



## **B Lab Statement on Naandi Community Water Services' B Corp Certification**

B Lab's independent Standards Advisory Council has rendered the following decision and guidance regarding eligibility for B Corp Certification for bottled water companies:

*"Bottled water companies are eligible for B Corp Certification with additional review by the Standards Advisory Council and, at minimum, incremental disclosure on their public B Corp profile regarding material sensitive issues in the industry."*

Naandi Community Water Services Pvt. Ltd. is required to disclose a summary of its practices in the areas of Sustainable Usage, Water Access, and Waste for its urban operations as a part of its B Corp Certification. For more information on the review process, please refer to B Lab's statement on the bottled water industry and B Corp Certification [here](#).

### **Summary of Company**

Naandi Community Water Services (NCWS) is one of India's largest social enterprises established in 2010 and headquartered in Telangana, India. The company's mission is to save lives of underserved communities by providing access to safe drinking water in a sustainable manner. The company operationalizes its mission by setting up decentralized community water collection centers in regions where the existing sources of drinking water are contaminated (with chemical and microbial contaminants) and unfit for consumption. NCWS has set up 650 water centers across the country and currently operates 240 community water collection centers.

The company also derives ~5% of their annual revenue by operating 1 plant in an urban area as a bottled water manufacturer & distributor. The rest of this document pertains mainly to NCWS's urban operations.

### **Naandi Community Water Services Pvt. Ltd Industry Practices**

#### Water Access

For its urban operations, NCWS leases existing water purification plants and accesses water through boreholes. According to the prevailing state and national groundwater legislation in India, Naandi's urban facility owners follow pertinent protocols and take the requisite permissions from the local governing body to drill a bore-well for water extraction for commercial purposes. These permissions are renewed at regular intervals by facility owners as per the law. The profits from NCWS's operations in urban areas are used to cross subsidize their operations in rural and peri-urban areas of the country, through which water access is enabled for underserved communities.



On the advocacy front, NCWS has played an active role in the creation of two associations that are playing a key role in drinking water quality standards in the country.

- The Safe Water Enterprise (SWE) Alliance was formed with fellow safe water enterprises in India to work with the Food Safety and Standards Authority of India (FSSAI) for adoption of potable drinking water standards for water vending machine operators.
- The Association for Decentralized Water System Companies of India (ADWaSCI) was formed to play a predominant role in shaping the changing regulatory environment and influence the various stakeholders including the government in forming better laws and regulations for sustainable development of decentralized water system companies. Through ADWaSCI, NCWS engaged with the GST (Goods and Service Tax) council to ensure that safe water operators are exempt from the GST tax regime with the objective of maintaining the affordability of water for underserved communities. This exemption did not apply to NCWS's urban operations.

### Sustainable Usage

NCWS follows all state and national legislation related to groundwater extraction in the country. Through its internal management practices, NCWS is able to demonstrate that the company's urban operations do not impair the sustainability of the water resource over time. In order to ensure the company's water extraction rates are environmentally sustainable, the company commissions a vulnerability study that includes local community input on the history of source vulnerability and a third party hydrogeological study, to determine the yield of the water source while also factoring the recharge capability of the aquifer. If the outcome of these assessments concludes at any time with red flags for the regeneration capacity of that source, NCWS does not proceed any further with the source. NCWS also ensures that there are no other bore-wells within a 100 m distance from the sources they operate in and has no urban operations located in places where there is a risk of water scarcity.

NCWS periodically keeps track of the list of notified areas for ground water extraction compiled by the Central ground water department of India which details out those districts where the groundwater levels are depleted and extraction is not allowed and NCWS refers to it prior to entering new territories.

On an ongoing basis, NCWS tests the yield of the borewells, the efficiency of the reverse osmosis system and the ratio of the water produced to water dispensed, to ensure alignment with the yield indicated by the hydrogeological study and avoid any wastages.

### Waste Management



NCWS's urban operations manufacture and distribute water in returnable 20-liter PET jugs and have implemented a deposit scheme, to incentivise customers for returning these jugs. The jugs contain no recycled content and NCWS has a policy to recycle the jugs after 1 year of usage through a third party that recycles and sells them to other industries as raw material.

#### Company Management Comments

We, Naandi Community Water Services Private Limited, are committed to creating the social impact to improve lives of the underserved communities through access to safe drinking water which still largely remains inaccessible. While we are committed to our mission, we are equally committed to the sustainability of our raw water sources. We shall continue to be ecologically conscious in our operations and thrive to work towards water regeneration; educate & advocate for the watershed movement through the people and authorities under whose jurisdiction the material lies.