

Role of CSR: Development of Educational Sector in Coimbatore District, Tamil Nadu.

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Abstract

Every society in the world is built on the foundation of education, which is why education is so crucial to national progress. The government of India has attempted many numbers of measures to raise the standards of education, but these measures alone were insufficient. Everyone should contribute in some way to raising educational standards. CSR is viewed and used in many ways from country to country and from company to company. This mandatory CSR clause has increased institutional spending, mostly benefiting the education sector. The different sectors need CSR spent for the educational sectors as per the new National Educational Policy (NEP) by Government of India.

Keywords: *Corporate Social Responsibility, Role of CSR, Companies Act 2013, Stakeholders, Education*

Introduction

India is quite excited about the new Companies Act 2013, especially Section 135, which mandates corporate social responsibility (CSR) for businesses that satisfy specified net worth, turnover, or net profit requirements. However, CSR has yet to be a novel idea in India. According to an Indian government regulation, businesses are required to invest 2% of their profits towards a variety of social development initiatives for the benefit of the local communities. The Companies Act, which consolidated and amended the law relating to companies, was approved on 29th August 2013, to recognise the needs to promote corporate social responsibility (CSR) in India. It outlines numerous details about businesses, including those operating in the public and private sectors. Since, nearly 70% of the country's population lives in rural regions, it is crucial to concentrate on CSR activities, particularly in the development of rural India. Since corporations spend 2% of their profits on CSR initiatives, it is critical that these organisations make wise and efficient use of their resources and meaningful contributions to the general development of the communities in which they operate. In order to facilitate the planning and efficient execution of its programmes, the private firm collaborates with CSR teams to address pressing issues which are pertinent to the communities in which it works.

The corporate social responsibility, also known as CSR, social performance, sustainable responsible business, corporate sustainability, corporate citizenship, and corporate accountability, in a variety of ways. There isn't a single definition that appears in the literature. CSR is interpreted and used differently from nation to nation and from firm to company. Corporate philanthropy and social responsibility were the previous names for CSR. It is commonly acknowledged that inclusive growth is crucial to India's development efforts. It reaffirms our steadfast commitment to including in the growth process those societal segments that, up until now, had been left out of mainstream development. Corporate social responsibility (CSR) was developed as a tool for integrating social, environmental, and human development concerns throughout the entire value chain of corporate business in accordance with this national endeavour.

Aim of the Study

1. To understand the CSR spent by various companies in Coimbatore District.

2. To study about CSR spent towards for education sectors and its relevance.

Major Methodology

In the light of primary and secondary data, the interpretation was inferred. The information was gathered from numerous academic papers, books, articles, and some relevant website content. The study's primary goal is to determine how CSR contributes to the improvement of education sector in Coimbatore District.

CSRvs Education Sector.

The Companies Act of 2013 opened the doors for businesses to positively impact society and develop good relationships with stakeholders through mandatory CSR for a particular set of companies. The Act provides the mandatory contribution towards CSR, endeavour with education being specified as an eligible activity. The education sector has been the major beneficiary of this mandatory CSR provision, resulting in improved funding through the educational institutions for the student community.

The education sector in India has evolved substantially over the years. The Constitution guarantees free and compulsory education to all children up to the age of 14. The task is not just about achieving the universal education goal but also about ensuring the quality of education and the specific aids. To study the different initiatives taken by every company for education. The majority of CSR in education has been spent on initiatives that support education, scholarships, expanding access to education, and also higher education. Other CSR strategies that are becoming more and more popular in this sector include encouraging gender equality by focusing on females, providing restrooms, other infrastructure and also creating libraries for rural school education, etc. Developing and maintaining school structures, classrooms, and other infrastructure for educational use. To offer free employment training to a predetermined number of professionals with graduate degrees who are from economically disadvantaged sectors. To fund the construction of new classrooms, the provision of furniture, and other amenities and support the educational facilities at various government schools and institutions. In order to supply computers to various training facilities, schools, colleges, etc. The present prizes to students from government high schools, higher secondary schools, and universities who earned the top three positions in their class in grades X and XII. To develop training programmes that will prepare approved categories of slum and rural students for higher education.

Education is the bridging tool to the national development, and fulfilling the corporate social responsibility and is the top core dimension of funding. As a whole Indian education system as well as in Coimbatore district. The contributions of corporates in education sector were specified below.

Skill-based learning: All students in India nowadays are required to major in science or maths or pursue administrative positions. However, nobody is considering a student's aptitude and interest. Therefore, skill-based learning is necessary to pinpoint students' major assets so they can excel in their specialised profession. The CSR initiatives were carried out in a variety of contexts, and skill-based learning programmes will aid in addressing many of the difficulties facing the education sector.

Rural Education: In India there is already so much disparity, out of which it is harsh reality that public fundings are mostly spent on the urban cluster. But growth and development of 1.37 billion populations requires going in hand to hand in urban and rural India. The current scenario of CSR in looking like hope for rural education development. So, there is the need to shift in corporate perspectives towards the rural education funding.

Training to Teachers: There is also demand for qualified and experienced educators in India as teachers play the most significant role in students' learning because they are forming the Nation's future. The role of CSR and corporate initiatives in funding these types of programmes, which will help the universities acquire well-trained teaching personnel.

Infrastructure facilities: The lack of adequate infrastructure is a major problem in every educational institution, as it was previously highlighted in relation to India's educational infrastructure. India struggles most with technology in the education sector, where it is most needed in the modern world moving to Artificial Intelligence.

Research Hypothesis

According to the CSR spent Evaluation, the CSR strategy or behaviours of the firm are influenced by the discrepancy between the firm's CSR performance and its degree of CSR aspiration (positive or negative attainment discrepancy).

Null Hypothesis

H₀: There is no statistically significant difference in the Education sector and the amount spent for CSR activities in Coimbatore District.

Alternative Hypothesis

H₁: There is a statistically significant difference in the Education sector and the amount spent for CSR activities in Coimbatore District.

Variables and Measurement

In the studies, CSR performance was evaluated in a variety of ways, including through scores provided by particular organisations, and authorised websites. Here, Chi Square test used for the analysis.

$$\chi^2 = \sum \frac{(O - E)^2}{E}$$

The top educational projects government at Coimbatore Districts in Tamil Nadu were listed (Table-1) during the financial year 2021-22. These initiatives revolve around offering high-quality instruction as well as training, skill development, and sponsorship programmes. The idea behind undertaking such initiatives in education is to change the ecology of education by offering ongoing empowerment and knowledge growth.

Table.1: The CSR Contribution to Education Sectors in Coimbatore District (FY 2021-22).

Sl.No.	Various Education Sector	Amount Spent (Cr.)
1	Education	57.88
2	Special Education	0.45
3	Vocational Skill	1.66
4	Lively hood Enhancement project	1.2
	Grand Total (in Cr.)	61.19

Source: National CSR

The table values revealed that the highest spent for high and higher education was Rs.57.88Cr. and the lowest spent for Vocational Skill Rs.1.66Cr.

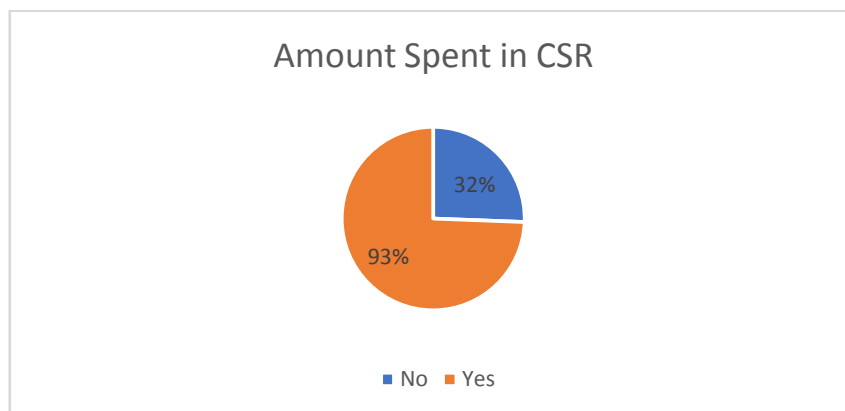
Table.2: Amount spent for CSR Activities in Education sector.

	Amount spent for CSR Activities	Total	Chi-Square value	Sig. Value

			less than 1 Crore	1-5 Crore	5-10 Crore	above 10 Crore		3.210	0.360
Education	No	Count	14	13	4	1	32		
		% of Total	11.2%	10.4%	3.2%	.8%	25.6%		
	yes	Count	37	50	5	1	93		
		% of Total	29.6%	40.0%	4.0%	.8%	74.4%		
Total		Count	51	63	9	2	125		
		% of Total	40.8%	50.4%	7.2%	1.6%	100.0%		

In Education sector about 125 various companies in Coimbatore District provided CSR contributions. The amount spent for CSR activities towards the and the Education Sector is combined. According to the Chi Square analysis there is no association between amount spent and educational sector. There for, the null hypothesis will not be accepted.

Figure.1: Companies Provided for CSR



The overall study about the CSR government and amount spent for educational sector, it is also proved that 93% of the companies doing CSR (Fig-1).

Conclusion

The field of corporate social responsibility (CSR) is growing, and in the coming years it will provide the particular knowledge base for researching and achieving sustainability objectives in multiple global economies. Through enacting legislation, Government of India has made sure that CSR is essential. In Coimbatore District's businesses provide money to Various CSR programmes. Each fiscal year, the majority of people spend the most money on social and environmental initiatives. A company's social responsibility has a big impact on how well it performs. It focuses on the ways in which businesses may create shared value by incorporating social and environmental factors into their everyday operations and highlights the importance of CSR in modern business. Efforts to support education, provide scholarships, provide access to education, and fund higher education have received the majority of CSR in the field of education. The promotion of gender parity through focusing on women, the provision of restrooms and other amenities, the establishment of libraries for rural school education,

and other CSR techniques are also growing in popularity in the education sector. From this research, it is also revealed that the CSR contributions towards the remaining sectors of education is also important. This study is also offering the relevance of CSR spent not only towards general education but also for the other educational sectors as per the new National Educational Policy (NEP) by Government of India.

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