

## Examining the Role of Private Sector Companies in Promoting India's Intangible Cultural Heritage: A Case Analysis of the Tata Group

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### ABSTRACT

*The area of Corporate Social Responsibility has gained momentum over the past decades in India. The Companies Act 2013 virtually changed the face of Indian corporate business by introducing provisions of Corporate Social Responsibility as a key element for the functioning of companies in India. The idea behind the introduction of CSR as a key component was to promote the concept of "giving back to the society from which the industries/companies earn a fair share of income." The CSR rules governing Indian companies are enshrined in Section 135 of the Companies Act. Most of the private sector companies in India have been complying with the rules and regulations of the Companies Act pertaining to CSR, and have been investing considerable amount of funds, especially in areas of sustainable development, enhancing livelihoods, improving sanitation, and promoting education. A significant area of development encompasses the enrichment of culture, and though some companies have been working arduously in the area of promoting the intangible cultural heritage of India, this area has largely been neglected by most private sector companies in the country. There are, however, some examples which include the Tata Group that have contributed significantly in enhancing and reclaiming the intangible culture of India. This paper aims to provide a critical analysis of the role played by private sector companies in promoting India's intangible cultural heritage.*

### Keywords:

### Introduction

Businesses in the West have engaged in initiatives for the betterment of the society over many decades. In many ways, this tradition has made private firms look beyond their immediate financial engagements and broaden their horizons. It is, therefore, significant to define the scope and function of CSR for an organization. CSR can be explained in terms of wide range of corporate behaviour which encompasses the interests of both the stakeholder as well as the shareholder.<sup>52</sup> It can be defined as a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders. CSR is generally understood as a way by which a company achieves a balance between economic environmental and social imperatives.

In consonance with the established norms, companies abroad have been engaging in CSR activities, in pursuance of the policy of "giving back to the society." Similar models have been adopted by private companies in India, and in keeping with the CSR framework developed by the Companies Act 2013, most businesses are engaging in initiatives which go beyond their financial interests. India was one of the first countries to have made CSR activities mandatory for large profit-making companies.<sup>53</sup> In all the other countries, CSR activities are voluntary in nature, and the companies are not mandated to disclose their expenditure statement on amounts spent in this area. Manne and Wallich have defined CSR as "voluntary behaviour of the firm."<sup>54</sup> Similarly, the World Bank has defined CSR as "voluntary action that business can take, over and above compliance with minimum legal requirements, to address both its own competitive interests and the interests of wider society."<sup>55</sup> However, in India, CSR was made an abiding law in 2015, and ever since companies have endeavoured to invest considerable amount of their profits in CSR activities, be it in the area of environment and sustainable development or fields such as sanitation, gender equality and rural development.

<sup>52</sup> WBCSD, *Corporate Social Responsibility: Making Good Business Sense*, World Business Council for Sustainable Development, Geneva, Switzerland, 2000

<sup>53</sup> Jayati Sarkar and Subrata Sarkar, 'Corporate Social Responsibility in India: An Effort to Bridge the Welfare Gap,' Indira Gandhi Institute of Development Research, August 2015, p. 1

<sup>54</sup> Henry G. Manne and Henry C. Wallich, *The Modern Corporation and Social Responsibility*, American Enterprise Institute for Public Policy Research, 1972, p. 5

<sup>55</sup> C.f. Jayati Sarkar and Subrata Sarkar, August 2015, p. 28

As far as the Indian scenario is concerned, a lot of CSR investment has been made in the area of poverty alleviation, education, developing skills, environmental sustainability, and rural development. Minor investments include areas such as women's empowerment, promotion of technology and sports. A neglected area has been the promotion of heritage and culture, although some projects have been designed by firms in the past to this effect. In this article an attempt is being made to analyze the potentiality of CSR investments in promoting Indian cultural heritage, particularly intangible heritage.

### Cultural Heritage: A Neglected Area of CSR Activity in India

Private companies have been investing in the social sector as well as promoting environmental sustainability through their CSR initiatives. However, one area which remains largely neglected is the area of cultural heritage. Very few private firms have invested in conservation activities, be it tangible or intangible. With a few exceptions, it can be said with certainty that this is a largely neglected area as far as CSR in India is concerned. Table 1 given below points out the marginalization of this area. The CSR Outlook Report provided a comparative analysis of thematic areas covered by companies, the number of projects undertaken and the expenditure incurred.

**Table 1: Thematic Areas of Projects and CSR Expenditure by Companies in 2015-16**

Sr. No.	Thematic Area	Number of Projects	Expenditure in Crores
1.	Poverty Alleviation, Healthcare and WASH	876	2142
2.	Education and Skills	1189	2073
3.	Women Empowerment and Inclusive Development	171	167
<b>4.</b>	<b>Protection of National Heritage, Art and Culture</b>	<b>87</b>	<b>83</b>
5.	Benefits to Armed Forces, Veterans, War Widows	16	7
6.	Environmental Sustainability	345	559
7.	Technology Incubators within Academic Institutions	15	12
8.	Rural Sports, Paralympics and Olympic Sports	88	159
9.	PM Relief Fund and Others	44	162
10.	Rural Development Projects	206	771
11.	Urban Slum Development	10	7

Source: India CSR Outlook Report 2016<sup>56</sup>

The table clearly points to the fact that protection of national heritage and culture does not figure in the list of priorities as far as CSR investment in India is concerned. A statistical analysis suggests that Category 3, 4 and 5 equal to only 3% of the expenditure on CSR by private firms in India.

The statistics of 2017 also point to a similarly unfavourable situation as far as CSR investments in protecting heritage and art is concerned. The table given below provides a systematic account of the number of heritage and art projects in which private firms have invested in 2017 and the consequent expenditure incurred. The figures suggest that only 2% of the total amount of CSR budget is spent on this area, while in the areas of education and skills (35%), poverty alleviation (25%), rural development (13%), and environmental sustainability (10%) the percentage of investment is much higher.

**Table 2: Thematic Areas of Projects and CSR Expenditure by Companies in 2017**

Sr. No.	Thematic Area	Number of Projects	Expenditure in Crores
1.	Education and Skills	1598	2973
2.	Poverty Alleviation, Healthcare and WASH	1260	2131
3.	Rural Development	433	1091
4.	Environmental Sustainability	433	795
<b>5.</b>	<b>Protection of Heritage and Art</b>	<b>110</b>	<b>190</b>
6.	Rural Sports and Paralympic	115	181
7.	Gender Equality and Women Empowerment	177	146
8.	Technology Incubation	11	45
9.	Benefits to Armed Forces Veteran	17	32

Source: India CSR Outlook Report 2017<sup>57</sup>

<sup>56</sup> India CSR Outlook Report 2016: A Snapshot of CSR Spent in FY 2015-16

(<http://ngobox.org/media/India%20CSR%20Outlook%20Report%202016-NGOBOX.pdf>)

From an analysis of the figures provided in the tables, it become evident that protection of cultural heritage is not part of the list of priorities as far as CSR investment in India is concerned. Companies are more likely to invest in areas which show tangible results such, and have a larger impact on society. However, it is also imperative to note that some private companies have been investing a lot of time, effort and funds into cultural regeneration. Apart from the PSUs that are undoubtedly engaged in adding value to the cultural landscape of the country, some big private conglomerates are also taking keen interest in cultural revival and regeneration. The Tata Group is one such company which has been investing considerable funds in the area of heritage revival. In the subsequent section an analysis of the same will be made.

### **Reinvigorating India's Intangible Cultural Heritage: A Case Analysis of the Tata Group**

The Tata Group is one business conglomerate which is known for investing its CSR funds in the area of preserving India heritage and culture. Various business enterprises, which are part of this group, have in the past invested funds in the promotion of India's intangible heritage. Tata Consultancy Services, Tata Motors, Tata Steel, Tata Chemicals, Tata Group of Hotels, Tata Tea are some of the enterprises that have in the past initiated activities for the promotion of intangible heritage and are continuing to do so. Tata Trusts, the philanthropic wing of the Tata Group, has also mobilized considerable amount of resources towards promoting Indian arts and crafts.

As early as 1990, the Group established the Tribal Culture Centre for showcasing the artistic talent of the tribal communities of Jharkhand. Since 2002, the Centre is engaged in a programme for developing the grammar and syntax of the Santhali language in order to enrich Santhali culture.

A landmark initiative for preserving local heritage was undertaken by Tata Chemicals in 2009. The Tata Chemicals Society for Rural Development initiated a project for enhancing the skills of local artisans for bettering livelihoods. A pilot project was launched in the Okhamandal region in Gujarat. Tribal communities such as the Vagadhis, Rabaris, Ahirs, Lohanas, and Harijans were made stakeholders in the project, and women of these communities were asked to render their age-old skills of embellishing their houses and clothes. Their decorated walls and wall hangings represent their vibrant way of life, and depict their rituals, legends and customary practices.

In 2002, the Tata Chemicals Society for Rural Development started a handicraft development project with 25 women from the local communities. By 2009, this project was turned into a brand called Okhai. The success of the project helped in integrating more people and many more villages, and now 17 villages are involved in it. According to estimates, more than 450 women have benefited economically from this venture. In 2007, the Okhai sales touched 23 lakhs. Okhai products include bedcovers, table cloth, cushion covers, wall hangings, clothes, carry bags, etc.<sup>58</sup> This venture has significantly contributed to promotion of local handicrafts in Gujarat, and considering the sales figures of 2007, it is noteworthy that the enterprise is earning profits. The women associated with this project have also benefitted in terms of becoming financially self-reliant.

Similar initiatives have been launched by other enterprises that are part of the Group, for example, the Tata Group of Hotels has tied up with Paramparik Karigar, an arts and crafts organization for building livelihoods and for ensuring economic sustainability of local artisan communities. The hotels have also adopted various schools of art, for example, the Taj Residency Lucknow has adopted the cause of Chikankari embroidery, Taj Residency Aurangabad has adopted Bidri work, and Taj Jaipur has adopted laquer-work artisans.

Tata STRIVE, the group's skill development initiative, supports the weaver the community of Varanasi by helping them adopt new technology, upgrade skills and find new markets. The initiative has taken up the task of transforming the handloom industry of India and the lives of the weavers of Varanasi. Tata Consultancy Services (TCS) developed an application called the 'Weave' application. This has reduced the effort that goes into creating new designs. This app is not for design alone, it also helps the users to connect with the weavers and bid for products. Tata STRIVE has also launched customized programmes for weavers to train them in soft skills, financial literacy, digital literacy, and customer focus.<sup>59</sup>

In 2015-16, TCS collaborate with Sahapedia which is a virtual library of arts, cultures and histories of India. TCS partnered with this venture for promoting artistic traditions and helping Sahapedia become a

<sup>57</sup> India CSR Outlook Report 2017: CSR Analysis of BSE Big 370 Companies, p. 9 (<http://ngobox.org/media/India-CSR-Outlook-Report-2017-NGOBOX.pdf>)

<sup>58</sup> <http://www.tata.com/sustainability/articlesinside/biLqjvOGapA=/TLYVr3YPkMU>

<sup>59</sup> <http://www.tata.com/sustainability/articlesinside/tata-strive-banarasi-weavers>

comprehensive online repository of knowledge, accessible to everyone.<sup>60</sup> Tata Tea, another profit-making wing of the conglomerate, has also designed projects for promoting Indian arts and crafts. It launched three projects – Dare, Aranya and Athulya – in Munnar, Kerala for enabling physically and mentally disabled children and youth to create a better life for themselves through the medium of arts and crafts.

Tata Trusts, the philanthropic arm of the Group, has taken the lead in investing activities related to arts and culture. The Annual Report of Tata Trusts published in 2016-17 elaborated the mission the of the Trust: “The Trust feels like without supporting the arts, a community’s holistic development cannot be fully addresses.”<sup>61</sup> The arts, crafts and culture portfolio of the Trust covers four broad themes: conservation, performing arts, arts education, and crafts.

The table given below provides details of the CSR initiatives of Tata Trusts with regard to the promotion of India’s intangible heritage.

**Table 3: Promotion of India’s Intangible Cultural Heritage by Tata Trusts**

Sr. No.	Year	Initiative
1.	2013-14	<b>People’s Linguistic Survey of India:</b> A four-year project was undertaken by Bhasha research and publication centre and supported by Tata Trusts. This public-private partnership was the single largest of its kind, with the support of 85 institutions and 3000 linguists from across India. <sup>62</sup>
2.	2016-17	<b>Upgrading the Skills of 1600 Semi-skilled Artisans:</b> This was done through conducting workshops by trained artisans, entrepreneurs, designers, and master craftsmen. The Trust also collaborated with the Harvard University South Asia Institute for knowledge creation and capacity building of organizations working in the field of handicrafts and handlooms. <sup>63</sup> Over hundred NGOs participated in these workshops.
3.	2016-17	<b>Promotion of Dhokra Crafts:</b> In order to facilitate the work of the Dhokra craft artisans from South Odisha, the Trust organized an event called Kalpana in Mumbai in January 2017 to enhance the market linkages for these craftsmen.

Apart from the major projects mentioned in Table 3, the Trust has initiated many craft-based livelihood projects in various regions of India. In the first phase, the Trust launched eight pilot projects in covering 5000 artisan families across South Odisha, Madhya Pradesh, Andhra Pradesh, and the North-East regions. The main aim of these pilot models was to build the business skills of the artisans and change their passive outlook to a more market-oriented outlook.

A statistical reflection on one of the enterprises of the Tata Group – Tata Steel – throws light on the expenditure made on the promotion and development of traditional arts and handicrafts as well as the protection and restoration of national heritage, promotion of art, culture, and handicrafts.

**Table 2: CSR Expenditure of Tata Steel in 2015-16**

Sr. No.	CSR Project	Amount Spent (in crores)
1.	Eradicating hunger, poverty and malnutrition	1.65
2.	Promoting healthcare including preventive healthcare	82.34
3.	Making available safe drinking water	18.31
4.	Sanitation	2.14
5.	Promoting education including special education	29.93
6.	Employment enhancing vocational skills especially to women, children and differently abled	12.28
7.	Livelihood enhancement projects	14.64
8.	Promoting gender equality and empowering women	0.03

<sup>60</sup> <https://www.tcs.com/content/dam/tcs/pdf/discover-tcs/investor-relations/corporate-sustainability/GRI-Sustainability-Report-2016-2017.pdf>

<sup>61</sup> *Tata Trusts Report 2016-17*, pp. 122

<sup>62</sup> *Tata Trusts Report 2013-14*, pp. 46

<sup>63</sup> *Tata Trusts Report 2016-17*, pp. 124

9.	Reducing inequalities faced by socially and economically backward groups	0.35	
10.	Environmental sustainability, protection of flora and fauna, agro forestry, animal welfare, resource conservation, maintaining quality of soil, air, water	3.27	
<b>11.</b>	<b>Promotion and development of traditional arts and handicrafts</b>	<b>0.41</b>	} <b>TOTAL: 5.36</b>
<b>12.</b>	<b>Protection and restoration of national heritage, promotion of art, culture, handicrafts, setting up public libraries, etc.</b>	<b>4.95</b>	
12.	Promotion of rural, nationally recognized Paralympic and Olympic sports, especially training	5.99	
13.	Setting up homes, hostels, old age home, daycare centres for women, orphan, elderly	0.43	
14.	Rural development projects (infrastructure and other developments)	18	

Source: *Integrated Report and Annual Accounts 2015-16*<sup>64</sup>

### Conclusion

The promotion of heritage is not the prime concern of private firms in India, as suggested by statistical records. However, some private businesses have invested in promoting the cultural traditions of India. The Tata Group is one such business conglomerate which has invested in the area of preserving Indian art and craft. However, it must be reiterated that much more needs to be done in terms of financial investments as far as preserving India's rich intangible cultural heritage is concerned.

<sup>64</sup> Annexure III- *Annual Report on Corporate Social Responsibility Activities*, pp. 88-89