CSR in Higher Education

What is the issue?

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- Companies Act, 2013 initiated mandatory corporate social responsibility (CSR) to transform the business-society relationship.
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- But the results so far have not been encouraging, particularly in the higher education sector.
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How is CSR performance?

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- Around 5,000 companies have filed annual reports till December 2016.
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- Among them, only around 3,000 companies had made some contribution towards CSR expenditure.
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- Companies had spent around 75% of the prescribed CSR expenditure and most of it to the Prime Minister's Relief Fund.
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What are the concerns?

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- **Companies** - CSR offers scope for corporations to play a leadership role in contributing to society.
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- But there has been very little strategic thinking and innovation under CSR.
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- As, companies view CSR more as a charitable endeavour and fail to understood its larger goals.

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- Higher education and universities need to receive significantly more attention under the CSR framework.
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- **Government** - There is lack of coordination between the Ministry of Human Resource Development and the MCA.
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- MHRD should provide for a road map that incentivises CSR funding to be made available for universities.
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How could CSR contribute to higher education?

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- **Need** - Government has initiated five major reforms in regulation, accreditation, rankings, autonomy and internationalisation.
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- However, building world-class universities and upgrading existing ones require funding.
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- **Measures** - Some of the measures as recommended by an earlier committee include:
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i. provision of free land
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ii. deduction in taxable income to companies for contributions towards boosting higher education
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iii. 10-year multiple entry visas for foreign research scholars
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iv. Rs.1,000 crore scholarship fund (with tax exemption for corporate sector contributions)
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- However, these recommendations were not implemented.
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What is the way forward?

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- There is an urgent need for policy intervention in the higher education sector.
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- A thorough re-examination of budgetary resources for higher education is essential.
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- This should include aspects of loans, grants and philanthropy in higher education sector.
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- Universities and related funding should be designated a priority sector to encourage banks to offer credit.
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- Particularly, leadership in philanthropy is central to enabling an institutional vision.
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- Corporate Social Responsibility could provide a larger scope in this regard.
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Source: The Hindu

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