

Preface

This book is the result of a study carried out by the Third World Centre for Water Management, Mexico, on the impacts Nestlé in Moga, Punjab, India, has had on the social and economic development in the region. The objective of this study is to learn to what extent Nestlé may have contributed to the community's overall societal aspirations, poverty reduction and alleviation, environmental conservation and general improvements in the people's standard of living and overall welfare.

This assessment is the result of a thorough and intensive visit to the Moga factory and surrounding communities in 2011. During this period, the visiting team comprehensively interviewed the factory's current and retired staff, as well as some 198 farmers, suppliers, and ancillary business partners. Individual and group interviews were conducted in Punjabi, Hindi, and English and were often carried out without the presence of any Nestlé representative so as to create a stress-free setting for the interviewees to voice their opinions freely. Such interviews were carried out in the Moga factory itself, premises of several ancillary companies, milk agencies, individual households and farms, as well as during the 50th Anniversary celebrations of the factory where many first and second generations of farmers and collection agents were present. We also interviewed several of the community's political leaders to get their views on the impacts the company has had in the region. Altogether, 211 persons who were not current employees of the Moga factory were interviewed. This included 13 ex- or retired Nestlé employees.

The team spoke to farmers, collection agents, village elders, and other stakeholders as they performed their daily tasks in order to pose minimal disruptions to their working day and also to gain as broad an exposure as possible to understand and assess the milk collection process. This study reflects the interviewees' recollection of the conditions in Moga when the Nestlé factory first opened; their views on how has the situation evolved over the years; what may have been the factory's contributions and impacts in improving their standard of living and quality of life; and how the towns and the villages may have been affected by the presence of the factory. This process was supplemented by an extensive desk review of primary and secondary data available from the Moga and other Nestlé offices, statistical analyses, and a detailed assessment of the body of literature available on India's dairy sector and the region's overall development. These are listed in a comprehensive bibliography at the end of this issue.

We very much appreciate several discussions with T. S. Sandhu and D. S. Gill. Notably, T. S. Sandhu's unpublished memoir, as well as his numerous unpublished documents, proved to be a treasure-trove of information of a bygone era. The insights they both shared with the study team as to how the factory and the region have evolved over the years were of immense benefit. For the sake of history, the authors consider Nestlé should keep the documentation, at least in digital form, so that people realize and appreciate the corporate thinking and performance of the older generations who, by all accounts, were well ahead of their time. This is especially relevant since information on socio-economic indicators of the Moga region even as late as for the 1970s are conspicuous by their absence.

A study like this could not have been carried out without the strong support of the Nestlé staff, both present and past, at the Indian headquarters in Gurgaon, and those at the Moga factory. We are most grateful to Sanjay Khajuria, Senior Vice President, Corporate Affairs at Nestlé India, without whose support and encouragement this study could have never been prepared. We also very much appreciate the help of Smriti Verma, who facilitated many meetings and collection of data, as well as provided us with additional information after our field visit as and when needed. At the Moga factory, we received unstinted assistance from everyone we talked with, especially Martin Roemkens, Factory Manager; Babarjit Singh Bhullar, Senior Manager, Corporate Affairs; S. S. Arora, Milk Development Coordinator; Aman Bajaj, Executive, Corporate Affairs; Arvind Malik, Executive, Agri Services; Satish Bansal, Assistant Manager, Agri Services; Rohit Ravinder, Agri Services, Officer; Naresh Mehndiratta, Executive, Agri Services; and Mary Innocentia, Accountant, Agri Services. Aman Bajaj facilitated the organization of most of the interviews with the farmers and retired or ex-Nestlé staff. The team was rather fortunate to be in Moga in October 2011 when the 50th Anniversary of the factory was celebrated. During that event, the team talked to many of the farmers who provided milk in 1961 when the factory first opened, and several of the next generation of suppliers and agents.

Last, but not at least, we are very grateful to Thania Gómez for her secretarial support.

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Creating Shared Value

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