Corporate Social Responsibility: Bolstering Agriculture

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Abstract -- **Through the prism of CSR, industry can take a stride in evolving its relationship with its stakeholders. Agriculture continues to remain the mainstay of livelihood for chunk of the population. The daunting challenges for the agriculture sector are to ensure producing more without depleting natural resources. The study employs a descriptive analysis within the qualitative research framework to gain an insight into the CSR-agriculture initiative of the industry. Based on the content analysis of the information three key themes: good practices, salient features and the overall impact of the intervention are captured in the paper.**

Keywords: *Corporate social responsibility, Sustainability, Water security, Agriculture development, Multistakeholder partnership, Farmer producer company*

I. INTRODUCTION

INDIA is possibly the first country in the world to mandate Corporate Social Responsibility (CSR) spending through a statutory provision. The legal framework for CSR in India is provided under Section 135 of the Companies Act, 2013, along with Schedule VII of the Act and the Companies (CSR Policy) Rules, 2014. This landmark provision has institutionalized CSR, ensuring that businesses contribute to societal well-being alongside their commercial objectives. Through this statutory mandate, CSR evolved from a voluntary initiative to an essential aspect of corporate governance in India.

II. CSR: AGRICULTURE INDIA

According to the Economic Survey 2024–25, agriculture and allied sectors contribute nearly 16% to India's GDP and support over 46% of the population. This makes agriculture a core pillar of the country's economy, supporting not only food production but also employment and growth in related sectors. The cropping pattern in India is highly skewed towards crops that are water intensive. The water guzzlers, paddy and sugarcane, consume more than 60% of irrigation water available in the country, thereby reducing water availability for other crops. It is estimated that Indian farmers use 2-4 times more water to produce a unit of a major food crop than in China or Brazil. If the current low-efficiency water management practices continue alongside the expanding rural electrification and low electricity tariffs for agriculture, it could further amplify imbalances in agriculture.

The agriculture sector in many developing countries continues to face significant challenges, resulting in underperformance and stagnant incomes for farmers. With small and marginal farmers constituting the backbone of agriculture in the country, there is an urgent need to improve agricultural productivity, enhance livelihoods and create sustainable farming practices. To enhance the incomes of the farming community, the industry is increasingly focused on improving the productivity of both agriculture and livestock. A key strategy for achieving this is through direct engagement with small and marginal farmers, who often lack access to resources, technology and financial support. Enhancing farm-based livelihoods through efficient water use, promoting drought-resistant crops, and irrigation methods to increase agricultural productivity and ensure sustainability is central to this effort.

In addition to focusing on water use, the industry is investing heavily in watershed management projects. It focuses on conserving water, preventing soil erosion and enhancing the overall productivity of the land by managing the entire watershed ecosystem. Improved agricultural practices, animal husbandry and poultry have substantially augmented incomes of farmers and taken them from subsistence to surplus. For a resilient agriculture sector, the industry is undertaking a holistic approach—soil health, climate-smart techniques, crop management, input efficiency, small-scale mechanization, water-efficient irrigation, horticulture, livestock care and ICT integration.

III. METHODOLOGY

The study employs a descriptive analysis within the qualitative research framework to explore key issues surrounding agricultural development. The primary source of data is based on information gathered from three focus group discussions (FGDs), which involved a diverse range of stakeholders with a deeper understanding of ground realities. Convenience sampling was used to select respondents, including farmers, agricultural laborers, community members (teachers, unemployed youth, household members and petty entrepreneurs), as well as representatives from Community-Based Organizations (Self-Help Groups, Youth Clubs, Village Development Committees, Farmer Producer Companies), industry (CSR team) and

academia. This broad representation ensured a comprehensive view of the local context.

The study did not attempt to triangulate primary data by referencing similar issues from other studies. Instead, a content analysis of the information gathered was conducted, leading to the emergence of three key themes: *good practices*, *salient features* and the *overall impact* of the intervention. The concept of good practices in the project refers to the activities implemented within the project setting that led to a transformation in agricultural practices. These practices have proven to be effective and can be replicated in other project areas to ensure the same desired benefits for both society and the environment. The overall impact of the intervention, as quantified in the project setting, provides a clear measure of its success. However, these figures may vary depending on factors such as agro-climatic conditions, access to infrastructure, and the broader decision support system, which includes knowledge, people and governance frameworks. The salient features of the intervention are the core characteristics that ensure its continuity even after the industry exit from the project setting. These features play a crucial role in maintaining the momentum of intervention and ensuring that its benefits persist in the long term, beyond the immediate involvement of external stakeholders.

IV. DISCUSSION

The content analysis of the information gathered from the study, lead to the emergence of three key themes: *good practices*, *salient features*, and the *overall impact* of the intervention.

Good Practices

A unique feature of the intervention is the mobilization of small and marginal farmers into collectives known as Farmer Producer Companies (FPCs). These FPCs address various challenges related to farming, allied businesses, value chain development, obtaining the right market value for produce and overall agri-business development. By adopting a collective and institutional approach, the FPCs empower farmers to address various issues and strengthen their position in the agricultural sector.

Figure 1. Fostering India's water resilience: Empowering communities and driving conservation.

In addition to collective organization, a cadre of youth has been trained to provide agriculture extension services at the community level. These trained youth offer a wide range of services, including the distribution of seeds, monitoring individual farmers' plots, varietal expansion, improvement in water management, farmer training, livestock improvement, farm-level advisory through ICT, technology identification and adaptation, on-farm demonstrations for replication, building farm-level resilience, control of weeds, pests and diseases, as well as providing information on government schemes. The timely provision of these extension services has had a significant impact on small and marginal farmers.

The intervention also promoted the implementation of various water-saving practices such as trash mulching, furrow irrigation, drip irrigation, press mud and compost application, trench planting, wide row-spacing, green manuring and laser land leveling. Mechanization services including laser land leveling, trench planting, trash shredding and deep ploughing were introduced to improve water infiltration and minimize runoff losses. These measures have contributed to more efficient water use and enhanced soil health in the project setting.

Diversification of cropping patterns, particularly through the cultivation of less water-intensive crops suited to the agro-climatic conditions, has proven beneficial for both farmers and the environment. Moreover, entrepreneurs were developed to demonstrate and implement the custom hire model of agricultural machinery in rural areas. Financial linkages with banks were facilitated to support these entrepreneurs, while subsidies on agricultural machinery were provided both by the company and the government. This approach helped increase access to modern farming equipment, promoting efficiency and productivity among rural farmers.

Impact

The CSR-agricultural intervention has brought improvements in farm productivity, water availability, and agricultural production, positively affecting the livelihoods of farmers. Farm productivity increased by 20% due to the adoption of improved practices such as intercropping, the use of climate-resilient seeds, local seeds and bio-fertilizers. These techniques have helped farmers achieve better yields and more sustainable farming.

Water availability also improved with an increase in the water harvesting capacity of ponds. As a result, water bodies now maintain availability for 8 to 10 months. The groundwater table has risen by approximately 1.5 meters, indicating a positive impact on water resources in the area.

The installation of sprinkler and drip irrigation systems led to around 50% savings in water use. Additionally, the practice of trash mulching has contributed to water savings of 18 to 20%. Agricultural productivity has seen an improvement of 15 to 20%, with most farmers now undertaking double cropping. The cost of cultivation has also reduced by 15%, making farming relatively cost-effective. One of the most notable social impacts has been the halt in entire household migration to cities, reflecting improved economic stability and livelihood opportunities in rural areas.

Salient Features

A multistakeholder partnership involving representatives from government, industry, academia, think tanks, NGOs and the community has played a crucial role in advancing water and livelihood security. Central to this effort is the emphasis on community participation, which has been instrumental in driving transformation at the grassroots level.

Capacity development initiatives have been key to this success. By assessing demand-supply gaps, promoting improved agricultural practices, enhancing on-farm water management, installing micro-irrigation systems and encouraging sustainable intensification of agriculture, the program has effectively changed the behavior and mindset of the farming community.

Government schemes aimed at improving water management and agricultural productivity offer significant opportunities for collaboration and convergence. Industry-driven initiatives can complement these existing programs by leveraging resources, expertise and project management capabilities, thereby amplifying the overall impact.

Empowerment of the community is further supported through the formation of active institutional structures such as Farmer Producer Companies, Self Help Groups, and Village Development Committees. These institutions are essential in promoting inclusive development and livelihood security. To ensure sustainability of these efforts, a clear phased exit strategy has been established, enabling the gradual transfer of management responsibilities to the community for sustaining the interventions over the long term.

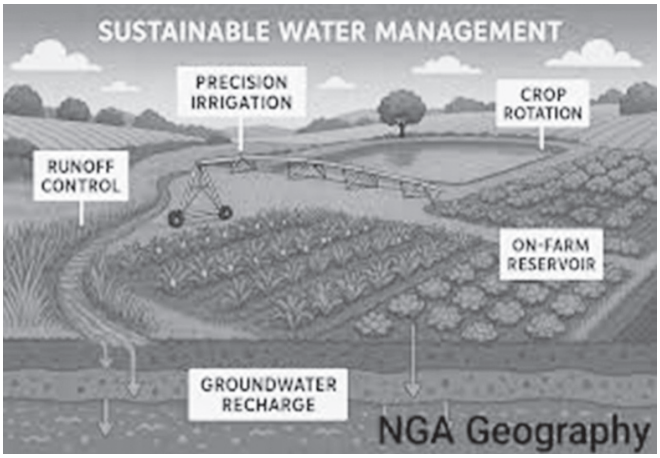

Figure 2. Sustainable water management is vital for our well-being.

V. CONCLUSION AND WAY FORWARD

In the evolving landscape of sustainable development, it is imperative to scale up the good practices that have already delivered desired benefits. By integrating lessons learnt from past experiences, industries can ensure more impactful outcomes while addressing pressing challenges such as agricultural livelihood security and water conservation.

In the contemporary context, the participation of all stakeholders—governments, businesses, and communities—becomes crucial in advancing the agenda of agricultural livelihood security. This collaboration is vital for fostering a more holistic approach to agricultural sustainability, ensuring a sharper focus on the interconnections between enhanced farming practices, efficient water management and long-term environmental sustainability. One notable initiative in this regard is the framework provided by NITI Aayog, country's think tank, which has laid out a standardized definition and approach to water neutrality for Indian industries. According to NITI Aayog's estimates, adhering to water neutrality standards could result in saving 38.23 billion cubic meters of water over the next decade. This underscores the enormous potential of aligning industry practices with sustainability targets, particularly when it comes to water resources.

By prioritizing sustainable water management and agriculture development, industries can play a pivotal role in shaping the future of water conservation. Companies can tailor their CSR interventions to align with their areas of operation and the specific needs of the watersheds. Such focused interventions, while contributing to the larger goal of water neutrality, will also drive long-term resilience for agricultural communities.

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Dr Sabyasachi Nayak is a Social Development Professional and is working as a Counselor with the Confederation of Indian Industry. He is extensively involved in coordinating with Government, industry and other stakeholders in addressing challenges. With over 20 years of experience in social development, he has dedicated his career to implementing initiatives that positively impact communities and strengthen livelihoods. In his current role as Counselor at the CII, he works at the intersection of government, industry and civil society to drive solutions for sustainable water management. He has also represented his organization in committees and working groups constituted by the Government. Dr. Nayak earned both his Master's and Ph.D. in Public Administration from Utkal University in the domain of water management.