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UNDP cites success stories of 3 Indian cos engaging the poor
New Delhi | Tuesday, Jul 29 2008 IST

In a ground breaking report released here, The United Nations Development Programme (UNDP) listed three Indian success stories among 50 case studies from all over the globe of businesses which have ameliorated the living conditions of the poor without compromising on profit making. The case studies demonstrate how companies have expanded beyond traditional business practices and brought in the world's poor as partners in growth and wealth creation.

The presentation of the study was made yesterday by Prof V Kasturi Rangan, the Malcolm P McNair Prof of Marketing and Director of Research at the Harvard Business School, and Dr Sabha Sobhani, a co-author of the Report.

The Report is entitled 'Creating value for all: Strategies for doing business with the poor'.

The release of the Report and the interactive session which followed were a joint endeavour of the UNDP and the Forum of Financial Writers.

The three Indian case studies which have gone in for inclusive business model relate to the Sulabh experiment, a sanitation company which has developed low cost toilets for use of the poor, the Narayana Hrudayalaya hospital group in Bangalore which has made huge profit while meeting the needs of the poor patients, and the New Tripur Areas Development Corporation, a newly-formed company to tackle the water and sewage problems of a textile-based economy town.

Introducing the Report, Dr Maxine Olson, UNDP Resident Representative and UN Resident Coordinator, said, "Inclusive markets capture a business approach to scale and replicability offer the best promise of bridging the gap between the constraints of today and the promise of tomorrow." The Report brings out how Sulabh has developed low-cost toilets for use among the poor, freeing up 60,000 people from work of scavengers in the field of human waste removal. Overall, ten million people have benefited from the toilets in homes and public places.

Prof Rangan said, "business with the poor can be profitable and sometimes even more profitable than business with the rich." In this regard, he cited the case of Narayana Hospital, a cardiac health care

provider to the poor.

The hospital has earned a profit of 20 per cent in recent years, almost four percentage point more than the country's largest private hospitals.

This was due to high patient volume and innovative payment and financial scheme.

-- (UNI) -- 29DC1.xml

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