

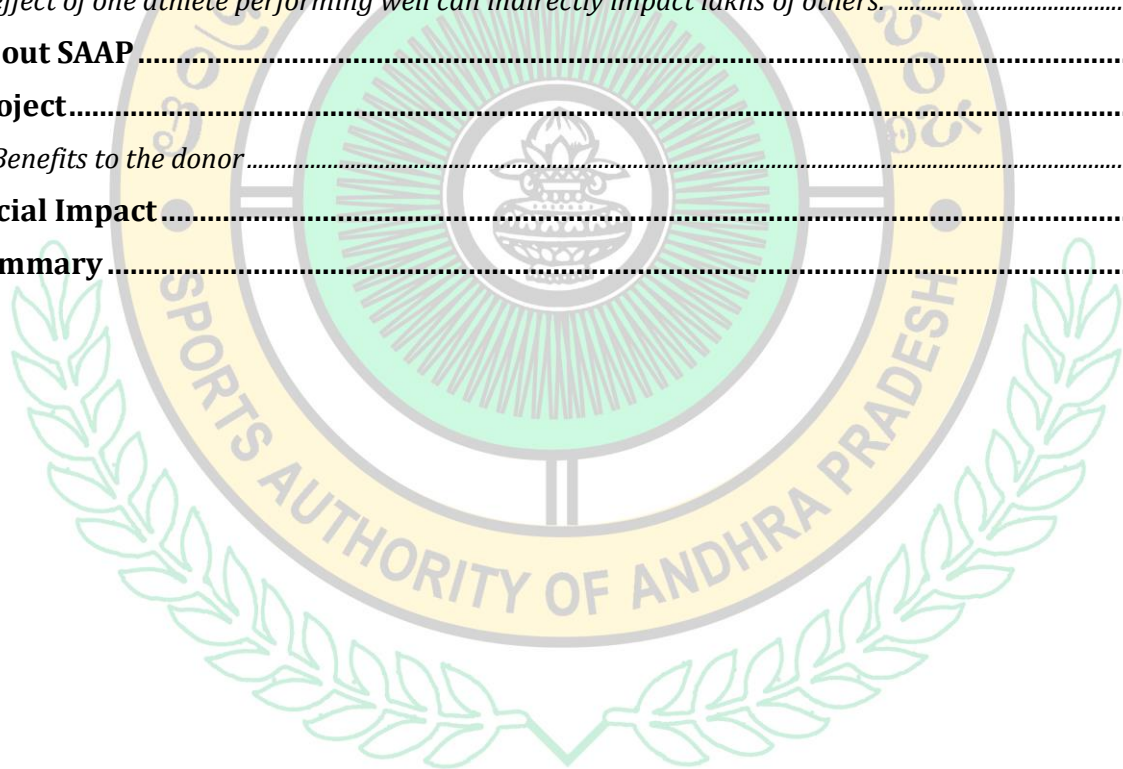


CSR PROPOSAL:  
KREEDA VIKAS KENDRA  
(KVK)



## Table of Contents

<b>Abstract</b> .....	<b>2</b>
<i>Corporate social responsibility, meaning corporates taking on social responsibility with a view to achieve social impact. Although the intention is correct there have been some serious gaps in CSR spending. While major investment have been in the field of education and healthcare, sports have been very much neglected. Of the INR 8,185 crore spent by companies as part of their corporate social responsibility activities in 2015-'16 only INR 57 crore was reserved for sports. In fiscal year 2017 (FY17), of the actual spend of INR 6,810 crore on corporate social responsibility (CSR) activities by the top 100 National Stock Exchange-listed companies by market capitalization (data for 92 firms was considered), as analysed by Goodera, a CSR and sustainability management platform, only INR 122.71 crore was allocated to sports. CEO of Anglian Medal Hunt Co. (AMHC), a Delhi-based sports management firm said in an interview with mint, "A lot of companies feel that while opening one school can educate at least 200-300 children, training one athlete only has a limited impact. They need to realize that the ripple effect of one athlete performing well can indirectly impact lakhs of others."</i> .....	
<b>About SAAP</b> .....	<b>3</b>
<b>Project</b> .....	<b>3</b>
<i>Benefits to the donor</i> .....	<i>4</i>
<b>Social Impact</b> .....	<b>5</b>
<b>Summary</b> .....	<b>5</b>



## Abstract

Corporate social responsibility, meaning corporates taking on social responsibility with a view to achieve social impact. Although the intention is correct there have been some serious gaps in CSR spending. While major investment have been in the field of education and healthcare, sports have been very much neglected. Of the INR 8,185 crore spent by companies as part of their corporate social responsibility activities in 2015-'16 only INR 57 crore was reserved for sports. In fiscal year 2017 (FY17), of the actual spend of INR 6,810 crore on corporate social responsibility (CSR) activities by the top 100 National Stock Exchange-listed companies by market capitalization (data for 92 firms was considered), as analysed by Goodera, a CSR and sustainability management platform, only INR 122.71 crore was allocated to sports. CEO of Anglian Medal Hunt Co. (AMHC), a Delhi-based sports management firm said in an interview with mint, "A lot of companies feel that while opening one school can educate at least 200-300 children, training one athlete only has a limited impact. They need to realize that the ripple effect of one athlete performing well can indirectly impact lakhs of others."

Of all the hype around India sending largest contingent ever in Olympics, the country spends only 3 paisa per capita per day on sports. Much less developed country like Jamaica spends 19 paisa per capita per day, while UK spend 50 paisa per capita per day, US is way ahead with INR 22 per capita per day on sports.<sup>1</sup>

India's not so great performance at international sports events can be attributed to factors like, smaller talent pool and lack of spending per athlete which is again due to uncertainty in sports as career this in turn can be attribute to lack of spending in sports sector. Solution to this starts with increase in awareness amongst population towards career opportunities in sports. Next, create necessary infrastructure to handle the thus increase in demand in sports, this means create new state of art infrastructure, provide coaching and nutrition. All of which require financial investment, which government is not in a position to make. Government, being a facilitator and policy maker has incentivised investments in sports through CSR. Corporates can invest in sports infrastructure, operation and maintenance, skill development and can claim tax deductions having created asset through CSR.

Sports Authority of Andhra Pradesh(SAAP) , being a state sports body is responsible to promote sports and create the necessary infrastructure. While SAAP is running close to 250 infrastructure project simultaneously, there is still a lot that needs to be done to create the necessary impact. It's a huge challenge to sustain these infrastructures as government grants can never be relied on. Secondly a large number of athletes would leave the pipeline of competitive sports just because there are not enough incentives for them to stay.

In order to ensure participation, encourage young talents and in general increase awareness about sports, Sports Authority of Andhra Pradesh is creating sports infrastructure at each constituency. These sporting centres are to make sure that talent across the state gets the training that they deserve. Again, operation and maintenance of these sports facilities are in question. It is to maintain these facilities SAAP is inviting corporates to come forward .

---

<sup>1</sup> The telegraph: 13/08/2016, 3-paise-a-day sports policy

## About SAAP

Sports Authority of Andhra Pradesh (SAAP) is a quasi-government organisation , operational since 1988. SAAP was formed to promote sports and provide sports infrastructure across the state of Andhra Pradesh and had been doing it's job with utmost dedication. SAAP has been maintaining 3 cricket grounds, 8 sports venues, 18 indoor stadiums and 16 badminton courts in the newly formed Andhra Pradesh.

With the new leadership of Hon'ble chief minister Sri Nara Chandrababu Naidu and sports minister Sri. Kollu Ravindra new sports policy 2017-2022 was formed. Sports policy aims to provide sporting opportunity to every citizen of the state. With this aim, SAAP is creating over 3000 playfields at rural level, 175 krida vikas kendras which are multi discipline sports centre at constituency level. These would serve as recreation for general public and ultimately serve as feeding centres to the 10 Sports Academies.

Apart from spending allotted money to materialise these conceptualised sporting centres, SAAP is creating business opportunities for private players. At this point 4 venues are selected where sports infrastructure will be created on public private partnership mode, wherein apart from the sports infrastructure bit provision for commercial exploits are been conceptualised.

SAAP has extended its coaching facilities to schools, 30 schools with up to the mark sports facilities are selected across the state. Coaching activities of the 10 sports academies and 30 sports adopted schools are outsourced to one of the best coaching firms TENVIC.

## Project

CSR aims to bring in social impact by corporate initiatives. It is observed that most of CSR goes into education and health care as they think that is where impact per unit of their investment is maximum. Sports is yet again a neglected sector here as well. One need to understand there are 'n' no. of ways a person can find career and have expression in his life. Sports is also one such way and of course one can not neglect the ripple effect that is created out of the success of one Olympics medal. PV Sindhu got silver in Rio Olympics and see how it gave a boost to Badminton in India. Success of Pro kabaddi has re kindled the age old Indian sport. See the glory its bringing to our desi players. The jobs that are created at back end apart from the athletes playing. Above all, see the no. of kids getting inspired to take up sports as career. Nothing like the aspiration of bringing a gold for India in international event.

Winning a medal at international event is never a surety. All we can do is prepare as hard as we can and hope for the best. In order to increase chances of winning medals at international events step one is increase the talent pool, step two is get them through a system of intense training and proper nutrition.

In order to increase the talent pool, there should be awareness about sports and then a place where these aspirants can get trained. With this goal of providing appropriate training facility to each aspirant, SAAP is under the process of creating 175 krida vikas kendras or KVKs , these are multi sporting facilities that includes facilities for

1. Athletics
2. Indoor gym
3. Badminton

4. Volleyball
5. Cricket
6. Football
7. Kho-kho
8. kabbadi

There are a few additions and subtractions to this list of facilities available based on the KVK location.

Government has sanctioned INR 2 Cr. Per KVK for its construction. Still, the sustainability of these KVKs are in question. The money required for operation and maintenance of these facilities cannot be expected from government. Even if the current government agrees to it, in long term, priorities of government can change and these KVKs might not get a second look. In such uncertain situations, one need to find a way to sustain these KVKs to make sure that the sports aspirants get the training that they deserve. This brings us to our expectation from corporates and CSR. SAAP is expecting corporate to come in and adopt these KVKs for at least 3 years. Following are the components of operational expenses to run the said KVKs,

Activity	Expenses per month
Electricity and daily maintenance	50000
5 Coaches (INR 35000 per month )	175000
2 Cleaning staff (INR 10000 per month)	20000
2 security guards (INR 10000 per month)	20000
<b>Total expenses Per month (INR Lakh)</b>	<b>2.65</b>
<b>Total expenses Per year (INR Lakh)</b>	<b>31.8</b>

SAAP expects these operational expenses to be incurred by CSR donor. SAAP would make sure that the money thus invested is utilised where it is needed. No. of KVKs one wants to adopt totally depends on the intent and appetite of the CSR donor. SAAP is looking at, at least 3 years of investment into KVK.

### Benefits to the donor

SAAP is a State sports authority with stadium across the state. Dealing with over 30 sports disciplines. Each of these disciplines conduct sub-junior, junior and senior level competitions throughout the year across the state. These events are widely covered by local media. The CSR donor can expect the media coverage across the state in these events.

These KVKs in question spans across the state. The CSR donor can expect its brand presence in all these KVKs.

There are a lot of special events apart from the usual competitive sports, for example: yoga day celebration, IAS officers cup, CM's cup, Janmabhoomi event, which are either events for government officers or events to promote sports across state with large scale participation from general population. The donor can expect brand presence in these events, provided these events are conducted at the KVK being sponsored.

The CSR donor can use the KVK site for ad campaign shooting or product launch, of course the operational expenses to carry out these events will be incurred by the donor.

Also the tax benefits associated with CSR investments of course stands true.

## Social Impact

The 175 KVKs that will be established in each constituency will host at least 6 disciplines, with at least 30 students per discipline. Which means over 30,000 aspirants in all. These students no doubt are going to be healthy, fit and productive in life.

Imagine the ripple effect step like this creates, these will be a sporting culture across the state. The aim of providing opportunity to play to every citizen isn't only about providing enough infrastructure for every citizen to play, it's about creating that fire within that would drive all of them to come out and find ways to participate. This is where it all begins.

They say if you want to excel in sports, choose your parents. What it means is, a large percentage of our performance comes from the genes that we carry. By motivating a larger percentage of population into sports, we are indeed modifying the genetic code of the state and creating a healthier and a more prosperous nation, nation where the productivity of each citizen is enhanced.

There is something Andhra Government is working on, the term is happiness index. The CSR donor can be one of the firsts to contribute to happiness index resulting out of sports.

## Summary

Andhra Pradesh as a state, is focusing on sports as one of its priority subject. Large amount of investment has gone into creating sports infrastructure. With the change in government or its priorities this inflow of money into sports training is uncertain, thus it becomes important to find alternative solution to make sure that the athletes keep training and the general population get facilities to at least play one sport, if not competitive at least recreational. With this in mind, SAAP is creating 175 KVKs, one in each constituency. To make sure that these facilities run at optimum condition its operational expenses have to be met. This is why SAAP is involving corporates, with CSR investment these operational expectations can be met and a large number of population will get a place to train for competitive sports

SAAP hereby invite CSR donors to take this step and help us ensure operation and maintenance of these sports centres called Krida Vikas Kendra.