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Havells India Ltd: QRG foundation on the cross road

Archana Shrivastava, Nagendra Nath Sharma and Nitika Sharma

If your mind can conceive it and your heart can believe it, I am sure you can achieve it. (Shri Qimat Rai Gupta, Founder- Havells India Limited)

It was 2 a.m. and Colonel Ramavatar Nirban was already on a round supervising and studying the delivery log chart, to ensure that freshly cooked food was delivered in all listed schools before the lunch hour. There were a lot of activities happening in the state-of-the-art kitchen built under “Mid-Day meal programme” of Havells located at Alwar in Rajasthan. By 6 a.m., the kitchen was filled with an aroma of freshly cooked Indian recipes. The team of people transferred the hot cooked food into sterilised containers. Delivery vans waited outside the kitchen lawn, ready to load the proper quantities of food for their daily routes to be delivered to the different government schools adopted under the scheme of “mid-day meal-food” for every kid.

Assuring that everything was going according to plan and satisfied with the speed and coordination of his team, Colonel Ramavatar came back to his cabin, relaxed and started mulling on the agenda of the upcoming meeting with the board of governors that was scheduled next week, i.e. June 15, 2016. The board had proposed an expansion of the MDM programme in other states where they have plants. While he was still mulling, his thoughts were interrupted with the entrance of Sardar Singh, project supervisor, who informed him about the sudden announcement of the local holiday in schools due to an untimely demise of the regional political leader. This was a challenging situation as food was already prepared and loaded for delivery. The issue was to think quickly on what to do with the perishable food loaded on vans. Colonel pondered over the current scenario. He realised that this was not the only issue, rather the programme was facing many other challenges, which definitely needed to be addressed. He questioned himself “Would it wise to expand this programme in other state/s before addressing the day-to-day challenges in the current project?”

Background

India had by far the largest population of illiterate adults at 287 million, amounting to 37 per cent of the global total, the report published by the United Nations Educational, Scientific and Cultural Organisation said[1]. Its literacy rate increased six times since the end of the British rule – from 12 to 74 per cent in 2011; yet, India had the world’s largest population of illiterates, and it was ranked 123rd out of 135 countries in female literacy rate (Oxfam India)[2]. Many efforts such as National literacy mission and Sarva Shiksha Abhiyan were made by the government of India to improve literacy rate.

To enhance enrolment, retention, attendance and simultaneously improving nutritional levels among children, the National Programme of Nutritional Support to Primary Education (NP-NSPE) was launched as a Centrally Sponsored Scheme on August 15, 1995 initially in

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a few blocks and by 1997-1998 in all blocks of the country. It was further extended in 2002 to cover not only children in Classes I -V of Government, Government aided and local body schools but also children studying in EGS and AIE centres[3].

While this was a beneficial scheme, it had its own pitfalls and drawbacks which ended up jeopardising the initiative. Questions were raised on the quality of food served, poor hygiene, financial mismanagement and corruption. The meals were prepared by teachers; their half of the day was gone in preparing and serving the food. This hampered teaching. Many questions were raised on the safety issues when in 2004, a fire accidentally broke due to a teacher's carelessness and killed 90 children in Tamil Nadu[4], the southern state in India. In another instance in Bihar, 23 children lost their lives after eating their Midday meal on July 16, 2013. The forensic reports said that it was a case of poisoning because the oil used for cooking was kept in a container previously used to store pesticide[5].

Though millions of children[6] received midday meals provided either by the government or by NGOs working in partnership with the government, the scope of hunger in India was huge. With the difficulties faced by the government programmes, the task of feeding school children was still a significant challenge.

As part of a solution to the problems plaguing the scheme, Rajasthan Government initiated the invite to various agencies, NGOs, private and public sector companies to support the noble cause. It was then, the tie-up between the Alwar district education department and QRG Foundation, funded from the CSR kitty of Havells India Ltd came up as an innovative model.

Havells India Ltd

About Havells India Ltd

Havells India Limited, a Fast Moving Electrical Goods (FMEG) Company with extremely strong global presence, and the philosophy of Make in India, had an extensive distribution network and world class quality.

Making it in India, taking it to the world

Havells India Limited, the country's leading Fast Moving Electrical Goods (FMEG) manufacturer, had been producing a wide range of world class industrial and consumer electrical products. The Company worked in step with the Make in India initiative and had an extensive production and distribution network across India and the world. Havells manufactured 90 per cent of all its products in the house. The Company had an extremely strong global presence across 50 countries apart from 12 manufacturing plants in 7 locations in India. Their domestic manufacturing plants were located in Alwar, Baddi, Faridabad, Haridwar, Neemrana, Guwahati and Sahibabad.

Mid-day meal programme by Havells

Born in a lower middle class family in 1937, Late Shri Qimat Rai Gupta founder of Havells India Limited followed a socially positive agenda and worked consistently to contribute to the betterment of the society and its future. With the belief that business was an active entity of the society and the economy, the company played a strong role in nation-building. Their initiatives revolved around their concerns for the nutrition, health and education of children. Shri Gupta, who was a philanthropist and a staunch believer of the teachings from Bhagwat Gita (an ancient Indian text) wanted to do charity for girls in India. During this time due to lack of education, Alwar plant was facing a huge crisis of suitable manpower resources. Children did not go to school and were involved in earning money with their parents. Most of them were so poor that getting good food twice a day was a task. It was then Qimat Rai Gupta was introduced to MDM by his close friend Shri TV Mohandas Pai, Chairman of Manipal Global Education and a former Member of the board of directors of Infosys.

Mohandas advised that the scope of hunger in India was huge and equally challenging was the mission to educate children in the rural areas. Serving the children with the MDM would encourage parents to send their kids to schools. Mohandas suggested, instead of girls, he should target children including boys who were studying in primary and middle school. QRG liked the idea. It was decided that out of the three programmes on environment, sanitation and the MDM for school going children, the latter will be the flagship CSR activity of Havells. Knowing that the Rajasthan Government was trying to rope in other entities to provide cooked food for midday meals from centralised kitchens, as part of a solution to the problems plaguing the government midday meal scheme, the tie-up between the Alwar district education department and QRG Foundation, came up as an innovative model.

About QRG foundation

QRG Foundation, an NGO formed by Havells India Limited, a leading FMEG Company derived its name from the initials of its Founder Chairman, Late Sh. Qimat Rai Gupta. It had been working relentlessly since 2005 to provide MDM to government school children in Alwar district of Rajasthan.

After the tie-up, it was decided that QRG Foundation would run the programme with the support of state government. In 2005, when the programme was introduced there was no CSR law. The entire amount was spent by Havells through QRG Foundation (60:40). Even when the CSR law came in place, MDM continued to be funded through QRG foundation. QRG Foundation in turn was completely funded by Havells India Limited. Late Major Rajendra Singh, a retired officer from the Indian Army was appointed to take up the task.

In 2005, with the stated aim of improving the health and nutrition levels of students in the government school and improving their attendance and learning outcomes, the Havells MDM programme for school going children was introduced. The programme began with the coverage of 1,500 students. With the passing time it improved and held a world class infrastructure including a four acre kitchen, over 130 cooks, drivers, helpers and a fleet of 24 vans to supply food. This state-of-the-art kitchen supplies food to over 59,000 school children across 689 schools. Over these years, the foundation had offered over 66 million meals (Source: Havells).

Operations

Havells came up with the state-of-the-art kitchen, spread over an area of over 4 acre of land, employed a dedicated staff of about 160 people including cooks, helpers, drivers and distributors to ensure timeliness, quality and hassle free provision of meals every day. The programme adapted proper government approved diet charts that were used as guides to prepare weekly menus to suit the tastes and nutritional requirements of children.

QRG provided midday meals at the doorstep of 689 government schools, 432 of which were in villages, covering over 59,000 children in five tehsils (an administrative area in parts of India). A fleet of 24 vehicles transported the cooked meals to schools within a 30-40 km radius, ensuring a regular supply of freshly cooked food to the children. The primary schools in Sapera Ka Bas and Rundh Dhadikar in Umrain tehsil were the latest in the list of government schools to get these meals.

Operational efficiency was achieved through the use of conveyors to prepare food like chapatis (Indian breads) at a large scale. Havells used automation and mechanisation as much as possible. Automation in food preparation and cooking operations led to minimum human intervention to maintain hygiene. Special trainings were given to the cooks and labours involved in cooking fresh food. To avoid using hands, wheat flour kneading machines were installed. Special vans were owned by the company for quick distribution of freshly cooked food to schools at lunch time. Ownership of the entire MDM value chain

from procurement of food materials to food preparation, storage and transportation to school, gave the company control over the quality and hygiene of the meals.

To ensure that the freshly cooked food was delivered before the lunch hour, the meals were prepared from 2 a.m. onwards in a state-of-the-art kitchen under the strict supervision of an ex-serviceman Colonel Ramavatar Nirban who took up the charge after the death of Major Rajendra Singh. The process began every day with the sorting of all ingredients, from vegetables to spices, into the necessary quantities. The number of meals to be cooked was determined daily by the food requirements sheet, which noted any necessary changes in quantity the schools may require compared to the previous day. Havells employed a dedicated staff of about 160 people including cooks, helpers, drivers and distributors to ensure timeliness, quality and hassle free provision of meals every day. Most of the workers were uneducated, but the comprehensive standardisation and training resulted in efficient and accurate operations. To ensure total hygiene, a system of hoses allowed the entire kitchen to be sanitised with hot water and steam; freshly cut vegetables and rice went into boilers; spices were mixed, and sauces were made. The kitchen staff and cooks were imparted training from time to time on self-hygiene, sanitation and ways of cooking healthy food for kids. Four supervisors were assigned to take feedback from schools regarding food quality, and to handle complaints, etc.

Fund management and government support

Havells MDM programme was started under CSR initiative which was self-funded and self-sustained. Havells offered a helping hand to the state government in running their MDM programme at Alwar. Government agreed to support the programme by providing rice and wheat as a subsidy. Looking at the poor quality of the grains, Havells took the cash amount from the government and procured grains on its own at a little higher price than the received amount.

Measuring impact of the mid-day meal programme

There had been a notable improvement in the body mass index (BMI) among girls studying in schools where Havells programme had been running for more than five years (average 14.3) as compared to 13.7 average for girls in schools where the programme has been running for past 3 years. There was an average enrolment growth of 10 to 15 per cent in the partner schools. The Head Teachers, SMC (School Management Committee) Members and Parents interviewed for the study attributed this growth to nutritious and tasty food provided in the school, as it appealed to both parents and students. Another impact was seen in the average number of dropouts in partner schools. It declined over three consecutive academic years (2013 to 2016). Considerable decrease was seen in average dropout rate of girls in upper primary section. It was 24 in the academic year 2014-2015 and came down to 6 in academic year 2015-2016. Similarly, average dropout rate of boys in primary sections saw a steady decline from 9 to 4 over the three years performance. It was shared by 44 per cent of the interviewed parents that now children do not stay hungry or come back home to eat lunch, and study with better concentration. Of the total parents interviewed, 67 per cent stated that there had been an increase in their child's interest in going to school due to the availability of better quality food. Some even acknowledged that distribution of fruits and sweets was an added factor of interest for the students, especially for younger students.

Achievements

In 2014-2015, the Havells MDM programme was honoured with the Child Rights Champion Award by C.R.Y. (Child Rights and You). The State Government of Rajasthan also honoured QRG with the highest state award – Bhamashah in 2015-2016 and 2016-2017.

Challenges/issues

Despite all efforts to run the programme smoothly, there were day-to-day challenges in everyday routine. Keeping the harsh weather conditions of Rajasthan in mind, the idea to provide the services beyond 40 km was not feasible. There were reasons for this, first, the need of hot food during lunch that children like to eat, in India, and second, deeper into villages roads in Rajasthan were not paved. The poor infrastructure further posed challenge in slowing down the speed of the vehicles, as well as moving beyond the said distance, food started losing its warmth, aroma and freshness. This created a challenge to deliver food to remote areas on time. It was really hard for Havells team to convince the neighbouring villages who protested when they were excluded from the midday meal programme. The scope of expansion in Rajasthan was huge as there were many schools which were left untapped in Alwar district only. To keep themselves updated with the changes in policies, they had to be constantly be in touch with the government employees. Despite all precautions to maintain hygiene, level of commitment of employees engaged in the task remained always at risk. Serious challenges occurred when there was a sudden announcement of a holiday at schools. These were mostly due to genuine reasons such as the death of the local leaders and some unrest at neighbouring areas. Though this did not happen frequently but whenever it happened, disposing the cooked food of that amount became a big challenge.

Key success factors

The company had been very particular about certain decisions taken in the past related to quality assurance and maintaining value chain. Some of the sound decisions made in the past were:

- They initiated their programme in the state where the government was already looking for the support from the private bodies.
- They selected a very highly committed leader, a retired colonel from the army to lead the programme.
- Their special recruitment drive to identify and select right kind of human resource and introduction of the employee friendly policies retain them.

Colonel Ramavatar Nirban's dilemmas

Despite the day-to-day challenges, Colonel Nirban was satisfied with the impact measurement results of MDM programme. He personally managed the issues that cropped up on a daily basis. The company had also shown a sense of satisfaction with the performance. However the expectation of the board of governors to expand the programme in other states where they have plants was the major concern for colonel now. Should the company replicate the programme in the new state? If so, will they get the government support as easily as they got in Rajasthan? Taking into an account all the strategic and functional aspects, should he recommend involving local Non-Governmental Organisations (NGOs) in the new state to run this programme? Whether expanding through NGOs state wise or nation wise, could be able to meet the standards they cherish? Will the board agree? He introspected, "will it be the right decision to expand in other states or should they think of up-scaling their services in Rajasthan itself?" As this being not their main business, should they not focus on the existing project and work on the ways to make it sustainable or unceasing? How to manage the channel of distribution in order to increase or expand their reach? His thoughts were interrupted when Sardar Singh asked, "what should we be doing of the food that had already been uploaded in the vans to be delivered to the schools?"

Keywords:
Social enterprise,
Corporate social
responsibility,
Corporate values/philosophy

Notes

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