



# Committed to education

EDUCATION IS THE MOST PREFERRED CSR ACTIVITIES AMONG INDIAN COMPANIES

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**A**s part of a conscious image-building exercise, corporate houses are awakening to the importance of initiating corporate social responsibility (CSR) activities. This may include either sponsoring a school for underprivileged students or even adopting a complete village or focus on reducing and eliminating the use of child labour in their supply chains as a means of protecting the rights of children.

#### IMPROVING LIVES

Despite decades of reforms and government initiatives, a large number of students drop out of school for lack of quality education facilities – the foundation of improving the lives of children is through obtaining quality education and the role an organization can play within education is meaningful. Across the country, organizations partner with educators and nonprofits to lead change and make a significant impact on the education landscape – brands recognize this is an area of need and also an important and relevant issue for their key stakeholders.

Companies today are committed

to working towards the cause of providing education facilities to have a more positive impact. Improve sustainability and enrich the lives of children around the world. Most companies Corporate Social Responsibility (CSR) Vision is to see that every child receives a good quality education and learns the skills and knowledge they need to thrive in the 21st century.

CSR is a much-misunderstood concept. A corporate organisation is started with a profit motive and CSR contradicts that. It is presumed to be a charitable do good activity that appears to be contradictory to the prime objective of the company – to grow in revenues and profits. CSR is also seen to not contribute substantially to the best interests of the company. And this is one of the greatest myths of CSR. It can be in the best interests of the company contributing significantly to its growth, revenues, profits and employee retention. There are many good reasons why corporates should pursue CSR. An amendment to the Companies Act in 2014, made it mandatory for companies to put aside 2% of their average net profit of the three preceding financial years for social causes.

#### SOCIAL INTERVENTION

An article in [cbgalndia.org](http://cbgalndia.org) about education as corporate social responsibility, says mapping of education and CSR activities of the top 100 companies' shows infrastructure building, providing learning materials and supporting children with monetary and non-monetary incentives in schools are

the most popular CSR interventions in education by these companies. Corporate social responsibility (CSR) is big business, with the CSR fund investment in India crossing the ₹50,000-crore mark by March 2019 and education and skills development projects in the domain of CSR receiving ₹15,000 crore, and recently under the Swachh Bharat mission, a number of companies taking CSR initiatives in constructing toilets at schools and there is no separate category for sanitation projects in schedule VII of the CSR rules, these activities are reported as activity under 'promoting education'.

#### CSR POTENTIAL

In recent years, Government of India has started to look at CSR as a potential source of financing education and skill development. An estimate by the Ministry of Corporate Affairs shows India has 13,000-15,000 companies falling under the CSR mandate and the draft education policy by MHRD states 'government will take steps on the long pending goal of raising investments in the education sector and in order to supplement the government efforts, investment in education by private providers through philanthropy and corporate sector responsibility will be encouraged.'

A report by NGOBOX which analysed CSR spends of 359 companies says, CSR funding in education and skill development areas have increased by 50 per cent from FY 15-16 to FY 17-18 which comes to ₹3,121 crore.

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