

Printed from

**THE TIMES OF INDIA**

# Why millionaires are giving away their wealth

TNN | Nov 17, 2017, 08.08 AM IST



*This story was selected by TOI Guest Editor Bill Gates.*

BENGALURU: "I didn't know I was going to become this rich," says philanthropist Rohini Nilekani, when asked what moves her to give, "but when it became clear that I would come into money, I wanted to do good." The first chunk of Rs 100 crore that she got from the sale of Infosys shares in 2013 went entirely into Arghyam Foundation that works on water and sanitation, which she set up in 2001.

"Wealth has a real responsibility attached to it. It has to be deployed for greater good, otherwise why would such wealth creation even be allowed? So it is my responsibility to give it forward," she says. Rohini, 58, and her

husband Nandan Nilekani, 63, one of the co-founders of Infosys, have given away about 10% of their current net worth.

It's a sense of responsibility, an acute awareness of pervasive inequity, and mindfulness of privilege, that moves some first generation billionaires to start giving away large portions of the money they spent half a lifetime acquiring.

[Read also: India's education system needs to be far better than it is today, Bill Gates says](#)

Billionaire investor Rakesh Jhunjhunwala, who has pledged to give away around Rs 5,000 crore when he turns 60 in 2020, says he was inspired by his philanthropist father. "When I see the kind of need there is in our society, I feel obliged to do my

bit," says the 57-year-old partner in Rare Enterprises.

"India has around 2% of the world's millionaires and 5% of its billionaires, and it is also home to the highest population of undernourished in the world. This contrast of excess wealth and destitution is a motivating factor to give," says Chandrika Sahai, coordinator, Philanthropy for Social Justice and Peace.

[Read also: India needs to give a strong start to every child](#)

High net worth philanthropists bring, in addition to their wealth, expertise and personal networks for greater social impact. "In some cases, they have helped catalyse interest in an underserved social cause, and taken risks to back innovative but unproven social ideas," says Soumitra Pandey, Partner, Bridgespan Group, which provides consulting for philanthropists. When high net worth individuals give, it starts conversations about income inequality, prompting a cascade of giving.

Getty Images



|   |   |   |
|---|---|---|
| <p><b>ROHINI NILEKANI</b>   58</p>  | <p><b>KIRAN MAZUMDAR-SHAW</b>   64</p>  | <p><b>AZIM PREMJI</b>   72</p>  |
| <p>Author and Chairperson, Arghyam</p>  | <p>Chairman and Managing Director, Biocon</p>                                 | <p>Chairman, Wipro</p>  |
| <p>With husband Nandan Nilekani has donated 10% of net worth</p>                                    | <p>Donates 50% of personal income every year; Gave away ₹40 crore in 2016</p> | <p>₹63,000 crore donated since 2001; Over ₹30,000cr in last 5 years</p> |
| <p><b>SUPPORTS</b><br/>Sustainable water, education, justice, governance, gender, mental health</p> | <p>Healthcare, science, startups, arts, social causes</p>                     | <p>Education, mainly in the govt sector</p>                             |



Wipro chairman Azim Premji says India has always had a tradition of philanthropy. He grew up watching his mother struggle to run a charitable hospital for children. "We did not have the money to fund such a hospital then. Her complete commitment, relentless spirit and the difference she made are a continuous source of inspiration," he says.

Premji is considered India's most charitable billionaire, having donated more than Rs 63,000 crore since 2001, most of it towards improving education through his Azim Premji Foundation that works with 350,000 schools in over 15 states. "I have always felt that those of us who are privileged with wealth are actually trustees of wealth, and not its owners," says Premji, who wishes he'd started giving earlier. "Social issues are much more complex than business, and if you want to make a genuine difference, it takes a long time," he says.

Lower tax rates, an open economy and the stock market boom have created large amounts of wealth in India in the last 20 years. Jhunjhunwala attributes the surge in philanthropy by business leaders to first generation wealth creation post liberalisation.

"The numbers you see about the wealthy and their donations do not match reality — it's much more," says industrialist Ajay Piramal, 62, who feels obliged to give back as he is aware that he was born into a life of privilege. The chairman of Piramal Group and Shriram Group has donated Rs 3,000 crore through his foundation, which focuses on primary education, youth empowerment, health and access to water in 21 states.

Piramal believes that working with the government is the only way to achieve scale and have impact. "If you don't have scale, you cannot teach 10,000 children. If you really want to make a difference, it has to be done in partnership with the government," says Piramal.

Premji too believes philanthropy is not just about giving, but also ensuring that the money has impact, which requires building robust organisations. His foundation employs 1,400 people with expertise in education, and will probably have 3,000-4,000 in

the next few years. "Even more than giving money, philanthropists must focus on getting the best people for their work, and empowering them to build vibrant professional organisations," Premji says.

[Read also: Filariasis — The epidemic you don't know about](#)

Since 2009, India has added over 100 million donors, large and small, according to Bain & Company's philanthropy report, but there's very little data on the extent of philanthropy. Most of the funds tend to go towards 'safe' sectors such as education and health, says Sarah Afraz of Centre for Social Impact and Philanthropy, Ashoka University. Unseen or riskier causes like arts and research, human rights and climate change get left out.

That's why some philanthropists prefer to pick different causes rather than work with one institution with a fixed mandate. As the founder of a biopharmaceutical company, Kiran Mazumdar-Shaw's philanthropy reflects her interests in innovation, science and commerce as a means to drive change, and her contributions range from funding science chairs at institutions and supporting theatre to building a cancer care hospital. "I want to see the perceptible impact of my philanthropy in my lifetime," says Mazumdar-Shaw, 64, who donated Rs 40 crore of her personal wealth last year. "I prefer to channel my philanthropy to institutions and organisations that are well governed so that I can track the impact of my contribution," she says.

The Nilekanis, too, have no immediate plans to set up a family foundation. Nandan's philanthropy is largely in areas of governance, sustainable urbanisation and institution building, while Rohini's picks range from education and improving the justice system to environment and conservation. "My goal is building a society that is strong enough to be part of the solution," she says.

*(With inputs from Namrata Singh)*