

Introduction

Indian businesses have become an important stakeholder in the fight against HIV and AIDS. According to the National AIDS Control Organization, 5.2 million adults ages 15–49 in India are HIV-positive, representing one-eighth of global HIV cases (Chandrasekaran and others 2006). A large share of this HIV-positive population are employees of Indian industry.

The case for business involvement

India has maintained an average annual growth rate of more than 7 percent in the decade since 1994,² and by January 2006 had built up its foreign exchange reserves to more than US\$139 billion (India, Ministry of Finance 2006). The country also is becoming a leading destination for foreign investment. But while Indian industry has been growing at an impressive pace, it faces potentially large risks from increasing social challenges.

2. U.S. Central Intelligence Agency, “India: Economy Overview,” in *The World Factbook*, <https://www.cia.gov/cia/publications/factbook/geos/in.html> (last accessed November 15, 2006).

Particularly alarming are the potential repercussions of the HIV and AIDS epidemic. India does not have the high prevalence of HIV infection that African countries do, but it has the second largest number of people living with HIV and AIDS after South Africa. Moreover, India's population, already more than one billion, is expected to surpass China's by 2010. In this scenario even a small increase in the prevalence rate could mean a staggering number of infections.

Already HIV has spread across the nation, reaching both urban and rural pockets. While India faces mainly concentrated epidemics, among high-risk groups, several states face generalized epidemics (Moses and others 2006). The groups most at risk are sex workers and their clients, many of whom are migrant workers, truckers, and others who spend long periods away from home; injecting drug users and their sexual partners; and men having sex with men. For India the challenge of fighting the epidemic is made even more daunting by illiteracy, mass poverty, and socio-economic disparities between men and women, all of which contribute to HIV and AIDS.

AIDS kills primarily young and middle-aged adults during their peak productive years. By reducing the labor supply and disposable incomes, a generalized epidemic can have broad macroeconomic effects, dampening markets, savings rates, investment, and consumer spending. Assessing the economic impact of AIDS is difficult. But studies suggest that some of the hardest-hit countries with generalized epidemics may forfeit 2 percent or more of annual GDP growth (World Bank 2006).

As India becomes a global economic power, it is important that Indian businesses continue to bear in mind their corporate social responsibility, pursuing business practices and policies that are in the best interest of the community at large. Businesses have much to gain from early decisive action to prevent HIV and reduce the cost and social impact of AIDS.

The heterogeneous nature of the epidemic in India suggests that there is no one strategy for Indian businesses in the fight against HIV

and AIDS. Businesses that employ groups most at risk, such as truckers, may need to implement targeted interventions. But all businesses can contribute to curbing the epidemic through a set of activities that include the following:

- Generating awareness about HIV and AIDS.
- Reducing stigma (for example, destigmatizing HIV testing by promoting an HIV testing day or having a high-profile person in the company be publicly tested).
- Pursuing high-level advocacy efforts (such as by having corporate leaders speak publicly about HIV and AIDS).
- Creating an HIV policy for the workplace.
- Providing referrals for counseling and testing.

What industry gains from setting up HIV and AIDS programs

The HIV epidemic can have a direct impact on businesses through its effect on their workforce. Yet in India only a small share of the private sector—around 70 companies—are engaged in fighting HIV and AIDS.³ Farsighted companies have incorporated the fight against HIV and AIDS into their corporate strategy because they are convinced that there is a business case for doing so:

- *Control of the cost of HIV and AIDS.* While India has a relatively low national prevalence of HIV, prevalence rates vary (from high to low) between and within states, and the total number of HIV-positive people is high. HIV and AIDS can impose large costs on

3. Based on discussion with the HIV and AIDS team of the International Labour Organization, Delhi, on November 14, 2005.

businesses through higher medical and health insurance spending and the need to recruit and train new staff to replace those who are lost. Where prevalence rates are high, the epidemic also leads to higher costs, and to lower revenues, as a result of greater absenteeism and staff turnover, lower productivity, declining morale, and a shrinking consumer base. Where the epidemic continues to grow, companies may face a shortage of healthy labor in the long run, leading to a migration of workers between cities and states to fill labor needs. Companies would have to bear the long-term cost of this migration, including the cost of relocating staff and providing housing and other benefits.

- *Conflict reduction in the workplace.* Within companies a lack of awareness and understanding of HIV and AIDS can lead to conflict in the workplace and thus disruptions for management. HIV and AIDS awareness programs can help reduce these conflicts that arise because of lack of information and communication.
- *Strong markets.* Businesses survive and succeed in settings where people have the capacity to purchase. In regions heavily affected by HIV and AIDS the general pattern of expenditure is skewed toward health care and medication. It is thus in the interest of businesses to stem the spread of the epidemic so as to retain and build markets for their products and services.
- *General goodwill and better relations with stakeholders.* The danger of HIV and AIDS has raised concern throughout society. Thus companies that launch HIV prevention programs gain from the publicity benefits of engaging in corporate social responsibility. Establishing an HIV and AIDS program also improves relations with labor and with other key stakeholders, such as investors, the government, and civil society.

What advantages businesses bring to the fight

Businesses, particularly private sector ones, have been an effective partner in addressing HIV and AIDS in South Asia. Companies have many comparative advantages that they can mobilize in the fight against AIDS:

- *Coverage and influence.* A large share of the HIV-affected population work for businesses, giving these businesses significant influence over the general workforce. Businesses can harness this influence to spread HIV and AIDS education and awareness among employees and their families. Their organizational structure also provides mechanisms for reaching out to a larger group of people. Firms have influence over supply chain networks and other players with links to the general workforce. Thus companies that want to extend their efforts beyond their own workplace can develop ways to encourage their suppliers and distributors to help prevent the spread of HIV. The influence of businesses in mainstreaming HIV and AIDS initiatives is also important in reducing stigma.
- *Lobbying power.* Businesses have the power to form strong lobby groups that can influence government policy. Collectively, Indian companies could work through business associations and councils to promote HIV prevention programs at the workplace in all sectors. They could also raise and donate funds for strengthening communications infrastructure and connectivity to provide easy access to useful information on HIV and AIDS.
- *Special expertise.* Private companies generally have the managerial skills to run a program more effectively than the public sector. They offer a range of capabilities—logistics expertise, technical know-how, financial and accounting skills, and communications, media, marketing, and training skills. All these can be brought to bear in changing opinions, attitudes, and behaviors on a large

scale so as to reduce the stigma associated with HIV and AIDS and stem the spread of the epidemic.

- *Financial resources.* Private firms typically have the financial resources and infrastructure to carry out HIV and AIDS interventions such as awareness programs. They can also find innovative ways to finance and sustain programs.
- *Results orientation.* The private sector's typically higher efficiency (compared with the public sector's) could help in achieving more efficient and effective HIV and AIDS interventions, if well monitored and evaluated.

How the Indian government supports companies involved in HIV and AIDS interventions

India has both national and state organizational structures for combating HIV and AIDS. At the national level the government has established the multisector National Council on AIDS, chaired by the prime minister. At the state level each State AIDS Council is chaired by the state's chief minister and the vice chair of its Ministry of Health.

In addition, the Indian government leads a broad-based national program on HIV and AIDS through the National AIDS Control Organization, a semiautonomous agency set up in the Ministry of Health in 1992.⁴ This agency, along with the local State AIDS Control Societies, has a role in steering the fight against HIV. It has a dedicated senior core staff

4. National AIDS Control Organization, "About NACO," http://nacoonline.org/abt_faq.htm (last accessed November 15, 2006).

whose work includes mainstreaming HIV and AIDS prevention, treatment, and care; developing capacity; and providing hands-on support across sectors. The national program includes:

- Targeted interventions for HIV and AIDS prevention and awareness.
- Control of sexually transmitted infections (STIs).
- Information, education, and communication.
- Treatment, care, and support for AIDS patients.
- Training (such as for medical and paramedical staff of blood banks and for NGOs or companies implementing HIV and AIDS programs).
- Sentinel surveillance (monitoring of HIV infection trends in specific high- and low-risk groups).⁵
- Program management.
- Advocacy and social mobilization.
- Strategies and interventions for blood safety and training.

The National AIDS Control Organization and local State AIDS Control Societies have partnered with several Indian industry coalitions and companies in carrying out HIV and AIDS interventions.

5. In India sentinel surveillance of high-risk groups includes people attending drug addiction treatment centers, clinics for sexually transmitted infections, and clinics for men having sex with men. Low-risk segments include mothers attending prenatal clinics, a category taken as a proxy for the general population (National AIDS Control Organization, "Facts and Figures: An Overview of the Spread and Prevalence of HIV/AIDS in India," http://www.nacoonline.org/facts_overview.htm, last accessed November 15, 2006).

The case studies

Among the Indian companies already engaged in the fight against HIV and AIDS, what shape do their efforts take and what are the lessons of their experience? To find out, case studies were conducted to highlight the work of companies promoting HIV and AIDS awareness and providing HIV- and AIDS-related services at the workplace and in local communities.

To identify the case studies, a shortlist was prepared of companies that had HIV and AIDS programs with clear objectives and dedicated resources, including staff and infrastructure. From this shortlist five companies were selected that reflect a variety of sectors, partnership models, target groups, and intervention mechanisms:

- Reliance Industries Limited.
- Transport Corporation of India.
- Delhi Metro Rail Corporation.
- DCM Shriram Consolidated Limited.
- Hindustan Lever Limited.

All the companies except Delhi Metro Rail Corporation are in the private sector.

The case studies were researched using a mix of methods: standard questionnaires administered to companies; meetings with senior management, human resource personnel, and corporate social responsibility teams at factory locations or the corporate office; telephone interviews; review of internal documents; and written correspondence.

The case studies illustrate the importance of integrating multiple stakeholders in the fight against HIV and AIDS. They also highlight the growing investment of businesses in that fight—an investment that recognizes their vulnerability to the economic and social impact of the epi-

demic. And they show what businesses can achieve by tackling HIV and AIDS through the workforce.

Each of the five businesses contributes its unique perspective, expertise, and skills to helping to curb the HIV and AIDS epidemic in the microcosm in which it operates. By showcasing their achievements and illuminating the lessons of their experience, these case studies seek to convince other businesses that taking part in the fight against HIV and AIDS is both within their reach and in their interest.

