

# Role of Stakeholders in Socially Responsible Business Practices: A Review on Indian SME Clusters

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*This paper seeks to shed some light on the elements of internal and external stakeholder effects in ensuring socially responsible business practices of the SME clusters. Hit Gap Map analysis is employed to systematically review available secondary sources of information on the business responsibility of Indian clusters in economic, social and environmental dimensions. Evidence suggests that most of the socially responsible initiatives are clustered within the economic dimensions. However, availability of evidence on the intervention of educational institutes and the core firms in the socially responsible practices is high, on the participation of voluntary organizations is moderate, and on the involvement of government in implementing a sound PPP-CSR in social and environmental sectors is scanty.*

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## Introduction

The concept of ‘socially responsible business practices’ has been sought to be explained by the economists as sacrificing profits in the social interest (Elhauge, 2005; Graff Ziven & Small, 2005; Portney, 2005; Reinhardt, 2005). This concept has originated from the issue of negative externality arising due to differences in social marginal cost and the private marginal cost. Consequently, the firms are supposed to take some responsibility beyond its legal constraints. This economic argument of CSR by business through sacrificing profits in the public interest is found to have been criticized by several researchers (Dodd, 1932; Berle, 1932) mainly on the basis of its legal justification. Friedman’s (1970) position in this respect draws upon the Smithian proposition, which believes that the business eventually benefits the common good, i.e. it serves both its own interest and those of society at best (Lantos, 2011). Therefore, the concept of ‘social responsibility of busi-

ness' loses analytical rigor in the framework of Principal-Agent problem in shareholder primacy model. As per this model, allocation of resources and designing of activities to increase in profit has been perceived as the sole business responsibility of the firm. However, a departure from shareholder primacy model to team-production model, operational discretion model, and finally to stakeholders' model ('a progressive view') provides room for sacrificing profit for the social interest (Reinhardt & Stavins, 2010). Arrow (1973) also has tried to integrate CSR issues from the perspectives of management of negative externality, or market failure in a broad sense. Even before Arrow (1973), some economists have considered externality as a concept for understanding CSR (Arcelus & Schaefer, 1982; Baron, 1995; Crouch, 2006).

These arguments in favor of CSR seem to be not applicable in the case of SMEs which are mainly heterogeneous and informal in nature (Spence & Rutherford, 2003; Jenkins, 2004; Southwell, 2004). The absence of separation between ownership and management, probably has prompted the researchers to visualize an implied link to entrepreneurship and entrepreneurial activity (Fassin, 2008; Fisher, 2004) and consequently to suggest the term Entrepreneurial Social Responsibility (ESR) in place of Corporate Social Responsibility (Sachdeva & Panfil, 2008). The literature on business responsibility is skewed in favor of the large corporate sector because of the premise that 'SMEs lack resources to resort to so-

cially relevant pursuits' (Nair & Sodhi, 2012).

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In fact, SMEs together act as an important player in the supply chain of large organizations. Large organizations pass on the burden to the SMEs to hide information on their sustainability impacts. The general perception about the SMEs is that they are promoted by the large firms to avoid payment of taxes as well as to ensure exploitation of labor besides shrugging off the responsibilities of maintaining tolerable working conditions, creating pollution to the environment and applying production methods that jeopardize workers' health (Sachdeva & Panfil, 2008; Jain, 2014). Supply chain sustainability has been increasingly viewed as a key generator of business value for the large firms which depend largely upon various upstream and downstream supplies related to their operations. Essentially therefore, it has become imperative for the supply chain to create, protect and grow long term environmental, social and economic value for all stakeholders (BSR, 2010). It is no longer perceived as a cost center of the large corporate, instead it is found to have considerable impact on value creation through leveraging the pricing power, cost savings, market share and risk premium by managing the drivers of business value namely risk management, enhancement of efficiencies of the factor

inputs, creation of sustainable products and development of a culture of responsibility (BSR, 2010).

Although, SMEs play a pivotal role in economic development by creating huge employment opportunities (de Kok et al, 2013), the quality of employment in SMEs is found to be poor especially in the context of European countries (Burchell et al, 2013). However, review of literature suggests that there is dearth of empirical evidence in this regard in the context of developing economies (ILO, 2015). Baig et al (2020), in the context of B2B textile companies of Pakistan have identified sectoral-economic, managerial, and supplier hindrance as barriers to the practice of sustainability by the members of the supply chain. Pereseina et al (2014) have focused on the challenges and conflicts in achieving supply chain sustainability in the context of heavy-automobile business of Sweden and China. According to their study two types of challenges, organizational and regulatory, appear to be the main impediments in achieving the targets of sustainability. In so far as the conflicts are concerned, the authors report its presence across stakeholders in general and between environmental and economic issues, in particular. The systematic literature review by Rebecca et al (2020) on the emerging economies covering 56 publications since 2010 brings out that most of the sample studies relate to India (16), Brazil (9), China (5) and Bangladesh (5). 50% of these studies have addressed all three dimensions –environmental, social and eco-

nomics issues- simultaneously and the remaining 50% studies have addressed various combinations of these dimensions. However, evidence of social sustainability practices by the supply chain partners operating in these economies is very few.

In Indian context, Mani et al (2016) have adopted an integrated approach to include various stakeholders concerning the manufacturing sector of the country. They have proposed a concept named supply chain social sustainability (SCSS) that seeks to address the social issues within the overall (upstream and downstream) supply chain. SCSS consists of six dimensions namely equity, safety, health and welfare, philanthropy, ethics and human rights which together cover twenty measures of social sustainability. Also in the same country context, a few studies regarding the nature of the human resource practices of the SMEs are available (Kumar & Reddy, 2019; Agarwal & Jha, 2015; Chaudhary & Singh, 2014; Saini & Budhwar, 2008), but literature is scanty in respect of the quality of employment (SDG-8) of the workers in the SMEs in industrial clusters. Whatever little evidence at individual enterprise level we have, it becomes apparent that ESR activities of these enterprises are driven mainly by the personal interests of promoters (Raynard & Forstater, 2002; Nair & Sodhi, 2012).

One important finding as has been reported by Silvestre (2015) is that as a consequence to the existence of highly turbulent business environments and in-

stitutional voids in the emerging economies, supply chain sustainability program faces additional barriers which, in turn, add high degree of complexity and uncertainty to fulfil the targets of sustainable development goals. In this context the role of collaboration seems to be very much effective. In spite of contrary (presence of risk of corruption) evidence (Silvestre et al, 2018), collaboration in supply chain seems to be very effective in achieving targets of sustainability (de Vargas Mores et al, 2018). In this context, the role of SME clusters may be examined in order to identify the benefits in terms of its contribution towards the fulfilment of the targets of SDGs.

**SME Clusters & the SDGs**

In a changing role of business in society, SMEs need to prove their due diligence towards society, environment and economy while maintaining their commercial aspect (SDG,12; SDG,13). A cursory view of such dimensions and indicators of business responsibility are enumerated in Table 1.

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**Table 1 Dimensions of Business Responsibility & Its Related Indicators**

Dimensions	Indicators
Economic	Employment generation Quality of employment (addressing issues of child labor, working conditions and occupational safety) Retaining and motivating staffs by offering a good and stimulating working environment Poverty alleviation Networking and accessing information Greater scope in preparing sustainability reporting in a collective manner at a cluster or sector level
Social	Social wellbeing initiatives (access to health care, literacy campaign) Outreach of social security coverage Compliance with legal and moral obligations Preserving and promoting social values Enhancing image, loyalty and trust amongst internal and external stakeholders
Environmental	Cost savings from environmental measures Initiatives in reducing pollution (air, water, noise) Preservation of natural flora and fauna Use of clean energy (reducing effluent discharge, efficient utilization of non-renewable energy, use of renewable energy) Energy audit Biodegradable packaging options Skilling of workforce for using eco-friendly or energy efficient technology

Source: Compiled by the authors from existing studies (Hopkins, 1999; Murali & Banerjee, 2011; Nair & Sodhi, 2012; Lund-Thomsen & Pillay, 2012; Jammulamadaka, 2012)

Unlike the corporate sector, studies on the approach of SMEs in shouldering business responsibility are relatively scanty in the existing literature, especially in the context of developing countries (Murali & Banerjee, 2011; Nair & Sodhi, 2012; Lund-Thomsen, 2016). Alternatively, SMEs in a specific geographical cluster can pool their resources to cre-

ate a sizable fund for undertaking collaborative business practices in a responsible way. The potential contribution of clusters to promoting business social responsibility in general, and fostering economically, socially, and environmentally responsible business practices, in particular, remains relatively unexplored.

**Table 2 Benefits of Cluster Approach**

Dimensions	Benefits
Economic	Opportunity for investment in core and peripheral activities Synergy effects leading to enhanced competitiveness Promoting mutual beneficial learning Reduction in cost through economies of scale Innovativeness and adaptability to survive the recent economic recession Promoting brand equity
Social	Linking access to firms with labor practices Vocational training for unskilled labor Support to pension fund Livelihood means for differently abled persons Organize health camps Adaptability to local settings, exposure to local problems and access to local resources
Environmental	Adoption of recycling technology, common effluent treatment plant

Source: Compiled by the authors from existing studies (Ittiyerah, 2009; Murali & Banerjee, 2011; Nair & Sodhi, 2012; Lund-Thomsen & Pillay, 2012; Foghani et al, 2017)

Addressing common socio-economic and environmental concerns may be duly accomplished by the SME clusters. Collective action can reduce the cost of action through economies of scale, overcome growth constraints, and compete in distant markets (Nadvi, 1999; Schmitz & Nadvi, 1999; Nair & Sodhi, 2012; Lund-Thomsen & Pillay, 2012). Some other advantages of cluster approach in business social responsibility are presented in Table 2, which can integrate economic, social or environmental concerns in the business operations.

In the existing literature, available systematic reviews (specifically meta-analysis) rest on the relationship between CSR

and corporate firm performance (Allouche & Laroche, 2005; Wang et al, 2015; Jose & Patrice, NA; Orlitzky et al, 2003; Gallardo-Vázquez et al, 2019; Silva et al, 2018). However, some studies identified the factors that are taken importantly by the respective units in maintaining socio-economic-ecological responsibilities (Hopkins, 1999; Sachdeva, 2006; Vives, 2006). These respective units are known as stakeholders 'who can affect or are affected by the achievement of the firm's objectives, for example: owners; suppliers; employees; customers; competitors; domestic and foreign governments; non-profit organizations; environmental and consumer protection groups; and others'. Stakeholder management in the process of social responsibility

maps the relationships of stakeholders to the firm and among each other (Hopkins, 1999). In maintaining social responsibility, three main driving factors are stakeholder pressure (buyers, NGOs, Government); developing business cases to achieve efficiencies and profitability; and personal/cultural values to contribute towards the effective use of resources for local community welfare (Sachdeva, 2006). However, internal practices (human resources and the working environment) are more common than other external (community involvement) pressure (Vives, 2006).

In this review paper, the role of stakeholders' groups is explicitly considered in ensuring socially responsible business practices of the SME clusters. Specifically, this paper seeks to shed some light on the elements of internal and external stakeholder effects in ensuring socially responsible business practices of the SME clusters. In the Indian context, the issue of socially responsible business practices in SMEs is crucial as India is ranked as of the second largest number of SMEs in the world, after China. This is also important on the ground that India is the only country in the world where CSR has a legal mandate vide Section 135 of the Companies Act, 2013. Further, an attempt is also made to align those CSR initiatives with the specific SDGs as spelt out by the United Nations and specific Schedule VII activities as mandated under Section 135 of the Companies Act, 2013.

### **Role of Stakeholders Groups**

Within a capitalism framework, economies (enterprises also) are now at various levels of transition – from sharehold-

**The broad notion of CSR is partly built on the stakeholders' literature and vice-versa.**

ers' primacy model (focused on financial and operational costs and benefits) to stakeholders' driven model (focused on environmental and social risks and opportunities). In fact, the broad notion of CSR is partly built on the stakeholders' literature and vice-versa (Carroll, 1991), while the traditional shareholders model tempted the firms to reduce the CSR effort to satisfy the expectations of shareholders (Gonin et al, 2013). Interactions between for-profit companies and non-for-profit actors mainly result in the increasing success of the concept of CSR. In the existing literature, three main modes of interaction co-exist in the empirical setting: confrontation (interact in conflicting ways), partnership (use the expertise of non-for-profit actors in sensitive issues for stakeholders) and "competitive" coexistence (coexistence, without open confrontation or collaboration) (Huybrechts et al, 2006; Waters & Ott, 2014). In the cluster development policy, partnership model of interaction is followed to strengthen production chains and to encourage the intermediary of the other stakeholders in productive activities (Vieta, 2014). In fact, cluster development strategy links the collective interest of various stakeholders, viz. core firms, governments, development agencies, non-governmental organizations, educational and research bodies and representatives of civil society, amongst other institutions, in favor of one or various collective interests.

**Table 3 Hit Gap Map for Listing Cluster Initiatives in Socially Responsible Business**

Intervention	Outcome (socially responsible behavior)		
	Economic	Social	Environmental
Core firms	5 Engineering Cluster Brassware Cluster Rice Milling Cluster Knitwear Cluster Sport Goods Cluster	1 Sport Goods Cluster	6 Tannery Cluster Brassware Cluster Rice Milling Cluster Knitwear Cluster Sport Goods Cluster Garment Cluster
Other enterprises	1 Sport Goods Cluster		
Private and public service providers	3 Handloom Cluster Engineering Cluster Terry Towel Cluster		
Financial Institutions and Banks	3 Jeans Cluster Hosiery Cluster Floriculture Cluster		1 Hosiery Cluster
Voluntary organizations	5 Jeans Cluster Handloom Cluster Crochet Lace Cluster Floriculture Cluster Tannery Cluster	2 Sport Goods Cluster Handloom Cluster	2 Hand Tools Cluster Terry Towel Cluster
Government	3 Jeans Cluster Fruit Processing Cluster Crochet Lace Cluster		1 Fruit Processing Cluster
National or International Agencies	1 Sport Goods Cluster		
Educational / Training Institutes	7 Drugs and Pharmaceutical Cluster Tannery Cluster Jeans Cluster Handloom Cluster	1 Rice Milling Cluster	

Hand tools Cluster  
 Floriculture Cluster  
 Engineering Cluster

Source: Compiled by the authors

Sources of Cases: Jalandhar based Sport Goods Cluster (Nair & Sodhi, 2012; Sachdeva & Panfil, 2008; Lund-Thomsen & Nadvi, 2010); Palar Valley Tannery Cluster (Kennedy, 1999); Cluster Observatory; Tewari & Pillai, 2005; Marius & Venkatasubramanian, 2018); Ahmedabad based Drugs and Pharmaceutical Cluster(Cluster Observatory); Machine Tools Cluster of Bangalore (Cluster Observatory); Brassware Cluster in Moradabad (Sachdeva & Panfil, 2008); Engineering Fabrication Cluster in Tiruchirapalli (Sachdeva & Panfil, 2008); Rice Milling Cluster in Kalady (Sachdeva & Panfil, 2008); Garment Cluster in Tiruppur (Crow & Batz, 2006; Carswell & De Neve, 2013; Ravishankar, 2016); Knitwear Cluster in Ludhiana (Tewari, 1999; Sachdeva & Panfil, 2008); Jeans Cluster of Bellary (Cluster Observatory); Handloom Cluster of Chanderi (Cluster Observatory); Fruit-Processing Cluster of Chittoor (Cluster Observatory); Hosiery Cluster of Ludhiana (Cluster Observatory); Crochet Lace Cluster of Narsapur (Cluster Observatory); Floriculture Cluster of Pune (Cluster Observatory); Engineering Cluster of Rajkot (Cluster Observatory); Terry Towel Cluster of Solapur (Cluster Observatory)

Note: Shades codes

At least 5 points of evidence	High availability of evidence at the intersection of a specific row and column
Less than 5 points of evidence	Moderate availability of evidence at the intersection of a specific row and column Absence of any evidence at the intersection of a specific row and column

To identify the role of stakeholder groups in ensuring socially responsible behavior of clusters in India, this paper employs Hit Gap Map (HGM) analysis. This variant form of Evidence Gap Map analysis is considered as a tool available to support evidence-informed policy making (Snilstveit et al, 2013). Relevant information on the business responsibility of 17 Indian clusters in this study is collected from the repository of Cluster Observatory (a compendium of cluster resources of undertaking cluster initiatives by the Foundation for MSME Clusters), and academic contributions from JSTOR. Three shades in Table 3 indicate the volume of evidence at the cluster level. However, categories of moderate and high degree of evidence depending on cases available are purely subjective one. A detailed list of socially responsible practices under-

taken by the stakeholders is presented in the Appendix 1.

Some of the broad findings derived from Hill Gap Map (HGM) can be mentioned as follows:

First, there is high availability of evidence on the intervention of educational institutes and the core firms themselves in the socially responsible practices. It is indicated by the dark shades region of the respective cells. Involvement of educational institutes as a stakeholder in the cluster operation is limited to the training (Drugs and Pharmaceutical cluster, Jeans cluster, Tannery cluster, Floriculture cluster), designing products (Handloom cluster), technical advice (Hand tools cluster) and consultancy support (Engineering cluster).

In one instance, their activity is extended beyond the enterprise level; rather academic institutions are leveraged to advise farmers (integrated themselves in the supply chain of the rice milling cluster) on cropping patterns. On the other hand, HGM suggests that ethical and moral considerations of the core firms are the driving force behind ESR initiatives in clusters. In the existing literature, it is known as 'silent CSR' without any direct linkages with financial or business benefits (Raynard & Forstater, 2002; Nair & Sodhi, 2012). Specifically, these initiatives are often led by ad hoc considerations (viz. charity) without any coordination among activities, such as, ensuring food security (Engineering fabrication cluster), child protection (Engineering fabrication cluster), healthcare facility (Engineering fabrication cluster; Brassware cluster, Knitwear cluster), credit facility (Knitwear cluster, Sport goods cluster), insurance coverage (Engineering fabrication cluster), and other contingency support (Brassware cluster; Knitwear cluster). Interestingly, some of the innovative activities of the core firms aim at environmental protection through introduction of cleaner production technology (Tannery cluster, Knitwear cluster), recycling of waste materials (Brassware cluster, Sport goods cluster), setting up of waste treatment plants (Rice milling cluster). As a part of social outreach activities, members of the core firms in Sport Goods cluster join together to marry poor worker's daughters.

**Ethical and moral considerations of the core firms are the driving force behind ESR initiatives in clusters.**

Secondly, though most of the evidence is seen to have clustered within the economic dimensions, a moderate level of evidence exists on the participation of voluntary organizations in the economic, social and environmental dimensions. Voluntary organizations include NGOs (Nirvana, SEWA, Rose Society, Goonj, REACH, Lions Club, Volunteers for Social Justice, Niranter, Planters Energy Network), associations (Bellary Dress Manufacturers Association, BVS, Hand Tools Industries Association), and cooperative societies. These organizations are engaged in a wide range of economic activities, such as, specialized leadership training (Handloom cluster), marketing the products (Crochet lace cluster), provision of credit (Handloom cluster, Crochet lace cluster), exhibitions (Floriculture cluster), establishing linkages (Jeans cluster). Social outreach programs include advocacy work relating to livelihood activities, working conditions (Sport goods cluster), literacy classes (Handloom cluster), gender related issues (Handloom cluster). Exploring the scope of energy efficiency (Hand tools cluster, Terry towel cluster) and energy audits (Hand tools cluster) are some of the environmental initiatives in the clusters undertaken by the voluntary organizations.

Thirdly, HGM identifies some of the scanty evidence on the involvement of government (local or national or international agencies) in implementing a sound PPP-CSR in social and environmental sectors. Also, there is lack of empirical evidence on support received from the financial institutions or other enterprises (buyers, raw materials/machinery suppliers, etc.) for their social or environmental initiatives.

## Future Research

Future research agenda is expected to consider how far these experiences of cluster's initiatives in ensuring socially responsible business practices are globally valid and determine the degree to which the experiences are comparable in other economic settings. Consideration of other international reference points (ISO 26000, UNGC Principles of Responsible Investment) can be another direction for continuing research in learning more about socially responsible business practices of SMEs in general, and clusters of SMEs in particular. However, it is to be noted that the ideas relating to social responsibility are diverse and overlapping. Most important thing is the context and the probable solutions to the problems. Corporate Socially Responsible Behavior is pegged on the basis of the identified indicators by the frameworks developed by various organizations like GRI, ISO etc. To identify the indicators for measurement purposes, one has to consult an appropriate framework for a specific dimension (environment-climate change, social, governance to name a few). Above principles provide the bases of the targeted behavior of the firms.

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**Appendix 1 Detailed Listing of Business Responsibility Behavior in Indian SMEs**

Intervention	Outcome (Socially responsible behavior)		
	Economic	Social	Environmental
Core firms	<p>-Food Subsidy &amp; also free food, water plant for drinking water, free rice bags to employees as an attendance incentive, uniform to employees, advance to workers for personal events, employees children education funding, health club for workers, medical Insurance, training in health &amp; safety- only by a few</p> <p><b>(Engineering Fabrication Cluster)</b>-Provision of monetary aids when in need, provision of festival bonus, monetary help for weddings, interest free advances, satisfactory work bonus, provide medical help in the form of monetary support and referral to hospitals, use of protective mask</p> <p><b>(Brassware Cluster)</b>-Free food &amp; accommodation to all residential employees., festival-allowances, interest free short term loans &amp; advances, provide free medical care for any eventualities in the work place</p> <p><b>(Rice Milling Cluster)</b>-Interest free loans and advances, usually better than average wage rate, gifts/bonus payment on festivals, monetary assistance for weddings, overtime payments, monetary assistance for medical care</p> <p><b>(Knitwear Cluster)</b>-Interest free advances, gift on marriages in workers families, time clothes, payment of increments to workers on regular basis, punctuality award, special working hours for women workers, clean toilets and water, provision of first aid kit/ treatment, counselling for</p>	<p>-Cluster firm members /friend circle join together to marry poor worker's daughters</p> <p><b>(Sport Goods Cluster)</b></p>	<p>- Common effluent treatment plants are collectively owned and managed by the tanners themselves</p> <p><b>(Tannery Cluster)</b>-Introducing cleaner production technologies with a reduction of Total Dissolved Solids, and installation of chrome recovery plants</p> <p><b>(Tannery Cluster)</b>- Training in hazardous chemicals, fool proof system for air and water pollutants control, fire drills, recycling of all products</p> <p><b>(Brassware Cluster)</b>-Providing safe environment by taking anti-pollution steps &amp; setting up waste treatment plants</p> <p><b>(Rice Milling Cluster)</b>-No objection certificates from pollution control departments, effluent treatment plants, Material safety data sheets of chemicals stored, waste disposal policy</p> <p><b>(Knitwear Cluster)</b>-Airy working environment for workers, installing wood dust collector in their factory, arrangement of proper lighting and standby power in the factory, disposal of solid waste at appropriate place on a regular basis</p> <p><b>(Sport Goods Cluster)</b>-Small-scale bleachers and dyers firms undertake measures to recycle their wastewater, evaporation and</p>

	addition, financial aid to workers if serious ill, medical assistance is provided to workers as and when required <b>(Sport Goods Cluster)</b>	setting up treatment plants <sup>1</sup> <b>(Garment Cluster).</b>
Other enterprises (Buyers, raw materials/machinery suppliers, etc)	- Abolition of child labor and promotion of child literacy and universal primary education <b>(Sport Goods Cluster)</b>	
Private and public service providers	-ONGC provided working capital <b>(Handloom Cluster of Chanderi)</b> -Learning together with IOC <b>(Engineering Cluster of Rajkot)</b> - Maharashtra Industrial and Technical Consultancy Services Private Ltd. facilitated preparation of project proposals <b>(Terry Towel Cluster of Solapur)</b>	
Financial Institutions and Banks	-Small Industries Development Bank of India, Bangalore took initiative to develop the cluster under National Program on Rural Industrialization (NPRI) program <b>(Jeans Cluster of Bellary)</b> - Short-duration training programs were organized by SBI for operators of circular knitting, flat knitting and garment-making units to enhance productivity <b>(Hosiery Cluster of Ludhiana)</b> . - Impact of SBI Project Uptech is reflected in terms of improvements in product quality, sales turnover, profitability and efficiency <b>(Hosiery Cluster of Ludhiana)</b> .- Bank of	- Workshops were organized by SBI to create awareness about issues like quality, productivity, pollution control, Management Information Systems, impact of WTO, etc. <b>(Hosiery Cluster of Ludhiana)</b> .

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<sup>1</sup> Effluent treatment plants are of two types — Individual Effluent Treatment Plants and Common Effluent Treatment Plants.

Voluntary organizations	<p>Baroda and the Central Bank of India finances new units (<b>Floriculture Cluster of Pune</b>)</p> <p>-Linkages with BDS, technical support institutions and apex trade promotion bodies (<b>Jeans Cluster of Bellary</b>)-Bellary Dress Manufacturers' Association is playing intermediary role in settling some of the issues<sup>2</sup> (<b>Jeans Cluster of Bellary</b>)-Collaborate with an institution, like polytechnic, government industrial training institute or NGOs to avoid multiplicity of investment required in the infrastructure (<b>Jeans Cluster of Bellary</b>)- NIRVANA (an NGO) has given an interest free loan (<b>Handloom Cluster of Chanderi</b>)- SEWA provided specialized leadership training (<b>Handloom Cluster of Chanderi</b>)-50 cooperative societies of the women workers were involved in marketing the products of artisans and in providing loans (<b>Crochet Lace Cluster of Narsapur</b>)-NGOs such as the 'Rose society' organizes exhibitions amongst other activities (<b>Floriculture Cluster of</b></p>	<p>- Collaboration with Delhi based NGO, Goonj, to outreach some of its purely humanitarian activities. In addition, REACH, the Lions Club and Volunteers for Social Justice involved in social protection or advocacy workrelated to improving the work conditions and livelihoods of football stitchers (<b>Sport Goods Cluster</b>).</p> <p>- literacy classes by NIRANTER (<b>Handloom Cluster of Chanderi</b>)</p> <p>- BVS (an organization of weavers in the cluster) has engaged in addressing various gender related issues (<b>Handloom Cluster of Chanderi</b>)</p>	<p>- Hand Tools Industries Association organized a workshop on improving energy efficiency, and later on it was followed by energy audits of some of the units (<b>Hand Tools Cluster Of Nagaur</b>)- The Planters Energy Network (PEN) -an NGO working on solar air heating - is also a service provider in exploring energy efficiency (<b>Terry Towel Cluster of Solapur</b>)</p>
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<sup>2</sup> Issues include settling the disputes between its members, representing issues relating to sales tax to the State government, apart from settling the issues relating to payment of wages for the workers and piece rates for the sub-contractors (Cluster Observatory).

	<p><b>Pune)</b>- Tanners associations were actively involved in circulating sectoral-specific information, representing the tanners in collective bargaining to fix wages for tannery workers, and arguing the cluster's position in regional level bodies and government <b>(Tannery Cluster)</b>.</p>	
Government	<p>-District Industries Centre was active in the cluster and was extending loan under PMRY, providing training for the rural artisan and women <b>(Jeans Cluster of Bellary)</b></p> <p>- APEDA extended financial support to test and pilot the fruit-harvesting technology intervention <b>(Fruit-Processing Cluster of Chittoor)</b>.- Government of Andhra Pradesh is also helping women in this cluster through DWACRA group schemes <b>(Crochet Lace Cluster of Narsapur)</b>- National Small Industries Corporation Ltd., Small Industries Service Institute, Central Machine Tools Institute etc. supported the clusters <b>(Engineering Cluster of Rajkot)</b></p>	<p>- APEDA<sup>3</sup> extended financial assistance for managing in-process waste in an environment friendly manner <b>(Fruit-Processing Cluster of Chittoor)</b>.</p>
National or International Agencies	<p>- Receiving support from FIFA, UNICEF, UNIDO, NLCP (GoI), SGI, SGS, LICI, Lion's International <b>(Sport Goods Cluster)</b>.</p>	
Educational / Training Institutes	<p>- Strengthened linkages with technical /</p>	<p>- Pattambi Rice Research Institute</p>

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<sup>3</sup> Agricultural and Processed Food Products Export Development Authority is an apex body under the Ministry of Commerce and Industry, Government of India, responsible for the export promotion of agricultural products.

developmental institutions<sup>4</sup>  
**(Drugs and Pharmaceutical Cluster)**- Establishing linkages with institutions<sup>5</sup>  
**(Tannery Cluster)**- Garment training institute and textile testing center  
**(Jeans Cluster of Bellary)** - Design projects with the designers of NID, NIFT, and other reputed institutions  
**(Handloom Cluster of Chanderi)**- Training was given in quality control of handloom fabrics by IIHT, Development Commissioner – Handlooms  
**(Hand Tools Cluster of Nagaur)**.- Hand Tools Design Development and Training Centre was involved in all technical matters  
**(Hand Tools Cluster of Nagaur)**.-SIDBI and Horticulture Training Centre trained new and existing growers  
**(Floriculture cluster of Pune)**- Indian Institute of Foundry, Netherlands Management Co-operation Program, provided consultancy support  
**(Engineering Cluster of Rajkot)**

and Mannuthi Agricultural University has been leveraged to advise farmers on their cropping pattern  
**(Rice milling cluster in Kalady)**

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Source: Compiled by the researchers'

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<sup>4</sup> Institutions like PERD, LMCP, MSU, SIDBI, GITCO, SIDBI, SISI; regulatory bodies like FDCA, and industry interest promoting bodies like IDMA-GSB, etc.

<sup>5</sup> Central Leather Research Institute (CLRI), Footwear Design and Development Institute (FDDI), KAR, the Council for Leather Exports (CLE), the National Small Industries Centre (NSIC), TSC and financial institutions like the SIDBI and Syndicate Bank.