

# Supporting NexGen Agriculture and Inclusive Growth



**ITC Limited** 











## ITC Limited Winning Businesses, Transforming Lives

ITC Limited is a leading Indian enterprise with a vibrant portfolio of businesses spanning Fast Moving Consumer Goods, Agri Business, Paperboards & Packaging, Hotels and Information Technology. An exemplar in Sustainability, ITC has the unique distinction of being water positive, carbon positive and solid waste recycling positive for over a decade. Its businesses and value chains support 6 million sustainable livelihoods.

ITC has a growing presence across all three sectors of the economy – agriculture, manufacturing and services. Its FMCG Business is among the country's fastest growing with 25 mother brands that delight every second household in India. ITC's FMCG Businesses span Foods, Personal Care Products, Cigarettes, Education & Stationery Products, Matches and Incense sticks. Several of these winning brands also anchor agri value-chains building competitiveness and supporting significant sustainable livelihoods.

A pioneer in farmer empowerment, ITC's Agri Business spearheaded the globally acknowledged ITC e-Choupal initiative, which is a Harvard case study and taught in several reputed universities across the globe given its unique contribution to farmer empowerment. ITC is also the market leader in the Indian Paperboard and Packaging industry with a growing focus on sustainable packaging. With more than 100 hotels in over 70 locations, ITC Hotels is an internationally renowned hospitality chain with iconic properties in India, besides being a trailblazer in 'Responsible Luxury'. ITC's premium luxury hotels have the unique distinction of being LEED<sup>®</sup>Platinum certified. ITC's wholly-owned subsidiary, ITC Infotech, is a specialized global digital solutions provider with a presence across 5 continents.

ITC's innovative business models synergise the building of economic, environmental and social capital as a unified strategy. To address the evolving challenges in a post-pandemic era, ITC is building on the robust foundations of its sustainability performance to move to an even bolder and ambitious vision, titled Sustainability 2.0. This comprehensive goal-based agenda calls for inclusive strategies that can support even more livelihoods, pursue newer pathways to fight climate change and enable transition to a net zero economy apart from contributing to create an effective circular economy for post-consumer packaging waste.

To empower rural communities in India by creating dominant sources of livelihoods for today as well as building capabilities for the future, ITC's social investments programme encompasses Social & Farm Forestry, Watershed Development, Bio-diversity, Climate-Smart Sustainable Agriculture, Animal Husbandry, Women Empowerment, Mother and Child Care, Vocational Training, Health & Sanitation, among others. Collectively, these interventions have had a transformational impact on rural India, winning global recognition.

Over 41% of the total energy consumed in ITC is from renewable sources. As many as 33 Green Buildings have received Platinum certification, which also includes several iconic luxury hotel properties and the world's first LEED<sup>®</sup> Platinum certified data centre. ITC Windsor in Bengaluru, India has become the first luxury hotel in the world to achieve a LEED<sup>®</sup> Zero Carbon Certification. ITC's Paperboards unit at Kovai, Tamil Nadu was awarded the Platinum rating by the Alliance for Water Stewardship Standards, highest recognition for water stewardship in the world. The unit is the first site in India and only the second facility in the world to achieve this recognition.

ITC's credo of Responsible Competitiveness drives the enterprise's constant quest to build a sustainable and more inclusive future for stakeholders driven by agility, purposeful innovation and compassion.



Supporting 6 million Livelihoods



Carbon Positive **16 years** 



Water Positive 19 years



Solid Waste Recycling Positive 14 years



Renewable Energy is 41% of Energy Consumption

## ITC in Agriculture | Addressing Core Challenges

Agriculture is the lifeline of the Indian economy. India is the second highest agricultural producer in the world and has the largest area of arable land. India leads production worldwide in several commodities, including shrimps, spices, mango, papaya and bananas and is the second largest producer of rice. Currently, at \$42 bn, India's agri exports have the potential to double in alignment with global demand.

Yet, the Indian agricultural sector, like many other global counterparts, faces multiple challenges. Firstly, a disproportionately large percentage of Indian workforce is dependent on agriculture. As much as 70% of Indian rural households rely primarily on the agricultural sector for their livelihoods.

The sector provides employment to nearly 55% of the total workforce in the country, whilst contributing only 17.8% of the country's GVA, highlighting the chronic challenges of low productivity, investments and incomes.

Second, agriculture is particularly vulnerable to the threat from climate change. Experts warn that if climate change is not reined in, frequency of extreme events such as heatwaves could increase by 75 times in India by 2050, leading to reduction in wheat yields by 50% in the Indo-Gangetic plains, amongst others.

Thirdly, like climate change, population growth is a global challenge, given the increased need for food production with limited land and depleting natural resources. This has particularly stressful implications for Indian agriculture. By 2050, world population is expected to reach 10 billion, implying that 2 billion additional people will need to be provided food security. An article in National Geographic states that farmers will have to produce, within the next 40 years, the total quantum of food produced over the last 8000 years!

India will be the world's most populous country by 2027, with its population reaching 1.5 billion, putting immense pressure on India's Food, Feed, Fibre & Livelihood security. This calls for enhancing agricultural productivity, by providing a suite of solutions to promote next generation agriculture and implementation of climate smart practices to build resilience of farmers.

In this context, the Government of India's policy thrust provided in the agricultural sector through precisely targeted interventions and focused reforms are indeed commendable. The vision for 'Doubling Farmers' Income', 'More Crop per Drop', among others, has been the guiding force for collaborative solutions developed by ITC.



70% households depend on Agriculture



55% Workforce depend on Agriculture



India will be the most populous country by 2027



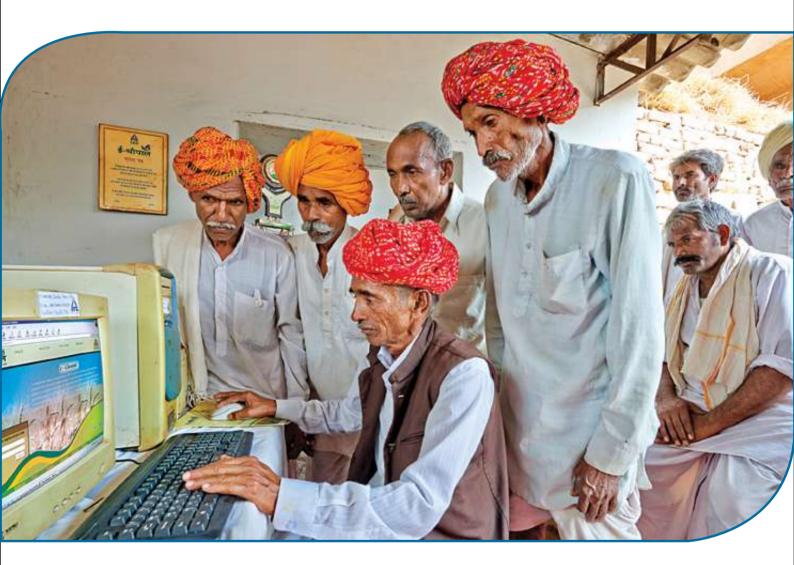
Need for Next Generation and Climate Smart Agriculture





#### ITC has a Century-old Relationship with Farming Communities

ITC's engagement in agriculture has, over the years, enhanced farm productivity and market access, whilst enabling sustainable agriculture and enrichment of natural resources. These interventions have contributed significantly to raising farmer incomes.



#### ITC's e-Choupal Ecosystem

More than two decades ago, ITC created a unique farmer empowerment model, titled ITC e-Choupal, leveraging information technology to foster a new dimension of agricultural growth. ITC e-Choupal, which commenced long before the internet era became as predominant as now, has grown to be one of the largest rural digital infrastructure. It is today a case study at Harvard and several universities across the world. ITC e-Choupal is acknowledged for its rich repertoire of agri-based interventions, which not only addresses the core needs of farmers in terms of infrastructure, connectivity, price discovery and market access, but also provides a significant boost to farm productivity through extension services and research based agri-inputs. ITC e-Choupal, through its various phases of evolution has enabled value chain reorganisation leading to the efficient transmission of consumer demand signals to support a responsive production system. The e-Choupal ecosystem also addresses climate vulnerability through sustainable farm practices and enrichment of natural resources like water and forests.





Initiatives like the 'Choupal Pradarshan Khet' or demonstration plots bring appropriate agricultural best practices to farmers and have demonstrated best practices to achieve significant productivity gains. Under the e-Choupal network, ITC has also set up integrated rural hubs called Choupal Saagars that serve as procurement centres, warehouses as well as rural retail outlets. Engagement with the rural consumers is facilitated at marketing platforms, called Choupal Haats that ITC has developed along the lines of village fairs.

The ITC e-Choupal initiative aims at holistic empowerment of farmers through meaningful 360-degree interventions. It functions as an ecosystem that enables the development of efficient 'Farm to Fork' agri-value chains, creating livelihoods and enhancing farm incomes.

Over 4 million farmers participating in e-Choupal have consistently made significant and sustainable gains in crop yield, crop quality, crop income, and market access over the last two decades.







Choupal Pradarshan Khet



Choupal Saagar Procurement Centre



Choupal Haat

#### **ITC: A Legacy of Farmer Empowerment**

Over the years, the ITC e-Choupal ecosystem, together with the company's social investment programme, has contributed significantly to **address the chronic challenges** of productivity, sustainability and climate vulnerability as well as market access. To contribute to the Government's vision of doubling farmers' incomes and enhancing farmer livelihoods, ITC initiated a unique programme to help multiply farmer incomes and also collaborated with NITI Aayog to improve agriculture and other allied services in **27 aspirational districts of 8 Indian states.** These initiatives, together with several others, some of which are being discussed in this publication, have led to the creation of a **new dimension in India's farming sector,** emphasising farmers' capability to **earn higher incomes and become more resilient** to the chronic challenges.

Addressing chronic challenges of productivity, sustainability, climate vulnerability, and market access



#### ITC Baareh Mahine Hariyali: Multiplying Farm Incomes

ITC's Baareh Mahine Hariyali programme, which has attempted to maximise farm utilisation over 12 months of the year, is a unique 360-degree agri initiative, with the pilot at scale extended to over 200,000 farmers in Uttar Pradesh, India. Around **35,000 farmers** who adopted all initiatives **reported doubling of incomes**, while those who implemented the programme partially have also reported 30% to 75% growth in income.

Specific integrated initiatives that have been implemented include introduction of new high yielding varieties of wheat and short duration paddy to enable improved productivity, quality and price realisation. To facilitate additional income by farmers, cropping intensity has been increased with the introduction of Summer Moong, a variety of lentil which also contributes to soil fertility management. Sustainable agri practices like **Zero Tillage, Broad Bed Furrow** and sowing through **Mechanised Trans-Planters** have not only improved productivity but have also enabled timely sowing.











#### Partnership with NITI Aayog, Government of India

ITC's partnership with NITI Aayog is designed to improve agriculture and other allied services in **27** aspirational districts of 8 states. It is yet another example of how imparting relevant knowledge through collaborations can create transformative outcomes. Even during the pandemic year, when onsite training was not possible, digital training methods were implemented to reach **3,80,000 farmers** by forming **4,836 WhatsApp groups** in around **5,000 villages**. Number of farmers trained in 5 seasons including the Rabi 2019-20 season is 2.5 million, raising farmer incomes by nearly 60%.















## ITC's World Class Food Brands Anchor Sustainable Agri Value Chains

## State-of-the-art Food Processing Infrastructure and Cutting-edge R&D Acting as Key Enablers

The food processing industry and the wood-based sector, at the intersection of agriculture and industry, have the potential to radically transform agriculture, generate significant livelihoods along the entire value chain and contribute to the 'Doubling of Farmers' Income'. Evolving changes in consumer preference for more hygienic and nutritious food offer greater scope to diversify farm production towards more remunerative and value-added crops.



India's agri exports, including processed food products, have tremendous potential. Experts have pointed out that India's agri exports, which is today only 2.5% of global farm exports, have the potential to double from the current level of \$42 billion.

There is urgent need to strengthen the competitiveness of the country's agricultural value chains and align them with relevant areas of global demand. This requires the transformation of the agri-ecosystem from the conventional production centric supply chains to demand responsive value chains anchored by market players.

One of India's leading FMCG marketers, ITC has created 25 world-class Indian Brands, which include a diverse repertoire of food products. ITC's world-class Indian food brands, anchor sustainable agri value chains in the wheat, potato, fruits & vegetables, spices and milk segments. ITC is now embarking on promoting value added agriculture across several crop clusters.



25 World-class Indian Brands

ITC is one of India's largest procurers and exporters of agri-commodities, **sourcing over 3 million tons from 20 crop value chain clusters across 22 States.** It is India's second largest procurer of wheat after the Government's Food Corporation of India.

ITC's competitive and inclusive agri value chains, anchored by ITC's world-class FMCG brands, provide consumers with high quality products while generating substantial farm sector livelihoods.

ITC's 'Farm to Fork' agri-value chains enable the Company to source differentiated, value-added, identity preserved, traceable raw materials, and enables ITC's Foods business to manufacture world-class food brands with consumer preferred value traits.

Supporting the efforts to empower farmers through vibrant agri value chains anchored by ITC's world-class food brands, the Company has also invested in state-of-the-art Integrated Consumer Goods Manufacturing & Logistics (ICML) facilities located across the country, contributing to the Government's Vision of 'Make in India'.

Recognising that innovation is key to creating winning products that address the evolving needs of consumers, ITC has also made significant investments to create a frontier **Life Sciences Technology Centre (LSTC)** in Bengaluru, India to facilitate unique product development. ITC LSTC is also engaged in an ambitious R&D programme in the Agrisciences domain to address future demands of food security, improved yields & quality and development of new varieties.

Vibrant
agri value chains
anchored by integrated
manufacturing facilities,
ICMLs

Innovations Centre ITC LSTC, creating winning products





The ICMLs and the LSTC act as key enablers to realise ITC's continuous endeavour of creating world class brands that anchor enduring agri value chains raising farm incomes by linking Indian farmers to the growing demands of Indian and international consumers. With a team of nearly **350 highly qualified scientists**, the ITC LSTC has filed more than **900 patent applications**, to add to the Intellectual Property prowess of India. ITC LSTC has recently been acknowledged as the leading patent filling private entity in India.



#### ITC's Value-added Agri and Food Products

Enabled by LSTC, ITC has created a number of value-added food products to address the consumers' need for nutrition and wellness. ITC's Value Added food products include Aashirvaad Nature's Super Foods made from ancient grains such as ragi and millets, Aashirvaad Sugar Release Control Atta, ITC Master Chef Frozen Prawns, Dehydrated Onions and Mango Pulp, ITC Farmland fresh fruits, and fresh & frozen vegetables.



Aashirvaad Super Foods



Aashirvaad Sugar Release Control Atta



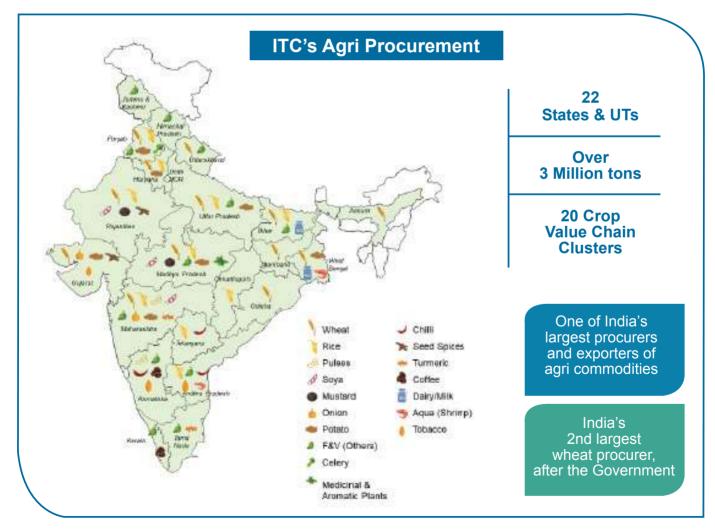
Master Chef Frozen Prawns



Dehydrated Onions



Farmland Frozen Vegetables



ITC also works with farmers to develop Value Added Organic Spices, Wheat Flour, Lentils and Gram Flour for its B2B customers.

#### **ITC's Forestry and Bamboo Value Chains**

#### **Afforestation**

Another large initiative to empower farmers, ITC's Afforestation Programme, covers 8,75,000 acres till date, creating over 160 million person-days of employment. The large-scale programme enables farmers who own wastelands and lands with low levels of productivity to grow commercially viable pulpwood plantations, thereby turning an unproductive asset into a profitable one. To ensure the commercial viability of these plantations, ITC invested extensively in R&D to create clonal saplings that would be disease resistant, and could grow faster and in very harsh conditions. These saplings have made the growing of pulpwood species on degraded wastelands a sustainable livelihood option for farmers. ITC's wood value chain is anchored by its Paperboards business and notebooks brands Classmate and Paperkraft.



**Agro Forestry Model:** To secure livelihoods of farmers, ITC has also implemented an agro-forestry model that combines tree growing with crop production. The Programme ensures both food and wood security and also helps in the conservation of precious natural resources. ITC's agro-forestry model enables field crops and pulpwood species to be grown together without impacting wood productivity that would be achieved if the landholding was planted solely with pulpwood trees.







#### **Bamboo Value Chain**

ITC's initiative to promote bamboo cultivation in the North Eastern states of India helps it secure bamboo sticks for its agarbatti brand Mangaldeep, creating significant livelihoods, alongside reducing dependence on imports.

#### ITC's World Class Brands Anchoring Sustainable Value Chains



The Wheat Value Chain is anchored by the Aashirvaad brand as well as exports by ITC's Agri Business Division



The Spices Value Chain is supported by Aashirvaad and Sunrise brands;



The Potato Value Chain is driven by ITC's Bingo! Snacks



The Fruits Value Chain is powered by ITC's B-Natural juices



The Dairy Value Chain leverages Aashirvaad Svasti dairy products and Sunfeast Wonderz milk-based beverages



The Vegetable Value Chain is powered by Farmland & Master Chef brands



Bamboo Value Chain - Mangaldeep agarbattis



## **ITC's World Class Food Brands**



Biscuits



Wheat Flour



Noodles



Super Foods



Low Sodium Salt



Spices









Confectionery



Snacks



Coffee



Ready to Cook







Conserves & Chutneys



Gravies and Pastes



Frozen Snacks



## ITC's NexGen Agriculture: Taking Agri to the Next Horizon

Given the large number of people dependent on the sector, transformation of India's agriculture is critical not only for supporting livelihoods and improving quality of life but also for enhancing climate resilience and build capacity in order to achieve a higher orbit of growth. It is, therefore, mission critical to usher in NexGen agriculture and enhance farmer incomes to sustain a virtuous cycle of consumption, investment and employment.

ITC's Agri Business has embarked on its next phase of transformation, anchored by Next Generation Agriculture and accelerated value addition of farm products. The objective is to foster demand-responsive value-chains, promote climate-smart agriculture and digitally empower farmers.



#### Moving up the Value Chain: ITC's Value-added Agriculture

Leveraging its deep engagement in agriculture, strengths in Food Processing and R&D capabilities, ITC is scaling up value addition in agriculture to progressively create new opportunities for farmers and enhance farm incomes.

ITC's institutional synergies enable it to work with farmers to develop robust models for value-added segments with vibrant brands. Some examples are: food-safe IPM Chillies, organic mango pulp traceable to farms, specialty coffee certified for fair trade, end-use specific wheat flours, frozen snacks, and so on.







#### **ITC Master Chef Frozen Snacks**

ITC's delectable range of 'ITC Master Chef' frozen snacks comprises of over 30 differentiated variants. The brand leverages unique enterprise synergies of ITC.

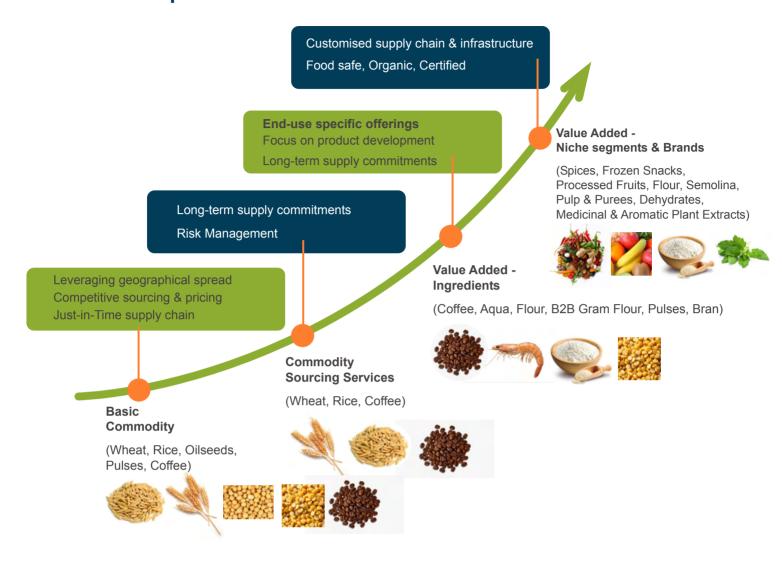
- > The sourcing capability of ITC's Agri Business
- > Culinary expertise of ITC Hotels' Master Chefs
- > Deep consumer insights
- > Manufacturing prowess of ITC's Foods Business



#### **Medicinal and Aromatic Plant Extracts**

ITC's customised crop development programme with farmers in Madhya Pradesh, India aimed at deepening expertise in Medicinal and Aromatic Plant Extracts, covers over **5,000 acres** so far. The programme is being expanded significantly.

### ITC's Scope of Value Addition



## **For Export Markets**



Certified; speciality and customised blend



Processed to end-user specification



Sterilised; certified; blended; attribute-base



Fresh; processed; frozen; dehydrated



Value-added ready-to-cook products



Certified; attribute-specific

### Branded Offerings for the Domestic B2B and B2C Markets

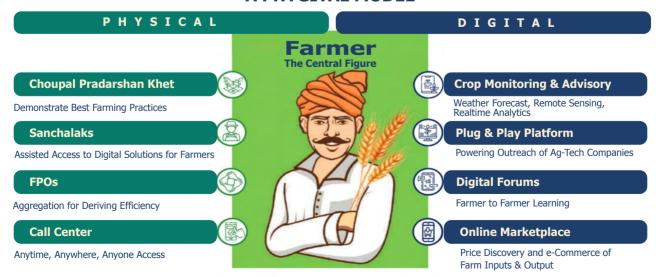


## ITC MAARS Harnessing Digital Technologies for Farmers

Technology and the digital revolution together can foster inclusive and sustainable growth for the agricultural sector, and are essential for making farmers' future-ready. On the technology side, the Government of India is already working on a 'Agri stack' a collection of technology-based interventions in agriculture.

To bring the power of cutting-edge digital technologies and unlock the potential of India's small farmers, ITC is launching a Super App, called ITC-MAARS or Metamarket for Advanced Agriculture and Rural Services. ITC-MAARS will lend new wings to ITC's pioneering e-Choupal model and create a robust 'phygital' eco-system (a combination of physical and digital interventions) to deliver seamless customised solutions to farmers.

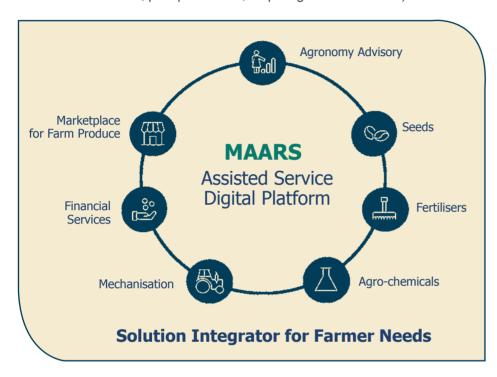
#### A PHYGITAL MODEL



#### Personalised, Hyperlocal, yet Scalable

## ITC MAARS: Metamarket for Advanced Agriculture and Rural Services

Leveraging cutting-edge technologies, ITC-MAARS will offer a full complement of agricultural solutions. Its micro-services structure will enable plug-in by offering a range of agtech solutions. This comprehensive suite encompasses hyperlocal services, AI-based personalised advisories, as well as online marketplaces. The uniqueness of the model will be in the level of personalisation it will offer across different profiles of Farm (for different soil health & nutrition, irrigation & mechanization, etc), Farmers (size, education, progressiveness) and Real-time Conditions (hyperlocal weather forecasts, pest predictions, crop stage and conditions).



## **Technology Interventions**



#### Datalake & AI /ML

Delivers Analytics fueled digital journeys



#### Intelligent Nudge Capability

AI empowered Next best Actions & Offers



#### **Uber Personalisation**

Behavioral Insights from data drives personalisation



#### Pluggable, Scalable Innovation

Micro Services Architecture enabling seamless plug & play by partner enterprises

#### A Case Study: Enhancing Incomes of Chilli Farmers

An integrated pilot at scale was adopted for chilli value chain development in partnership with the Government of Andhra Pradesh, in India. The programme resulted in an increase in farm productivity by 13% and benefited farmers with an additional income of 26% in the ongoing season.



## ITC's Multi-stakeholder Collaborations: FPOs & Crop Clusters to Boost Exports

ITC has adopted targeted collaborative models to significantly multiply the scale and impact of its agri and rural interventions. This collaborative approach, as opposed to a traditional transactional approach, can contribute meaningfully to building next generation agriculture that is climate resilient and can support gainful livelihoods. In this context, Farmer Producer Organisations (FPOs) have a tremendous potential to serve as major enablers in augmenting farm livelihoods, by facilitating a crucial link with individual farmers, especially small & marginal farmers. Harnessing the power of FPOs can also provide significant competitive advantage to the Food Processing sector. A recent report by the High Level Expert Group on Agricultural Exports, set up by the Fifteenth Finance Commission, has underscored the importance of FPOs and crop clusters in doubling India's agri-exports from the current level of \$42 billion. The report highlighted the need to build competitiveness of lighthouse value chains in areas such as shrimps, spices, fruits & vegetables and rice that have immense export opportunities.





**10 million**Farmers Targeted

Encouraged by the Indian Govt.'s recent policy impetus, ITC has proposed to support nearly **4,000 FPOs benefitting 10 million farmers across multiple crop clusters**.



ITC has initiated more than **83 Public-Private-Partnerships** across different dimensions including Water Stewardship, Sustainable Agriculture, and many others.

#### **Technical Collaborations**

ITC has also forged over 24 technical collaborations with reputed global organisations. For example, ITC's technical and knowledge partnership with the **Consultative Group for International Agricultural Research (CGIAR)** is aimed at improving the resilience of villages and preparing farmers to mitigate climate risks. Other partnerships include those with **WWF-India** for river basin water initiative, and with **International Water Management Institute (IWMI)** for developing drought proofing templates, and other inputs.





## **Building Climate Resilience for the Most Vulnerable Agri Sector**

Given the vulnerabilities of the Agricultural sector from the threats of climate change, it is crucial today to urgently develop sustainable and regenerative agricultural practices. Initiatives addressing a diverse array of climate related challenges including water stress, decline in yield, crop losses, GHG emissions and bio-diversity imbalance, can go a long way in securing the livelihoods of farmers for today and tomorrow, whilst ensuring food security for days to come.

Sustainable and Regenerative Agriculture Practices



Demand Side water management



Productivity Enhancement



Afforestation



Bio-diversity Conservation

## Water Stewardship with Focus on Demand Side Water Management

Given that 54% of India is water stressed, ITC's Water Stewardship programme covers 1.2 million acres with over 44 PPP partnerships, supporting 7.3 million person-days of livelihood. The programme has helped to increase availability of water for agriculture through a combination of demand-side and supply-side interventions. Contributing to the Government's vision of 'More Crop Per Drop', ITC's demand-side water management interventions have led to reduction of water consumption by as much as 20% to 45%.





Water
Stewardship
over
1.2 million
Acres





Over 2,50,000 Farmers, 8,000 Villages

41% to 87% Growth in Net Returns to Farmers

#### **ITC's Climate Smart Agriculture**

To build climate resilience in agriculture, ITC has embarked on a large Climate Smart Agriculture initiative, which has covered over 2,50,000 lakh farmers across 8,000 villages in India, A pilot at scale has demonstrated a reduction of GHG emission of select crops by 47%, and enhancement of net returns to farmers between 41% to 87%. The efforts to promote climate-smart agriculture will be scaled up to cover 3 million acres by 2030.





Greened over 8,75,000 Acres

#### **Afforestation**

ITC's pioneering afforestation programme has greened over 8,75,000 acres thus also creating a carbon sink. The competitive and renewable fibre value chain nurtured by ITC's Paperboards business over several decades has supported 160 million persondays of employment among marginal farmers.





#### **Biodiversity Conservation**

Biodiversity restoration and conservation provides several nature-based solutions to agriculture. ITC has promoted bio-diversity conservation in more than 45,000 acres to revive & sustain ecosystem services along with products provided by nature. ITC's bio-diversity conservation aims to enhance coverage over 250,000 acres by 2030.



250,000 Acres by 2030

### **Creating Social Infrastructure**

## **Building Rural Capabilities** for Today and Tomorrow

#### A 2-Horizon Approach

ITC has adopted a two-horizon approach which secures and enhances livelihoods for today and builds capabilities for tomorrow.

**Horizon 1:** The Company's mosaic of large scale interventions in climate smart agriculture, water stewardship, future ready digital solutions for farmers, bio-diversity, afforestation, women empowerment among others, secures today's dominant sources of sustainable livelihoods.

**Horizon 2:** ITC's programmes including vocational training, primary education, health and sanitation empower rural communities with socio-economic infrastructure to take advantage of tomorrow's emerging economic opportunities.



e-Choupal Empowers over 4 million farmers



Afforestation
Over 875,000 acres greened



Watershed Development Over 1,200,000 acres covered



Livestock Development
Over 330,000 farmers benefited



Solid Waste Management & 'Wealth out of Waste' (WOW) Covers over 15 million citizens



Women Empowerment
Over 77,000 women benefited



Skilling & Vocational Training Over 90,000 students enrolled



Primary Education Reaching over 800,000 children



Health & Sanitation Over 38,000 toilets built