

## Corporate Social Responsibility in Education Sector

**Dr. Kavita S. Biyani**

Co-ordinator, Research Center,  
Dayanand College of Commerce,  
Latur, Maharashtra.

### Abstract

Education is the backbone of every society in this world. But what matters the most is quality education – which still remains a dream for many. The Indian government is taking initiatives to improve the situation. Like government, Indian corporate sector have played a big role in improving quality of education. The corporate social responsibility initiatives must aim at a long term vision of India as a major knowledge economy. Indian companies have taken a merit of leadership in setting up world class full fledged education, combining high quality teaching, research and consultancy activities. This paper aims to provide the significance of corporate social responsibility and CSR programmes conducted by various reputed companies of India in education sector.

**Keywords:** CSR Companies, Education, Infrastructure facilities from companies, society.

*Bhahujanay hittaya, Bhahujanaya Sukhaya,  
For the benefit of many, for the happiness  
of many..... Rigveda  
“Business needs to go beyond the interest of  
their companies To their communities they serve.”  
-Ratan Tata*

### Introduction

In normal sense, responsibility is taking care of your duties, answering your action and decisions. It is an accountability. It is turstworthiness. It is important as it is a core value for living honourably. Business is an economic activity. It is carried out on a regular basis to earn profit. Today, business is treated as an instrument of economic growth and social transformation. Business and society are interrelated and interdependent. A business unit comes into existence with the support of the society. So business should realize its obligations towards the society.<sup>1</sup>

Business operates within society and it is part of society. Society provides factors of production. It also provides finance through investors and human resources such as employees, customers, workers, officers & managers. Business activity uses all factors of production, finance and human resources for its functioning. It is obligatory for business world to work for society.<sup>2</sup>

Recently, public demands are increased. It is fulfilled by private businessman. Business enterprises are expected to devote its efforts for producing and distributing goods and services as efficiently as possible. Today businessmen must

make innovations and improvements in products and processes with the ultimate objective of maximization of profit. In addition to economic consideration, business must also promote for general welfare of society. The demand for social responsibility have provoked enthusiastic discussion and debate on what new roles, if any, business firms should play in the social system.

### Objectives of the study

- 1) To study the concept of corporate social responsibility.
- 2) To study the significance of corporate social responsibility in education.
- 3) To study the corporate social responsibility programmes conducted by reputed companies of India in education sector.

### Meaning of Corporate Social Responsibility

The concept of social responsibility has been followed in India since ancient times. The philosophers like Chanakya from India and pre Christian's era philosophers in west preached and promoted ethical principles, while doing business. In ancient literature, we found a concept of helping poor people and disadvantaged section of society through profits made by the traders and emperors. So it was called traditional oriented and philanthropic concept. It was developed as the business was growing. We found charitable foundation, education and health care institutions and trust of community. Modern concept has a wider idea, it includes ethical, legal and economic aspects.<sup>3</sup> It is called Corporate Social Responsibility.

**Definitions of CSR<sup>4</sup>**

European Commission (2001) defines CSR as “a concept whereby companies decide voluntarily to contribute to a better society and cleaner environment and as a process by which companies manage their relationship with stakeholders”.

- 1) According to Chandler (2002), Corporate Social Responsibility means transparent business practices that are based on ethical values, compliance with legal requirements, and respect for people, communities and the environment. Thus beyond making profits, companies are responsible for the totality of their impact on people and the planet.
- 2) As per Kotler P. Lee N (2005), Corporate Social Responsibility is defined as a commitment to improve community well-being through discretionary business practices and contributions of corporate resources
- 3) The International Labour Organisation (ILO, 2007) described CSR as “a way in which enterprises give consideration to the impact of their operations on society and affirm their principles and values both in their own internal methods and processes and in their interaction with other factors” and further specified CSR as “a voluntary, enterprise-driven initiative, which refers to activities that are considered to exceed compliance with law”.

Very soon, the concept of corporate social responsibility has become widely accepted, and most companies and commentators now subscribe to the view that businesses have moral responsibilities that go beyond meeting the needs of their customers and shareholders (Brinkmann and Peattie, 2008).

**Importance of CSR in Education**

The primary objective of introducing corporate social responsibility by government of India is to promote responsible and sustainable business philosophy at a broad level and to encourage companies to come up with innovative ideas. CSR was not to mobilize resources for government to bridge resource gap in meeting sustainable development goals.

India has a third of the world’s illiterates based on a report published by UNESCO. All the

government schemes like Sarva Shiksha Abhiyan, Mahila Samakhya Schemes for infrastructure development have worked so far only to enroll children into schools. The enrollment rate of children in schools is a high as 97% but the quality of education provided in the school is below average. According to the Annual Status of Education Report 2016 (ASER 2016) which surveyed 589 rural districts of India, only 47.7% students of class 5 can read class 2 level texts. This has declined from the previous year’s performance of 48.1%. The student also failed badly in Maths and English comprehensions.<sup>5</sup>

In 2017-18, education received the most funding (38% of the total) in corporate social responsibilities. The others health care (25%), reducing inequalities (2%), national heritage (4%), armed forces (1%), sports (2%) and the Prime Ministers Relief Fund (2%).<sup>6</sup>

A state-wise analysis of corporate social responsibility expenditure reveals that there are some states where the concentration of CSR-led activities is the highest and increasing over the years. The states like Maharashtra, Karnataka, Andhra Pradesh, Gujarat, Tamil Nadu and Delhi have received approximately 40% of the total expenditure on CSR for the years 2014-15 to 2017-18. The following table shows the total amount spent by various companies in India, especially in Maharashtra. The Maharashtra state is one of the topmost state in India who spends high amount of CSR on education, differently abled and livelihood.

Corporate Social Responsibility Spent by Companies  
(Figures in Crores)

Year	India	Maharashtra
2014-15	3188.09	1445.92
2015-16	4942.55	2052.23
2016-17	5511.29	2487.38
2017-18	3486.76	2482.75

Source: [www.mca.gov.in](http://www.mca.gov.in)  
& [csr.gov.in](http://csr.gov.in)

**CSR in Companies**

PRIME Database group analysed 1080 companies out of 1795 companies listed on National Stock Exchange (NSE). The report says CSR project

funds increased 11% upto Rs. 10,030 crore in 2017-18.<sup>6</sup>

The companies in India spent Rs. 7536.3 crore on corporate social responsibilities activities in 2017-18, a 47% rise compared to 2014-15, says the

KPMG India CSR Reporting Survey 2018. The average amount spent per company has gone up to Rs. 76.1 crore as compared to Rs. 58.8 crore during 2014-15, rise up to 29%.<sup>7</sup>

**CSR Fund spent on Education Sector, 2017-18**

Sr. No.	Name of the Company	Total CSR Fund spent (RS. In Crore)	CSR Fund spent on Education (Rs. In Crore)	% of CSR Fund in Education
1	Tata Steel Ltd.	85.62	57.81	68%
2.	Hero Motocorp. Ltd	82.60	48.11	58%
3.	Tech Mahindra Ltd.	71.55	34.94	49%
4.	Bharat Forge Ltd.	19.71	15.00	79%

Source: [www.csrbox.org](http://www.csrbox.org).

**1) Tata Steel Ltd.<sup>8</sup>**

Tata Steel Ltd., formerly known as Tata Iron and Steel Company (TISCO). It is one of the Indian multinational company, have headquartered in Mumbai, Maharashtra, India. It is a subsidiary company of the Tata group and the second largest steel company in India. the company has promoted education in Jharkhand and the Orissa. The company has launched three sub-projects.

- i) **Enhancing School Education:** The government has launched ‘Right to Education’ for all. The company has implemented the act for increasing the access of children, for improving quality education primary in government schools, for ensuring better governance through school management committee (SMC).
- ii) **Residential Bridging Schools :** Tata Steel operates two girls schools at Pipla and Noamundi and boys school (Masti Ki Pathshala) at Jamshedpur.
- iii) **30 Model Schools:** Tata Steel has entered into a Memorandum of Understanding (MOU) with the government of Orissa to construct 30 model schools in 30 different blocks in the state to provide secondary school education in educationally backward blocks.

**2) Hero Motocorp Ltd.<sup>9</sup>**

Hero Motocorp Ltd. Formerly known as Hero Honda. It is an Indian motorcycle and scooter manufacturer based in New Delhi, India. The company is the largest two-wheeler manufactured in

the world and also in India. it has a market share of about 46% in the two wheeler category.

In 2017-18, the company has established Road Safety Clubs (RSC) in 1150 schools. The clubs tries to create awareness among children about road safety. Furthermore, it supports 2200 student Police Cadets (SPC) who propogate the message of road safety. It helps in personality development and leadership building capacity among children. The company supports road safety awareness activities of the clubs through Mobile Safety Van.

**3) Tech Mahindra Ltd.<sup>10</sup>**

Tech Mahindra Ltd. Is an Indian multinational provider of information technology, networking technology solutions and Business Process Outsourcing to various industries.

The company has launched a new project for education viz. Mahindra Ecole Centrale (MEC). MEC project provides high quality technical education in engineering and computer technology for students. It is a multi-dimensional project focusing on personality development, multi-disciplinary knowledge and critical creative thinking.

Another programme of Tech Mahindra company in School Education Programme. The company has classified its education iniatives into three programs, viz. ARISE, ARISE + and Shikshantar.

Tech Mahindra Foundation’s educational initiatives under ARISE (All Round Improvement in School Education) are long term school improvement programmes. It is implemented in partnership with local governments and other organizations. The

foundation has adopted 60+ schools across India and is working with 18 partners. These schools will be converted into model schools of excellence.

ARISE + initiatives encompass educational empowerment programmes for children with disabilities.

Shikshantar envisioned a programme for strengthening capacities of government school teachers.

#### 4) **Bharat Forge Ltd.**

Bharat Forge Limited Company is a global leader in metal forming company. It serves several sectors such as automotive, railways, aerospace, marine, oil and gas, power, constructive and mining. The company has ten manufacturing location across India- Germany, Sweden, France and North America etc. It also supplies various components of the aviation sector.

The company's technical team of CSR supported 30 engineering girl students and mentorship is provided to them. They has also contributed some amount for providing non-formal education to 20,000 underprivileged children from 22 communities.

The company has also taken initiative for Kalyani School at Manjari through financial assistance for renovation and upgradation facilities at schools and colleges.

The Company has contributed some amount for ITI, Khed, Bhor & Malegaon Training Program for ITI Instructors from Pune. Training Program on Technical Educator's Reinvention Course (TERC) for Industrial Training Institute (ITI) instructors from Pune District Company had designed and imparted a training program called "TERC," Technical Educator's Reinvention Course. This training was imparted to 241 ITI instructors from Pune District with the objective to equip them with important tools to enable them to perform their roles as accomplished instructors.

#### 5) **Wipro Company**

Wipro company has spent Rs. 1853 million towards corporate social responsibility activities during the financial year 2018-19. Wipro consumer care and lighting disbursed the third edition of its Santoor Scholarship programme to shortlisted girl students from the three states of the country.

Santoor Women's Scholarship program supports underprivileged girls for college education. Every year, 900 students from the three states receive a scholarship of Rs. 24000 p.a. for all the years of the study to cover expenses such as tuition fees, books and other expenses incidental to education. In the three years, the program has benefitted 2700 women to complete their higher studies.

Anil Chugh, President- India Business, Wipro Consumer Care and Lighting said, "Girls from lower economic strata of society face several challenges and the Santoor Women's Scholarship program aims to economically support them to complete their education."

#### 6) **Toyota Kirloskar Motar**

Toyota Kirloskar Motar constructed Government Model Higher Primary School at Bidadi. The school has around 260 children of class I to VIII. However, due to its dilapidated condition, the school was under-utilized are not able to provide required facilities to school children in the community. The company took up this project, under its CSR initiative and restored the school infrastructure at a grass root level. The school now is upgraded and equipped with modern facilities including: six new classrooms with furniture, computer room, laboratory, sports room, toilets for students, kitchen, dining hall and a library.

Naveen Soni, Vice-president, TKM said, "Quality infrastructure and quality teachers have a huge impact on the learning outcomes and consequently, the retention of children in schools. Lack of clean, safe, accessible and adequate school infrastructure has been responsible for increasing school dropouts in Rural India. The need of the hour is to create a safer and comfortable learning experience for the school children".

Toyota Kirloskar Motar, has initiated several projects to accelerate access to quality education in Karnataka. Recently, the company distributed school supply kit consisting of bags, books, geometry box, drawing books and crayons to 24, 500 students across first to tenth grades in Government schools at Ramanagara district.

Toyota company has also initiated school health programme to address the malnutrition, anaemia and eye problems of government school

children in Ramanagara district. With this project, the company is aiming to cover around 10,000 school children.

#### 7) Microsoft India

Microsoft India has launched the Digital Learning programme under “Humana People to People India” in partnership with Rajiv Gandhi Shiksha Mission in Raigarh and Mungeli districts of Chhattisgarh. With a view to fill the persisting digital gap among the students of rural government primary schools of Chhattisgarh and help empower illiterate adults with the gift of literacy.

On December 17<sup>th</sup>, 2019 at the Government Primary school, Vijaypur in Raigarh, the Digital Classroom Project was launched at Sambit Mishra, Assistant Collector of Rajgarh, Rusen Kumar, Founder, India CSR Network, R.K.Trivedi, Principal, O.P. Jindal School Raigarh, Snorre Westgard, CEO. The programme is delivered under two broad verticals: School Learning and Adult Literacy.

The school learning programme provides technology based environment to primary school students for class I to V. They have selected 16 schools, eight schools each from Rajgarh and Mungeli district. The computer labs are developed in each school for teachers to develop new methods of teaching in their subject. Under this programme, they have also promoted video based learning for school students and assessment of the programme is conducted through a digital ‘Learning Management System’.

The Adult Literacy Programme is a computer based programme conducted, especially, for illiterate adults of Rajgarh and Mungeli districts. They have catered programme of 3Rs of Reading, wRiting and aRithmetic. It has enhanced functional literacy among the adults and also promoting household women participation for income generation.

#### 8) Reliance Industries

Reliance industries has spent amount of Rs. 849.32 crore on corporate social responsibility in India for the year, 2018-19. Recently, under education, employability and livelihoods enhancement, the company has launched a Protsahan Scheme in East Godavari (Andhra Pradesh), scholarships are provided to meritorious students

from the villages around the plant location. At present, 218 students are provided scholarships since its inception. The company has carried out various education programmes in other plant locations.

In order to nurture talented young leaders, the Dhirubhai Ambani Scholarship (DAS) programme has provided financial assistance to 12,285 meritorious students to pursue graduation in any stream and institution of their choice. For the year 2018-19, DAS programme supported 504 students across the country, nearly half are girls.

Reliance Foundation collaborated with Center for Teacher Accrediation- Teachers Professionals Olympiad. This year, more than 60,000 teachers from over 10,000 schools across 2000 locations participated in the CENTA-TPO, India’s national competition for teachers. Over 1000 outstanding teachers receive the Reliance Foundation Teacher Awards.

#### Conclusion

Education is the backbone of every society in this world. But what matters the most is quality education – which still remains a dream for many. Today, in India, there are very few who get quality education with good teachers and teaching aids.<sup>11</sup>

Successful companies have a social responsibility to make the world a better place and not just take from it. Corporate social responsibility extends beyond philanthropic. It is a collective responsibility to build society which supplements government efforts to achieve inclusive growth which includes broad based benefits and ensures equality for opportunity for all.

Several private organizations are joining hands with the government to make the ultimate dream of offering quality education in India come true. As an important part of it, the role of corporate with corporate social responsibility in India is crucial in improving the educational conditions in India. As per the Ministry of Corporate Affairs CSR reports, education, employability and livelihood is the top most priority for many Indian and International entrepreneurs. Total 37% of the financial assistance is provided on it by the companies.

The Indian government is taking initiatives to improve the situation. Indian government has taken efforts to improve quality and reduce drop out

rates through various schemes are launched such as Sarva Shiksha Abhiyan, Mid-day meal scheme, Rashtriya Madhyamik Shiksha Abhiyan (RMSA) to develop infrastructure – District Information System for Education (DISE). Like government, Indian corporate sector have played a big role in improving quality of education.<sup>12</sup>

The corporate social responsibility initiatives must aim at a long term vision of India as a major knowledge economy. Indian companies have taken a merit of leadership in setting up world class full fledged education, combining high quality teaching, research and consultancy activities. Therefore, companies with major presence in state can work together with state government to enable such world-class institutions of higher learning to be established.<sup>13</sup>

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