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I am delighted to present the Annual Report of Partners in Change (PiC) for the 2016-17 financial year. Addressing the need to push the boundaries of Corporate Social Responsibility beyond the Companies Act 2013 emphasis on 2% of profits, the PiC team has worked consistently this year to create more aspirational horizons for CSR. At the level of public debate about corporate accountabilities and responsibility, PiC has been active within Corporate Responsibility Watch and also with a range of other partners. PiC has also renewed its longstanding interest in management education – a space where the abilities and ambitions of future business leaders are shaped.

This year has also evidenced PiC’s commitment to bring knowledge about corporate responsibility to stakeholders in business, in business education, in civil society, and in other fields. PiC was centrally involved in the second edition of the India Responsible Index as well as the Status of CSR in India report, which provide important benchmarks on responsible business, and perspectives on the contributions that businesses in India are making to social and environmental progress. PiC worked closely with Faculty from SP Jain Institute of Management Education, Mumbai, and International Management Institute, Delhi, and with Ethical Trading Initiative, in order to build case studies that demonstrate the constructive efforts that businesses and other actors and influencers can play to respect and further the human rights of marginalized people.

Overall, a definitive feature of PiC’s work this year has been a strong interest in human rights and business, a focus that cuts across diverse initiatives with partners such as Samsung Electronics, Freedom Fund and SASK. Human rights was also a key parameter of enquiry in relation to the banking sector, through the work that PiC undertook with the support of Oxfam Novib to explore the applicability of an international set of fair finance guidelines – the Fair Finance Guide – within the Indian context.

At a global level, it is clear that India has a central role to play in enabling the achievement of the Sustainable Development Goals. At the same time, here in India, achievement of SDG targets hinge on the active participation of businesses. PiC is well positioned to advise and support businesses in the realization of these goals, beginning with the fundamentals: a respect for human rights within the workplace and other geographies of corporate accountability.

Ravi Narayanan

Ravi is Chair of the Asia Pacific Water Forum and International Mentor to the Japan Water Forum. He was a member of the World Panel on Financing Water Infrastructure (the Camdessus Panel) and the UN Millennium Task Force on Water and Sanitation. He is an associate of the National Institute of Advanced Studies in Bangalore, India. In the not for profit sector he was formerly Asia Director for ActionAid and Chief Executive of WaterAid. Ravi was awarded an honorary CBE by the UK Government in 2009 for water and sanitation services to marginalised communities in Asia and Africa.
In 2011, when the Ministry of Corporate Affairs launched the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Businesses (NVGs) with human rights as one of the nine principles, it was an important milestone for organisations like PiC that had been endeavouring to mainstream a rights-based approach to Corporate Social Responsibility. The NVGs even contained a reference to the yet to be published UN Guiding Principles on Business and Human Rights.

Yet in 2013 the more progressive discourse around CSR was again submerged by a narrowly philanthropic understanding. It thus became necessary to renew efforts to promote a wider conception of responsible business, including the integration of human rights into business operations and value chains. PiC took up the challenge and in fact changed its tag line from ‘making corporate social responsibility your business’ to ‘promoting human rights in business’, reflecting both the need to emphasise human rights and the fact that CSR had become widely conflated in the public imagination with enforced philanthropy. Whilst there is clearly nothing wrong with enforced philanthropy per se, PiC was clear that philanthropy alone cannot make a business responsible.

The overall aim has been to make the case for responsible business, and, in this way, contribute to more sustainable practices in which the human rights of all stakeholders are respected.

PiC has thus continued to focus on bringing human rights-based narrative into business spaces and areas of influence, even though there were opportunities to support businesses with implementation of their CSR projects. While it has been forging partnerships to create enabling policy environments for responsible business, it has also started harvesting the instruments of SDGs to better enable businesses to partner in the development journey of the nation.

During the year, PiC developed partnerships on issues related to child labour, apprentice protection, decent work, transparency and responsible marketing practices. It has looked at a number of different sectors, including the financial sector, pharmaceutical sector, sandstone sector, power sector and the electronics sector, giving particular attention to supply chain issues. Significantly, it has also engaged with a wide range of different stakeholders, including some of the most marginalized groups in the country, in support of efforts to make them part of the horizon of businesses’ social responsibility.

The overall aim has been to make the case for responsible business, and, in this way, contribute to more sustainable practices in which the human rights of all stakeholders are respected.

Pradeep Narayanan
Developed case studies on Business and Human Rights in partnership with Ethical Trading Initiative, IMI Delhi and SP Jain Institute of Management Research, Mumbai. These illustrate ways in which businesses at different levels of the supply chain can, in concert with other stakeholders within the development sector, trade unions and government, work to address and advance human rights of at-risk stakeholders within their local geographies.

Multi-stakeholder consultations in collaboration with SPJMR Mumbai, IMI Delhi and IIM Bangalore that provided pathways into the constructive efforts that businesses have made to respect human rights.

I. Enabling Policy Environment for Responsible Business

Approach: Promoting UN Guiding Principles and NVGs

- Developed case studies on Business and Human Rights in partnership with Ethical Trading Initiative, IMI Delhi and SP Jain Institute of Management Research, Mumbai. These illustrate ways in which businesses at different levels of the supply chain can, in concert with other stakeholders within the development sector, trade unions and government, work to address and advance human rights of at-risk stakeholders within their local geographies.

- Supported and participated in the initiative of National Human Rights Commission to facilitate debates on issues concerning Human Rights with businesses in Chennai, Mumbai and Kolkata.

- Facilitated a presentation for partners of MAMTA to raise awareness of corporate responsibility, with specific attention to steps a business can take to respect the rights of apprentices.

- Contributed to revision and updating of the National Voluntary Guidelines on the Social, Environmental and Economic Responsibilities of Business to advance business responsibility.

Approach: Promoting Responsible Public Disclosure

- Organized collection of information and analysis of BRR reports of top 100 companies and thereby contributed to the second edition of IRBI report.

- Facilitated sessions at the training programmes organized by NSE academy and IICA for businesses and enabled the participants to improve their disclosure practices and quality of their reports.

Approach: Promoting Responsible Banking & Financing

- Work on responsible banking and financing was centred around an effort to pilot the applicability of a set of fair finance guidelines, known as the Fair Finance Guide, in the Indian context.

- With technical support from Profundo, PIC assessed the policies of three Indian banks against international standards and engaged them in discussions around their commitments to responsible financing. Other research work was also undertaken on bank commitments to labour rights, environment and other areas of sustainability.

- PIC conducted meetings with more than ten financial institutions, including a roundtable meeting in May 2017, at FICCI, and a multi-stakeholder meeting at the School of Business, Public Policy and Social Entrepreneurship (SBPSE) Ambedkar University, in October 2016. PIC was also able to show how the FFG framework is consistent with the National Voluntary Guidelines on responsible business. The project demonstrated a workable process for the Fair Finance guide.

- in India, leading to knowledge generation on policies and practices, and also development of a long-term strategy on responsible financing.

- Contributed an article on responsible financing for CSR in India Report, launched in September 2016 in Delhi, which looked critically at the issue of willful defaulting and the need for greater public scrutiny and accountability.

Mr SK Jindal, of PNB makes a presentation on responsible financing of MSMEs, at Ambedkar University, Delhi. October 2016
II. Towards Sustainable Development: Addressing Business and Human Rights Issues

Approach: Protecting Labour Rights

- Conceptual support on due diligence from a human rights perspective, particularly the rights of workers as recognised within international frameworks, to analyse supply chain of Grapes, to be sold in Finland under KESKO’s label Pirkka.

- Developed a framework for apprenticeship management at Samsung Electronics in India, in collaboration with BSR. The framework was able to incorporate important Constitutional and human rights principles, such as non-discrimination and a grievance mechanism. The Guidelines was further extended to Samsung suppliers, whose initiation was supported by a training facilitated by PiC at the Samsung Noida Plant.

Approach: Ending Child Labour

- Feasibility Study from September 2016 to January 2017 to provide insights into the scale, nature, causality and key locations of child trafficking and bonded labour of Rajasthan, under the Freedom Fund programme to address issues around child labour and bonded labour in the state. The study examined the feasibility of addressing child trafficking in business supply chains, and included a detailed desk review of secondary data and interaction with varied stakeholders including government, civil society and community. The study has now evolved into a programme - Child Labour-free Jaipur, which is expected to be launched in November 2017.

- Co-organised Shikshagiri - a panel of children currently in labour or facing marginalization- to analyse the problems facing education sector- owing to which a large number of children are in labour.


Approach: Promoting Responsible Pharmaceutical and Health Industry

In collaboration with National Foundation of India, PiC analysed the National Health Policy, 2017 and examined the potential role and extent to which pharmaceutical companies were committed to the principles of responsible business, including the Uniform Code for Pharmaceutical Marketing Practices (UCPMP). PiC also surveyed patterns of CSR spending by pharmaceutical companies, to better understand the nature of their spending on health and other areas, and how this spending relates to core business activities.
Partnered with IDS, Sussex UK, Praxis and the National Action Group (NAG) on Dentofied Tribes (DNT) to monitor progress vis-à-vis key SDGs.

Analysed the corporate policies of businesses in the Construction sector, as a substantial workers in the construction industry come from the DNT communities.

Approach: Community-based monitoring of SDGs

- Partnered with Birla Institute of Management and Technology (BIMTECH) to facilitate need assessments and situation analysis, using participatory rural appraisal methods, of communities in 18 locations in Wadi district of Karnataka and Chandrapur and Yavatmal districts of Maharashtra. The team studied the perspectives of diverse social groups within these areas on ACC Cement’s community development initiatives in livelihoods, education, health, water and sanitation and infrastructure, to inform future work in CSR (in accordance with the Companies Act 1956).

Approach: CSR to support different SDGs

- Technical inputs to Seven Sisters Development Assistance (SESTA) a NGO working to promote rural livelihood and development in Assam and other areas of the Northeast.
- Support towards development of agricultural programme including seeding, field preparation, vermipost, composting and improved market linkages. 186 farmers have been reached through the programme across 3 villages in Chirang district.
- Partnered with Birla Institute of Management and Technology (BIMTECH) to facilitate need assessments and situation analysis, using participatory rural appraisal methods, of communities in 18 locations in Wadi district of Karnataka and Chandrapur and Yavatmal districts of Maharashtra. The team studied the perspectives of diverse social groups within these areas on ACC Cement’s community development initiatives in livelihoods, education, health, water and sanitation and infrastructure, to inform future work in CSR (in accordance with the Companies Act 1956).

Approach: Promoting Sustainable Agriculture and Supporting Farmers

- Technical inputs to Seven Sisters Development Assistance (SESTA) a NGO working to promote rural livelihood and development in Assam and other areas of the Northeast.
- Support towards development of agricultural programme including seeding, field preparation, vermipost, composting and improved market linkages. 186 farmers have been reached through the programme across 3 villages in Chirang district.
- Facilitated ‘Perfamer Project’ in Tamil Nadu, to promote sustainable farming through the performing arts. The project, with field sites near Trichy and Madurai, is ongoing, and seeks to impact both rural and urban communities through curricular inputs.
- Documented Agriculture supply chain as part of different studies. Supply chain documentation has been prepared for Grapes and Cottonseeds.

Meeting at Hanuman Nagar Men’s Gram Panchayat, Yavatmal, Maharashtra

Approach: Community-based monitoring of SDGs

- Partnered with IDS, Sussex UK, Praxis and the National Action Group (NAG) on Dentofied Tribes (DNT) to monitor progress vis-à-vis key SDGs.
- Analysed the corporate policies of businesses in the Construction sector, as a substantial workers in the construction industry come from the DNT communities.
## Financial Statement

### Sources of Funding 2016-2017 (figures in Rs. 000's)

<table>
<thead>
<tr>
<th>Items</th>
<th>Activity</th>
<th>2016-2017</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Income Raised through Grants</td>
<td>5271</td>
<td>63.01</td>
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<tr>
<td>2</td>
<td>Income Raised from Research and Capacity Building</td>
<td>2904</td>
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<td>3</td>
<td>Income from Interest</td>
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<td>4</td>
<td>Other Income</td>
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<td>5</td>
<td>Grand Total</td>
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<td>100</td>
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### Distribution of Expenditure 2016-2017 (figures in Rs. 000's)

<table>
<thead>
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<th>Items</th>
<th>Activity</th>
<th>2016-2017</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Programme Expenses</td>
<td>4972</td>
<td>96.94</td>
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<tr>
<td>2</td>
<td>Administration and Overhead expenses</td>
<td>103</td>
<td>2.01</td>
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<tr>
<td>3</td>
<td>Capital Expenditure</td>
<td>54</td>
<td>1.05</td>
</tr>
<tr>
<td>4</td>
<td>Grand Total</td>
<td>5129</td>
<td>100</td>
</tr>
</tbody>
</table>
PiC Team

Jhumki Dutta, Project Manager - Jhumki has been working with Partners in Change since 2016. She brings to the organisation her skills in engaging with businesses and government entities for responsible business practices and advocating for public disclosure. She has facilitated participatory assessment studies, monitoring and evaluation training programmes. An able communicator, she is at ease working with communities at the grassroots level as well as in presenting their issues at different forums. She has worked previously with Praxis Institute for Participatory Practices and United Nations Global Compact Network India.

Pradeep Narayanan, Director - Pradeep has been leading Partners in Change since June 2014. At a time when ‘2% CSR’ has become a popular pathway for engaging with businesses, he has been guiding PiC to continue to be an organization that works on integrating human rights in business operations – especially the supply chain. He has more than 20 years of experience of working in the Corporate, Government, and Non-governmental sector and has been associated with organisations like Praxis, CRY, Global March Against Child Labour and JK Corp Ltd.

Pragya Shah, Development Trainee - Pragya Shah, a lawyer, has been working with Partners in Change since February 2017. She contributes to projects related to the pharmaceutical sector; gender and decent work; and corporate responsibility. She has previously worked with Human Rights Law Network, Delhi and was a part of fact finding teams and a researcher on certain critical human rights issues.

Reena Merin Cherian, Project Officer—Reena has 6 years of experience working in the development sector and has also been in Faculty positions at educational institutions. She received her PhD in Social Work from the University of Delhi and has undertaken training in Human Rights and Business from the Indian Law Institute, Delhi. Reena has worked in CSR evaluation and has specialized in responsible banking and financing. She has skills in project management, documentation and evaluation, as well as in dialoguing and networking. Reena has a strong interest in sustainable and responsible business practices.

Rohan Preece, Project Manager — Rohan has been with Partners in Change since 2015. His recent work has focused on the social and environmental policy commitments of businesses, in particular responsible banking and finance. His work also involves engaging with academic institutions and curriculum development on business and human rights. Rohan brings to the organization his experience in teaching, educational research, policy development, project design, participatory monitoring and reporting. He has around 10 years’ experience with diverse private, government and third sector institutions in the UK and in India, including UNICEF, Save the Children and Aman Biradari.

Sandeep Saxena, Advisor — Sandeep brings over 20 years of experience in industry, during which he has held key positions on strategy and partnerships, outreach and fund raising with eminent not for profit organisations. He is on a number of international associations as member/volunteer. He is also an active member of District 3011 of Rotary International, responsible for Media and Communications.

Shishupal Prajapati, Administrative and Finance Officer— Shishupal has worked for 9 years in the Development sector, providing Administrative, Programme and Information Communication Technology support to several organisations. He volunteers with organisations working for the poor and marginalised in his spare time. Shishupal has worked for close to ten years providing administrative and logistics support to several organisations. He volunteers with organisations working for the poor and marginalised in his spare time.

Stanley Joseph, Programme Manager- Stanley, who is based in Chennai, joined Partners in Change in April 2017. He has organised consultations with government, civil society and businesses on labour practices and has facilitated research on the same. He has 17 years of experience in social work practice, participatory research, action research and responsible business assessments. He has extensive experience in community empowerment through participation. He has worked with Praxis Institute for Participatory Practices and INP+ (Indian Network for People Living With HIV/AIDS).

Viraf Mehta, Advisor- Viraf has led Partners in Change between 2002 and 2010, before joining the team as advisor. A social anthropologist by training, he has been at the forefront of corporate social responsibility in India since 1988. He is instrumental in making different policy shifts, including that of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business. He was earlier with Tata Group between 1986-2000, and has served on several International and National Committees, including the Bureau of Indian Standards, the Indian Institute of Corporate Affairs and the erstwhile Planning Commission. He is one of India’s leading voices for a national business and human rights framework.

The team was also supported by Consultants
Rohan Mukerjee, Shubhangi Shukla and Manoj Kumar
Governance

Governing Body

<table>
<thead>
<tr>
<th>Name</th>
<th>Gender</th>
<th>Position</th>
<th>Professional Engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ravi Narayanan</td>
<td>Male</td>
<td>President</td>
<td>Ex-Chief Executive, Water Aid</td>
</tr>
<tr>
<td>Jyotsna Bhatnagar</td>
<td>Female</td>
<td>Member</td>
<td>Private Sector Partnerships Officer, UN World Food Programme</td>
</tr>
<tr>
<td>Javid Chowdhury</td>
<td>Male</td>
<td>Member</td>
<td>Social Service and Former Civil Servant</td>
</tr>
<tr>
<td>Nicole Menezes</td>
<td>Female</td>
<td>Member</td>
<td>Co-Founder and Director, Leher</td>
</tr>
<tr>
<td>Bobby Mark Zachariah</td>
<td>Male</td>
<td>Member</td>
<td>Business Entrepreneur</td>
</tr>
<tr>
<td>Pradeep Narayanan</td>
<td>Male</td>
<td>Ex-Officio Member</td>
<td>Director, PIC</td>
</tr>
</tbody>
</table>

None of the governing board members are related. The minutes of the meetings of the governing board have been documented and circulated. The governing board approves programmes, budgets, the annual activity report and audited financial statements. A board rotation policy exists and is being practiced. The governing board ensures the organisation’s compliance with existing laws and regulations.

Human Resources Policy

PiC has a clear and well-structured Human Resources Policy which informs team members about their rights and obligations. The HR policy documents current organisational practices and norms in a standardized format for user-friendly reference. It contains the key policies, goals, benefits and expectations of PiC. The document is seen as evolving and dynamic and is open to additions and amendments according to the changing needs of the organisation and its staff. The HR policy also included specific policies such as:

b. Anti-Sexual Harassment Policy
c. Grievance Redressal System
d. Whistleblower Policy

Update in Compliance with Anti-Sexual Harassment Act 2014

There have been no incidents of sexual harassment reported in this time period. As a part of gender sensitisation programme of the organisation, a two hour workshop was facilitated on gender and sexuality for the staff members.
Publications

Measuring Commitment to Responsible Business
A Self-administrable Toolkit for Businesses and Civil Society
Theme: Social Inclusion

PUBLIC DISCLOSURE OF INFORMATION
A First Step Towards Responsible Banking in India

2017
Making Growth Inclusive
Analysing Inclusive Policies, Disclosures and Mechanisms of Top 100 Companies
Disclosure Matters Series: Part IV
February 2017

GUIDE TO BETTER DISCLOSURE
MANUAL ON BUSINESS RESPONSIBILITY REPORTING
About Partners in Change

The Sustainable Development Goals (SDG), National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) and the United Nations Guiding Principles on Business and Human Rights (UNGP) together provide businesses a series of opportunities to create an enabling responsible business environment. Partners in Change (Pic), a Society registered in 1995 under the Societies Act (1860) to promote responsible business in India, aims to build partnerships with businesses, communities and governments to co-construct policies, practices and narratives that advance responsible financing, sustainable production and consumption and decent work.

OUR VISION
We envision a world where improving the quality of life of disadvantaged people, communities and the environment is recognized and practiced as an essential part of doing business.

OUR MISSION
We partner with business communities and those impacted by business to enable responsible business practices and to remove the obstacles that limit sustainability and inclusive growth in the society.

OUR VALUES
We have condensed our organizational drivers into four key elements: ethics, empathy, entrepreneurship and excellence.

ETHICS
We will continue to maintain and promote high standards of ethical behavior in our interactions with all our stakeholders, internal and external.

EMPATHY
We will always promote empathic participation of all our stakeholders in equitable and sustainable development, be it business, government or civil society.

ENTREPRENEURSHIP
We will strive to help partners in developing innovative solutions for implementing responsible business practices.

EXCELLENCE
We will promote an organizational culture that internalizes excellence through continuous learning and knowledge sharing.

For more information, please visit: www.picindia.org/ or Contact

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