

# Education for Sustainability: A Study on Corporate Social Responsibility Initiatives in India

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**Abstract - India is the first country in the world to make Corporate Social Responsibility (CSR) mandatory, following an amendment to the Companies Act, 2013 in April 2014. This allows businesses and industries to invest their profits in areas such as education, poverty, gender equality and hunger as part of the CSR compliance to achieve sustainability. Out of all the above areas, education is considered to be the vital element in developing individuals in a sustainable manner, exposing them to greater awareness, better compensation of their socio-cultural environment and improving socio-economic conditions. The research paper focuses mainly on the objective to study that development of Education through Corporate Social Responsibility Initiatives plays a vital role for Sustainability in the Society .**

**Key Words: Education, Sustainability and CSR**

## I. INTRODUCTION

The Scheduled Tribe (ST) population India has an average literacy rate of 58.96 percent<sup>1</sup>. States like Mizoram and Lakshadweep have recorded the highest literacy rate for STs, while the lowest is found in Andhra Pradesh and Madhya Pradesh (Census 2011)<sup>2</sup>. Throughout the country, out of 152 districts (with more than 25 percent of ST population), 28 districts have ST literacy below 50 percent and nine districts have female ST literacy rates below 30 percent. (Statistics of School Education 2010-2011 2012).

### Sustainability:

Sustainability can be defined as the ability to maintain various systems and processes— environmentally, socially, and economically over a period of time. Sustainability originated in natural resource economics but has since gained broader currency in terms of sustainable development and business ethics.

Education is considered as the stepping stone to enhancing the quality of life, especially for the underprivileged and the vulnerable. One of the fundamental indicators of growth in India is access to quality education. The main objective behind all the top corporate social responsibility initiatives in education this year is to revolutionize lives by means of continuously improving knowledge and empowerment.

## II. CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR)<sup>3</sup> generally refers to a company's commitment to practice environmental and

social sustainability and to be good stewards of the environment and the social landscapes in which they operate. CSR as a concept suggests that it is the responsibility of the businesses operating within the society to contribute towards social, economic and ecological development that helps bring about a positive impact on society at large. In other words, the concept deals with the fact that companies and businesses need to work looking beyond just earning profits. The term became popular in the 1960s and now is a daunting and mandatory aspect of business operations.

Corporate Social Responsibility is not a new concept in India, however, the Ministry of Corporate Affairs, Government of India has recently notified the Section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014 "hereinafter CSR Rules" and other notifications related thereto which makes it mandatory (with effect from 1st April, 2014) for certain companies who fulfil the criteria as mentioned under Sub Section 1 of Section 135 to comply with the provisions relevant to Corporate Social Responsibility (Kapoor 2014). As mentioned by United Nations Industrial Development Organization (UNIDO)<sup>4</sup>, CSR is generally understood as being the way through which a company achieves a balance of economic, environmental and social imperatives ("Triple-Bottom-Line-Approach"), while at the same time addressing the expectations of shareholders and stakeholders.

Sub Section 1 of Section 135 of the Companies Act, 2013 contains the companies on whom the provisions of the CSR shall be applicable (Kapoor 2014). According to the/

<sup>1</sup>[http://www.mospi.gov.in/sites/default/files/reports\\_and\\_publication/statistical\\_publication/social\\_statistics/Chapter\\_3.pdf](http://www.mospi.gov.in/sites/default/files/reports_and_publication/statistical_publication/social_statistics/Chapter_3.pdf)

<sup>2</sup> <https://pib.gov.in/newsite/PrintRelease.aspx?relid=85918>

<sup>3</sup> <https://www.sciencedirect.com/topics/earth-and-planetary-sciences/corporate-social-responsibility>

<sup>4</sup><https://www.unido.org/our-focus/advancing-economic-competitiveness/competitive-trade-capacities-and-corporate-responsibility/corporate-social-responsibility-market-integration/what-csr>

section, the companies having net worth of Rs. 500 crore or more; or Turnover of Rs. 1000 crore or more; or Net Profit of Rs. 5 crore or more during any financial year shall be required to constitute a Corporate Social Responsibility Committee of the Board "hereinafter CSR Committee" with effect from 1st April, 2014. The pictorial representation below gives the representation of Section 135 (1). According to the guidelines, corporate social responsibility is not just a compliance but is also a wholehearted commitment to support initiatives that measurably enhance the lives of vulnerable and underprivileged by one or more of the following focus areas as notified under Section 135 of the Companies Act 2013 and Companies (Corporate Social Responsibility Policy) Rules 2014 (Kapoor 2014):

- i. Encouraging parents to send their children to schools along with providing employment enhancing vocation skills and livelihood enhancement projects
- ii. Decimating issues of poverty, hunger and malnutrition, while promoting pre-emptive health care and sanitation facilities where safe drinking water is made accessible to everyone
- iii. Championing the cause of promoting gender equality by empowering women, setting up homes, old age homes, day care centres, hostels for women and orphans, senior citizens and developing effective ways for reducing inequalities faced by socially and economically vulnerable groups
- iv. Improving maternal health and reducing child mortality by providing good hospital facilities and medicines at affordable prices
- v. Providing clean and good sanitation facilities so as to combat human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases
- vi. Ensuring ecological balance and sustainability with a focus on protection of flora and fauna, agroforestry, animal welfare, conservation of natural resources while maintaining quality of soil, air & water
- vii. Conservation of national heritage, art and culture including restoration of historical buildings and monuments, works of art, promotion and development of traditional arts and handicrafts
- viii. Providing proper training to encourage rural and nationally recognized sports
- ix. Framing and implementing policies for the betterment of armed forces veterans, war widows and their dependents

- x. Contributing to the Prime Minister's National Relief Fund<sup>5</sup> or any other fund set up by the Central Government for the welfare and socio-economic development of the women, minorities and backward classes.

### III. METHODOLOGY

The present study is based on empirical research through secondary data sources. The secondary data is emerged from different company reports sources along with national organizations, and government websites (Govt. of India) and other information collected through published and unpublished documents. The researcher conducted a qualitative analysis to understand the CSR Initiatives in the area of education in India for sustainable development.

#### Companies Funding CSR on Education:

The companies like Tata Group, Ultra Tech Cement, Mahindra and Mahindra and ITC Group in India spent Rs. 10,000 crores (US\$1.4 billion) in various programmes ranging from educational programs, social welfare, healthcare, skill development and environment conservation as a part of their CSR initiatives.

The Prime Minister's Relief Fund (PMRF) has witnessed a steep increase in its CSR contribution of 139 percent over last one year. Maximum funding was received by the education sector (i.e. 38 percent of the whole) followed by hunger, poverty, and healthcare (25 percent), environmental sustainability (12 percent), rural development (11 percent) (Gopinath 2019). On the other hand, negligible amount of contribution was made on programmes in sports, technology incubators, defence forces, and gender equality. As per the latest amendments to CSR provisions, industry research estimates that by FY 2019-20, CSR compliance to improve and range between 97 to 98 percent (Associates 2019).

#### a) Tata Motors Ltd. (TML):

Tata Motors conglomerate in India is known to undertake various CSR projects that majorly deals in community development and poverty alleviation programmes. Tata Motors collaborated with the IIT Alumni Association to come up with a conceptualized unique self-perpetuating model wherein the students who receive financial aid, donate back the amount voluntarily after getting a job which they once received from the institute. Thus, this forms like a self-revolving fund. TML is the first corporate in India to support IIT Bombay under the programme (Basu 2018). Apart from the financial support that was provided to the students, senior leadership from Tata Motors mentored them. Out of 111 students supported so far, 23 i.e. 21% belong to SC/ST category. The graduated students

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<https://www.mca.gov.in/SearchableActs/Schedule7.htm>

have voluntarily donated back nearly 10% of the corpus created by Tata Motors to the alumni association, thereby completing the circle. Similarly, with the help of TML, IIT Bombay Alumni Association (IITBAA) has replicated a Financial Aid Program (FAP) at IIT Gandhinagar<sup>6</sup>. Tata Samarth Scholarship programme<sup>7</sup> – a joint collaboration between Tata Motors, Tata Communication and Tata Hendrickson began in 2014, and is supporting 31 SC/ST engineers from five engineering colleges, which is seeding the idea of a self-perpetuating model.

Tata Steel Ltd. was formerly known as Tata Iron and Steel Company (TISCO) and was founded by Jamshetji Tata. It is an Indian multinational steel-making company headquartered in Mumbai, Maharashtra. Since its inception, the company has been a brilliant example of CSR. Tata steel had started the thousand schools project in September 2014 with the aim to revitalize primary education in six administrative blocks in three districts of Odisha, 5 of which are Educationally Backward Blocks (EBB). The project is based on the Right to Education model and its core objectives include ensuring that every child gets primary education, improving the quality of education in government schools and improving governance of schools through School Management Committees and gram panchayats.

#### b) Larsen and Toubro (L&T):

The CSR projects undertaken by L&T in the field of education primarily focus on the sustainable development of communities by strengthening education and social infrastructure. These initiatives are majorly aimed at children from 3-18 years who belong to vulnerable sections of the society in the form of providing support for their better learning abilities of young minds. The projects go beyond academics and cover various aspects of education, including nutrition at the pre-primary level, providing infrastructure (setting up smart classes or refurbishing of classrooms or community learning centres) to supplement soft skills provided (support classes or remedial classes or STEM education)<sup>8</sup>. The stakeholders are empowered by a varied range of teachers' training programmes which adds more credibility to the educational programmes. In 2018-19, L&T supported more than 400 schools and reached out to over 2.4 lakh children with its education initiatives pan-India. Following are the community-based programmes that L&T supports across various of its campuses and project sites:

- **Pre-school interventions:** Intervention programmes by Balwadis/Anganwadis in both urban and rural areas

<sup>6</sup> <https://www.iitbombay.org/givingx/financial-aid-program>

<sup>7</sup> <https://www.tatamotors.com/programs/education/>

<sup>8</sup> <https://www.lntsustainability.com/community-engagement/education/>

have contributed in creating the urge among children to go to school, while catering to the concerns associated to health status and immunization of children.

- **After-school interventions:** The educational initiatives predominantly include Community learning centres which look after the primary and middle school education of the children and offer them after school remedial classes. Various youth engagement programmes and vocational training is also offered to higher school students in order to make them ready for jobs.
- **In School Programmes:** Initiatives like Mobile toy trains have been incorporated in Mumbai and Chennai, known by the name *Nanha Munha Express*, in order to make learning an exciting and fun-filled activity for the children. Apart from studies, trainings in various forms of Indian classical dances are taught to the children so as to ensure their holistic development.
- **Initiatives for vulnerable children:** Help desks like PCVC i.e. *Pratham Centre for Vulnerable Children*, have been set up for helpless children, especially those who have dropped out of schools due to personal reasons to help them get back to schools.

#### c) Mahindra and Mahindra Ltd.:

Mahindra & Mahindra Ltd has its headquarters located in Mumbai which has spent Rs. 85.57 crore on various public welfare programmes as a part of their Corporate Social Responsibility (CSR) initiatives during the 2016-17 financial year (Kumar 2017). Some of their ongoing impactful CSR initiatives include *Project Nanhi Kali*, which supports the education of underprivileged girls and *Mahindra Pride Schools*, that ensures livelihood training to youth from marginalized communities. Apart from these, there are a variety of other scholarship programmes, which provide opportunities to youth from low income group families to undergo diploma courses at vocational education institutes, to allowing meritorious students to pursue their postgraduate studies at reputed universities overseas, to allowing meritorious and deserving students to study at the Mahindra United World College in Pune. Some of the company's CSR initiatives are as follows:

- **Mahindra Pride Schools:** Since their inception in 2007, these schools have been empowering and educating youth from socially and economically weaker sections of the society to enable them to get employment opportunities. These schools offer a wide range of comprehensive vocational training in the fields of Information Technology Enabled Services and Retail Customer Management, Hospitality Craft, Sales. Up till December 2017, 26,647 students were benefitted by nine schools located across the country and a cent percent job placement was recorded (Agarwal 2019).

- **Swachh Bharath and Swachh Vidyalay Program:** Aligned with the government's 'Swachh Bharat Abhiyan' the programme has been successful in constructing 4,597 toilets 1,171 government schools across 11 states and 104 districts (Agarwal 2019). The Mahindra Group is also conducting training programmes to change people's behaviour, especially girls, parents and school authorities towards the importance of hygiene and cleanliness.

**d) Adani Group:**

Under Education, Adani Foundation adopts a three-pronged approach. It runs Adani Vidya Mandirs, where students of the marginalized sections of the society can enrol themselves. Adani Vidya Mandir has a total strength of 2,100 students and is currently located at Ahmedabad & Bhadrashwar in Gujarat and Surguja in Chhattisgarh<sup>9</sup>.

Adani Foundation aims to achieve Quality Education amongst Government Primary Schools by providing support in the areas of infrastructure improvement and material support to make schooling more attractive and engaging. Further, encouragement of community participation and organizing of various programmes is done to make education fun and interesting. This includes building an extra room, improving/beautifying school and/or making school safe with fencing or boundary. Reading Corner - to inculcate reading habit amongst kids and Health Corner - for healthy and hygienic habits, have been introduced in Government Primary Schools.

**e) Wipro:**

Wipro Applying Thought in Schools (WATIS) is one of Wipro's social initiatives<sup>10</sup>, working to build capacities in school education reform in India. They aim to contribute towards the structural development of education system in India. Since the past 15 years, they have engaged with many organizations for 67 educational projects, involving over 2,300 schools and 13,250 educators across 17 states reaching out to about 1 million students. One of their initiatives began in 2014 in the cities of Bangalore, Pune, Jaipur and Hyderabad which aimed at improving the educational facilities and rehabilitative needs of 1,350 vulnerable children with disabilities.

Wipro also has an initiative called *Earthian* since 2011 that works in the direction of bringing education and sustainability together. Similarly, Wipro Cares is a not-for-profit trust that engages with the underprivileged community in proximity across education, primary healthcare and ecology (Fernandes 2018).

A snapshot of their work in education School Education-India Systemic Reforms (WATIS):

<sup>9</sup> <https://www.adanifoundation.org/focus-area/education/>

<sup>10</sup> <http://www.wipro.org/seeding-programme/about/>

- Over the last 17 years, WATIS has spanned over 163 projects with a collective reach of close to 20,000 schools across 29 states.
- School Operations (Wipro Cares): Direct impact on more than 68,000 children from disadvantage sections
- Sustainability Education (Wipro-Earthian): Cumulative outreach to 25,000 students and 6500 educators in 8000+ schools and colleges
- Disability and Inclusive Education (Wipro Cares): Support for education of nearly 2,200 children with disability across six states
- School Education- U.S.A Teacher capacity building in Science and Math,
- Addresses disadvantaged communities in inner city districts of Chicago, Boston, New York and New Jersey
- More than 250 teachers are undergoing the three-year program
- College Education-India Improvements in Engineering Education (Mission10X): Over an eight-year period, cumulative reach-out to 30,000 faculty members across 1300 engineering colleges in 27 states
- Support for post-graduate program in technology for science graduates (WASE): Since 1995, more than 28,000 students have received support for completing an MS program in Computer Science

**d) Asian Paints:**

Asian Paints has acknowledged the significance of education which has the power to reduce poverty and social inequality in the society and has therefore included it in their CSR practices. They are also trying in their capacity in promoting quality education especially for the marginalized communities that are spread across their lands.

The Company has taken an initiative to introduce Digital Literacy to the villages around Ankleshwar, Gujarat. The NIIT Foundation has promoted innovative methods of learning like *Hole in the Wall*, wherein children of all age groups are taught in an unmonitored and facilitative environment. Apart from these, they provide training to girls in self-defence techniques, soft skills training and coaching for aspirants for competitive exams.

**f) ICICI Bank:**

The Foundation of ICICI Bank provides training to School Management Committee (SMC Members) so as to enhance the learning outcomes of the government schools' students. The Foundation is working in collaboration with the government and various NGOs to improve the quality of the teaching staff, curriculum and infrastructure in schools. They have succeeded in empowering over 950 rural schools where many students and teachers have benefitted from the programmes (Fernandes 2018).

**g) Reliance Industries Ltd. (RIL):**

Corporate Social Responsibility (CSR) at RIL is listed in the long-term business strategy of the Company. RIL prioritizes business while co-existing with social commitments to bring about holistic development of people and communities. The Company's CSR initiatives have majorly helped in improving the lives of the socially and economically backward sections of the society. The Company is currently working in six major areas to streamline its social initiatives that are impacting the society holistically, and they are:

- Rural Transformation
- Healthcare
- Education
- Environment
- Protection of National Heritage, Art and Culture
- Disaster Response

RIL has contributed significantly in facilitating India's aim of inclusive growth. The diverse sustainable practices and initiatives adopted by RIL have created profitable eco-systems as well as societal value for various stakeholders.

- The RIL Foundation supports The *Education for All* initiative which was launched to enhance the access to quality education in India. It has been working to achieve education for the underprivileged, girl child and life skills for the specially-abled.
- Scholarships like *Dhirubhai Ambani Scholarship Programme* have been awarded to many meritorious students with demonstrated needs for financial support and to the specially-abled meritorious students.
- Flagship schemes like *Reliance Dhirubhai Ambani Protsaham* supports poor and meritorious students (Class X pass-outs) financially from the East Godavari District. This enables them to enrol in corporate junior (intermediate) colleges of their choice.
- The Dhirubhai Ambani International School (DAIS), Mumbai, a member of the Cambridge International Primary Programme that prepares its students for the ICSE, the IGCSE and the IB Diploma Examinations.
- RIL also runs the Reliance Foundation Jr. NBA programme which is a full-fledged school-based youth basketball programme. It aims in promoting healthy and active lifestyle through basketball and life values like teamwork, dedication, discipline and sportsmanship.
- RIL is in its planning stage of setting up of a multidisciplinary University in Maharashtra which will enable bright minds to undertake cutting edge research in various fields.

- Interactive activities like *Sanskar Shibir*<sup>11</sup> and self-development training programmes are conducted to sensitise the local youth on various soft skills and to explain them the importance of personal development.
- Free basic computer education to children, tailoring training programmes to economically empower womenfolk are some of the other CSR initiatives taken by RIL.

**i) UltraTech Cement Ltd.:**

Some of the key education initiatives by UltraTech are:

- Supporting and facilitating the education of girl child in the villages, where 532 girls who had dropped out from their schools were re-enrolled in schools.
- Distribution of Uniforms, books and bags to 14,546 children.
- Schools in Awarpur, Hirmi, Kovaya, Tadipatri, Jharsuguda, Jaffrabad, Khor, Rawan, Durgapur, Ratnagiri, Sambhupura, Arakkonam and Magdalla received visual educational aids and lab equipment (Box n.d.).
- As many as 963 students from Reddipalyam, Rawan, Malkhed, Hirmi, Tadipatri, Awarpur and Kovaya participated in *Pratibha Protshahan Samaroha* and talent search programmes.

**j) Indian Oil Corporation Ltd.:**

Indian Oil, from inception in the year 1964, has become the cornerstone of success due to its impactful CSR initiatives. The three major areas of the Corporation's CSR projects are<sup>12</sup>:

- Clean Drinking Water
- Health and Medical Care
- Expansion of Education

The CSR activities are predominantly undertaken in close vicinity of the Indian Oil establishments so as to accelerate and benefit the life of the community living in it, especially those of the underprivileged ones. As a part of its CSR, Indian Oil provides scholarship to bright students selected on 'merit-cum-means' basis. As part of the scheme, special encouragement is being given to girl and specially-abled

<sup>11</sup>Sanskar Shibir is a concept of enjoyable learning for school students. It is also a demonstration of interactive teaching method for school teachers. It involves activities which provides opportunities for skill-based activities that contribute to the development of an all-round personality.

students and also students hailing from the disputed areas of J&K and North East states of India.

#### k) . Piramal Enterprises:

Piramal Foundation for Education Leadership (PFEL) aims to make a disproportionate change in the quality of primary education by creating and replicating sustainable programs for grooming education leaders in the government educational system (Fernandes 2018). PFEL succeeded in developing a four-year School Leadership Development Programme (SLDP) to improve the learning levels of students enrolled in government schools of India.

### IV. FINDINGS AND RECOMMENDATIONS

The CSR activities taken up by the companies relate to various sectors including education, healthcare, sanitation, environmental sustainability, poverty alleviation and skill development. The education sector received maximum amount of funds of Rs 15,742 crore from the CSR expenditure made by corporates since 2014-15 (Network 2019), while such contribution towards armed forces and war widows was just above Rs 81 crore. Corporate sectors have invested in the educational programs to reach the people. In order to achieve sustainable development, more educational programs should be taken up by the Corporate sectors as a part of social responsibility.

### V. CONCLUSION

Under the Companies Act, it is mandatory for profitable companies to shell out at least two per cent of their three-year annual average net profit towards corporate social responsibility (CSR) activities in a particular financial year and the requirement came into force from April 1, 2014 (PTI 2019). Overall, companies in India spent over Rs 52,533 crore on CSR activities during the last four years (2014-15 to current fiscal till June, 2019), Minister of State for Finance and Corporate Affairs Anurag Singh Thakur said in a written reply to Lok Sabha. Of the total of over Rs 52,533 crore, companies incurred a CSR expenditure of over Rs 15,742 crore on education sector, followed by healthcare (over Rs 9,093 crore) and rural development projects (over Rs 5,467 crore). Among other sectors, firms spent a total of Rs 3,723 crore on environment. The Triple Bottom Line Approach of People, Planet and Profit can be sustained through programs on educational development of people in the planet out of the profit of the corporate sector.

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