director-general for Samudhay and another 12-15 people to oversee day-to-day activity in the villages. In part, this move

emerged from the new Companies Act that took effect last year. It mandates that companies need to spend 2% of their net profit on CSR — ₹125 crore this year for HCL Technologies. Nadar, 69, is also chairman of the eponymous Shiv Nadar Foundation, which focuses on education, arts and other philanthropic ventures with an aim to bridge the urban-rural gap.

"The Foundation already invests a lot in social ventures. But some of the issues we will tackle, like water, look simple, yet we have been unable to create viable, scalable models in the country. This is where Samudhay will bring best practices," said Nadar.

There's been a rush of CSR project announcements recently, especially after Prime Minister Narendra Modi made clear that a cleaner India and the establishment of proper toilet facilities across the country were among his government's priorities. Tata Consultancy Services and the Bharti Foundation have committed ₹100 crore each toward building toilets in the last few weeks.

"Corporate governance and philanthropy can work together to transform societies," Nadar said. "European nations are quite advanced in this and there are foundations running for around 100 years. We will be ahead as we have an opportunity to get best global practices and to leapfrog. For Indian companies, social ventures can also become a competitive tool as well."

He cited global corporations such as the big four consultants — Deloitte, PwC, EY and KPMG — besides IBM and Hewlett-Packard and the edge they have due to their corporate governance practices and contribution made to society.

Nadar reiterated that he will not be exiting HCL Technologies, not for another decade anyhow. "It's my stated intent not to do so for at least 10 years," he said.

HCL Technologies with HCL Infosystems, the domestic-focused, hardware-to-services provider, won't be merged.

"There are no synergies between the two," he said. "The revenue overlap between the two is not more than 1%. They will run as separate businesses."

Nadar, the seventh richest Indian in the Forbes 2013 list, is steering clear of the rush to invest in e-commerce companies unlike peers Ratan Tata (Snapdeal.com), Azim Premji (Flipkart.com), NR Narayana Murthy (Amazon.in)

in recent months. "I don't invest in ventures I can't control directly. I won't be investing in e-commerce

startups," Nadar said.

CREATING VIABLE MODELS



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SCALING UP FURTHER



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CORP CONTRIBUTIONS



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FUTURE INVESTMENTS



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