

# CSR Investments In Education As A Driver For Socio-Economic And Environmental Transformation In Urban Communities

Angel Anbu Samuel<sup>1</sup>, Pallekonda Dolly Diana<sup>\*1</sup>, Malvin Felicia.P<sup>1</sup>, Winston James Daniel Benedict<sup>2</sup>

<sup>1</sup>Karunya School of Management, Karunya School of Computer Science and Technology

<sup>2</sup>Karunya Institute of Technology and Sciences, Karunya Nagar, Coimbatore -641114, India.

\*bsect.eci@gmail.com

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**Abstract:** This research provides an in-depth assessment of the impact of the Corporate Social Responsibility (CSR) Act, 2013, with particular attention to Schedule VII items (2), (10), and (11). It explores CSR spending patterns in the field of educational development, focusing on contributions made by IT companies, manufacturing industries, banks, and public sector enterprises in the North Chennai region. The central aim is to evaluate how CSR initiatives improve access to school and higher education, create employment pathways for youth, enhance literacy, and support rural and slum development, ultimately fostering social equity. By examining these aspects, the study reveals the wider socio-economic significance of CSR for local communities. A mixed-method research design was adopted to ensure thoroughness. Primary data were gathered through surveys, interviews, focus group discussions, and direct observations involving students, unemployed youth, and community members. This was complemented with secondary data drawn from government reports, CSR disclosures, and academic literature. Quantitative findings were analyzed using descriptive statistics, while qualitative insights were interpreted through thematic analysis. Combining these methods offered a comprehensive understanding of CSR practices and their real-world effects on community growth. The study finds that CSR investments in education not only strengthen literacy and employability but also create long-term economic advantages by contributing to GDP growth. Nevertheless, the success of such efforts depends on aligning CSR spending with community priorities. Recommendations include integrating technology and automation into education delivery, promoting Biblical value-based education to cultivate ethical leadership and family stability, and leveraging robust information systems to support data-driven socio-economic planning. Together, these measures are expected to improve educational outcomes, reduce crime, enhance social stability, and ensure sustainable community development in North Chennai.

**Keywords:** Corporate Social Responsibility (CSR) Act 2013, Educational Development, North Chennai, CSR Expenditure, Community Development, Employment and Literacy, Socio-Economic Impact

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## 1. INTRODUCTION

The implementation of the CSR Act has played a significant role in supporting India's economic growth. By incorporating social, environmental, and economic dimensions into business practices, corporate social responsibility ensures that a company's strategies create value for all stakeholders. India remains the only country in the world where CSR spending is legally mandated, with a focus on uplifting underprivileged communities, promoting environmental sustainability, advancing gender equality, and safeguarding cultural heritage. This report emphasizes the extent of CSR investments in the educational development sector and in integrated skill development initiatives, which provide employment opportunities for the unemployed and contribute to national GDP growth. Key contributors include IT firms, banks, manufacturing industries, petroleum enterprises, and other sectors operating within the North Chennai region.

The results provide evidence that the social performance of enterprises in Ghana is influenced by their corporate image (Billedeau & Wilson, 2024). A highly educated and skilled workforce is a critical driver of economic growth, productivity, and competitiveness (Cambridge, 2018). Strategies for leveraging corporate social responsibility to strengthen educational achievements (Ebnmhana, 2018). Strategies for leveraging corporate social responsibility to strengthen educational achievements (Werner, 2015). Research suggests that institutional structures in developing countries are often designed to enhance capital mobility and attract foreign investment to support national development. However, this emphasis may influence the way frameworks for fostering civic participation and social responsibility are established, while also shaping the nature of social interactions within a capitalist system (Modabber, 2013). The informal foundations of CSR and SME culture have a stronger formative impact than national traditions, linguistic factors, or market economies (Mzembe, 2024). This model enhanced the social

capital of SMEs' CSR activities by fostering reliable internal and external networks that generated positive cycles. It also provided a comprehensive framework for analyzing the role of CSR in SME growth. Moreover, studies show that emerging economies, especially in East Asia, are increasingly engaging in CSR, thereby expanding its scope beyond the traditional Western developed countries (Amundam & Nyaa, 2017). The study reveals that, contrary to common assumptions, macroeconomic and financial stability exert a relatively limited influence on the social initiatives of MNCs, despite the severe marginalization faced by many social groups in Brazil. It concludes that although MNCs do contribute to social development in the country (Nyaupane, 2018). A total of \$70 billion is allocated to address climate change within the financial sector, with \$10 billion designated for the Catalytic Finance Initiative to accelerate clean energy investments in developing countries pursuing low-carbon economies (Aaronson, 2001).

## 2. Social Environmental Transformation

Key areas of focus for poverty alleviation include modernizing the school education system, enhancing skills to curb unemployment, generating jobs through training, improving healthcare with a focus on prevention and sanitation, implementing livelihood support initiatives, providing shelter for the elderly and orphans, empowering women, supporting persons with disabilities, and ensuring access to safe drinking water. As outlined in Schedule VII, the entity may engage in activities such as: (1) eliminating hunger, poverty, and malnutrition; strengthening preventive healthcare; and advancing sanitation efforts, particularly through support of the Government's Swachh Bharat Kosh program aimed at clean drinking water and improved hygiene; (2) advancing livelihood, educational, and developmental efforts, including vocational and special education programs that create employment opportunities for women, children, senior citizens, and individuals with disabilities; and (3) promoting women's empowerment, establishing orphanages and child care facilities, creating senior citizen support centers such as day-care and old-age homes, and reducing inequalities faced by socially and economically disadvantaged groups." (Routledge, 2014).

Authors (Year)	CSR dimensions /Title	Organization	Country	Findings
Michael E. Porter and Mark R. Kramer (2006)[	Review of International Economics.	Public listed companies	Malaysia	Identify the conditions under which CSR initiatives by both local and global companies serve as the core strategy, creating a triple-win scenario that enhances social welfare, delivers value to consumers, and boosts corporate profitability.
Matilda W.Riley &John W Riley(1991	Longevity &Social Transformation	NGO	UK	Ethical leadership and strong family foundations contribute to crime reduction, educational progress, and sustainable economic growth.
Jain,P, Jain ,B.& Christopher,E.ee (2013)	Corporate Social Responsibility Framework: An Innovative Solution to Social Determinants of Health in the USA.	Public Sector companies	USA	Regarding environmental practices, the key factors are industrial groups and family ownership.
William A Henry III(2009)	Beyond Melting Pot	NGO	UK	Scripture-guided education cultivates honesty and trust, both vital to economic development.

Jardine,A.A., (2018)	Regulating modern slavery: contemporary developments, corporate responsibility and the role of the state.	Public Sector	UK	An assessment of UK domestic operations, centering on the significance of approaches for victim support, offender prosecution, and accountability within businesses.
Edward T.Hall (1977)	Beyond Culture	NGO/Society	USA	By fostering literacy, critical thinking, and creativity, believe are empowered to play a constructive role in society.

**Table 1:** CSR Report from Different Sector

**From 2016-2017 to 2023-2024 CSR Act 2013 Schedule VII – CSR Contributing Companies in North Chennai’s CSR Expenditure in Various Developmental Sector [17]- Analyse Current Spending Patterns**

From 2016-2017 to 2023-2024 CSR Act 2013 Schedule VII - CSR Expenditure (Values in INR Cr)						
S.No	Name of the CSR Contributing Banks/Financial Sector	Promoting Education Schedule VII (2)	Skill Development Schedule VII (2)	Rural /Slum Development Schedule VII (10),(11)	Other Development Sector	Over All CSR fund Spent
1	Ujjivan	2.49	3.6	0	9.01	15.1
2	Bank of America	2.48	5.08	6.49	5.05	19.1
3	Bank of India	106.36	68.93	68.93	0	244.2
4	Barclays Bank	1.26	1.35	0	0.41	3.02
5	BNP Paribas	12.22	0	0	1.28	13.5
6	Canara Bank	0.98	0	0.15	0.67	1.8
7	Tamilnad Mercantile Bank	35.99	1.16	0	13.67	50.82
8	Sumito Mitsui Banking Corporation	2.42	0	0	0.93	3.35
9	SBI Foundation	0	0	0.62	0	0.62
10	SBI General Insurance	11.8	2.36	5.33	31.78	51.27
11	Societe General	24.21	0	0	20.5	44.71
12	City Union Bank	28.16	2.18	3.1	70	103.4
13	DCB Bank	0.06	11.29	0.5	37.32	49.17
14	Duetche Bank	12.4	0	2.47	49.29	64.16
15	Federal Bank	68.9	50.85	64.74	40.46	224.5
16	HDFC	681.78	757.18	2546.26	756.21	4741.4
17	ICICI Bank	156.67	248.59	572.72	912.7	1891
18	IDBI	1.76	0.69	22.22	21.5	46.17
19	Jammu and Kashmir Bank	20.58	33.42	0.01	35.12	89.13
20	Mizho	0	64.77	11.48	116.28	192.3
21	Citi Bank	19.85	7.22	3.1	24.94	55.11
22	Credit Agilo	2.8	1.36	2.37	0	6.53

**Table:2 CSR Contributing Banks/Financial Sector's CSR Expenditure.**

S.No	Name of the CSR Contributing IT Companies	Promoting Education (Schedule VII (2))	Skill Development (Schedule VII (2))	Rural /Slum Development (Schedule VII (10),(11))	Other Developmental Sector	Over All CSR fund Spent
1	CapGemini	401.86	13.07	0	149.7	564.6
2	Cognizant	177.68	245.48	6.94	73.61	503.7
3	HCL Foundation	368.64	213.04	67.22	697.31	1346
4	Infosys BPM	37.27	13.82	8.39	56.03	115.5
5	Oracle India	40.69	0	0	0	40.69
6	TCS	2617.6	29.43	0	5738.35	83854
7	Wipro	878.33	0	2.6	742.83	16237
8	Hexaware	9.25	4.91	0.32	22.28	36.76
9	Infosys Ltd	576.64	57.23	145.09	2072.32	2851.2

**Table:3 CSR Contributing IT Companies CSR Expenditure**

S.No	Name of the CSR Contributing Petroleum companies	Promoting Education (Schedule VII (2))	Skill Development (Schedule VII (2))	Rural /Slum Development (Schedule VII (10),(11))	Other Developmental Sector	Over All CSR fund Spent
1	Bharat Petroleum	395.23	243.96	129.62	870.7	1639.51
2	Hindustan Petroleum	224.68	143.03	70.13	599.56	1037.4
3	Indian Oil	532.96	213.7	333.45	1885.68	2965.79
4	Kothari Petrochemicals	0.03	0	0	0.65	0.68
5	Raj Petro	2.81	0	0	3.02	5.83
6	Supreme Petrochem ltd	20.07	0	0.1	12.7	32.87
7	Tamil Nadu Petro Products	0	0	0	3.56	3.56
8	CPCL	36.83	117.98	15.09	0	169.9

**Table:4 CSR Contributing Petroleum Companies - CSR Expenditure**

N o	Name of the CSR Contributing Manufacturing companies	Promoting Education (Schedule VII (2))	Skill Development (Schedule VII (2))	Rural /Slum Development (Schedule VII (10),(11))	Other Developmental Sector	Over All CSR fund Spent
1	Cumi - Carbordium	8.89	12.05	3.48	7.38	31.8
2	Eicher	3440.56	1626.46	1481.17	9568.79	16117
3	ESAF	5.91	4.01	3.57	6.07	19.56

4	Eveready	3.77	0.51	0.24	7.67	12.19
5	Hinduja	8.78	0	0	10.88	19.66
6	ITC	310.03	100.68	173.89	1987.75	2572.35
7	Popular Vehicle and Services	0	309.48	42.69	670.11	1022.28
8	L&T	299.6	6.31	0	0	305.91
9	MFL	0.01	0	0	0.05	0.06
10	MRF	18.12	0.92	0.7	44.16	63.9
11	NATCO	30.78	7.51	5.68	207.18	251.15
12	SRF	90.07	3.13	0.54	23.89	117.63
13	Sundaram Clayton	43.39	0.2	0.45	23.4	67.44
14	Utratech	223.56	0.5	121.03	358.74	703.83
15	Hinduja Global Solutions	16.16	2.75	2.15	11.07	32.13
16	Tamil Nadu Cement Corporation	0	0	0	1.7	1.7
17	Simpson	19.01	0	0	4.11	23.12

Table 5: CSR Contributing Manufacturing companies – CSR Expenditure

S.No	Name of the CSR Contributing other sector companies	Promoting Education Schedule VII (2)	Skill Development Schedule VII (2)	Rural /Slum Development Schedule VII (10),(11)	Other Developmental Sector	Over All CSR fund Spent
1	ABB India	55.73	0.23	9.88	0	65.84
2	Apple India Private Limited	117.64	5.32	75.08	0	198.04
3	Nestle	1.99	14.84	22.78	92.08	131.69
4	Samsung Electronics	228.72	113.28	11.7	215.11	568.81
5	SONY	4.4	3.39	1.72	17.42	26.93
6	SUN TV	63.94	0	0	208.56	272.5
7	Vins Bio products	1.14	0.99	0	0.57	2.7
8	Zensar	6.61	14.58	1.7	21.71	44.6
9	Hinduja Global Solutions	16.16	2.75	2.15	11.07	32.13

Table 6: CSR Contributing Manufacturing companies – CSR Expenditure.

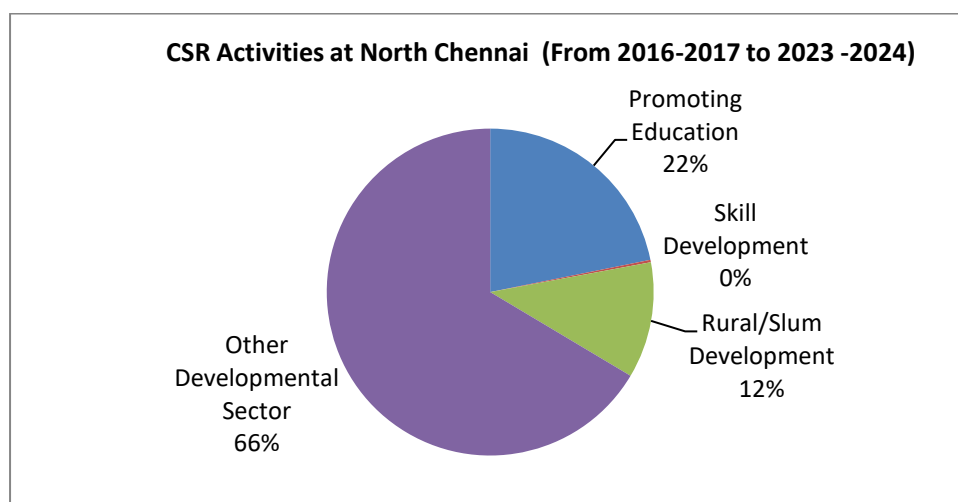
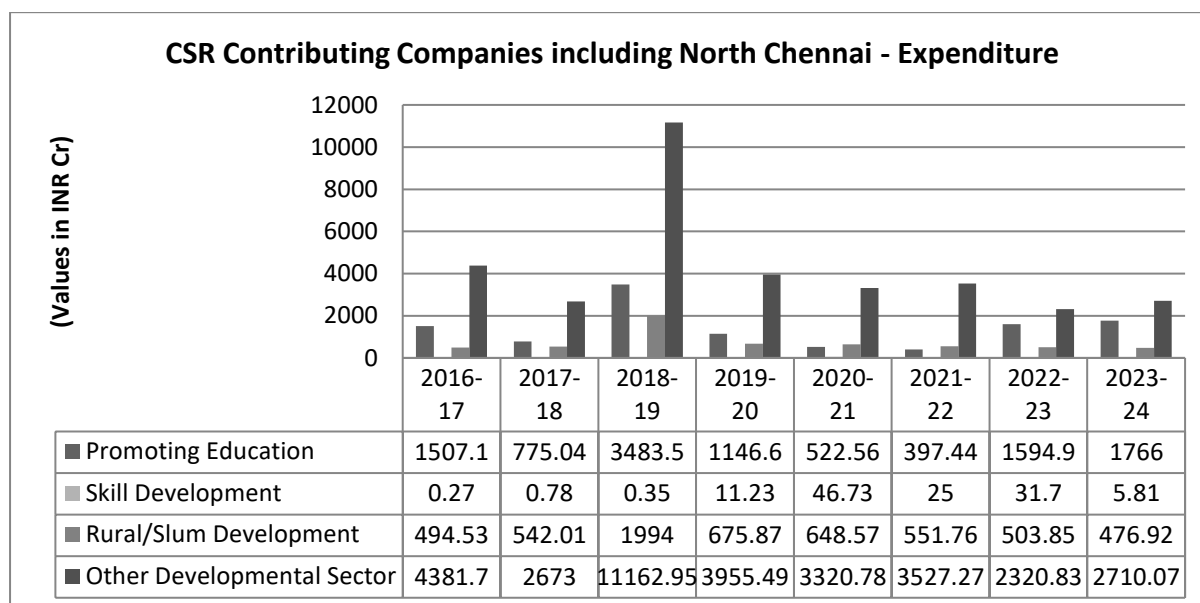


Figure:1 CSR Contributing companies' CSR expenditure - activities in North Chennai area.



**Figure:2 CSR Contributing companies' CSR expenditure - activities in North Chennai area**

An analysis of secondary data obtained from the Ministry of Corporate Affairs (MCA) CSR Portal (see Tables 1–6; Figures 1–2) reveals that 64 companies have contributed CSR funds in North Chennai, alongside their wider PAN-India commitments. Of these, 22 belong to the banking and financial sector, 9 to the information technology sector, 8 to the petro-products industry, and 17 to manufacturing, with additional contributions from other sectors (Ministry of Corporate Affairs, 2023).

The findings indicate that CSR allocations towards education, particularly as a means of addressing unemployment, remain disproportionately low compared to other thematic areas. This trend is of concern, as unemployment continues to impede socio-economic development and directly influences national productivity. Increasing CSR investment in education and skill development is therefore imperative, not only to enhance employability and reduce joblessness but also to contribute to sustainable economic growth and improvement of the Gross Domestic Product (GDP) (World Bank, 2022; Planning Commission of India, 2021).

### 3. Investigating Urban Communities: Focus on North Chennai".

"North Chennai serves as a major industrial and educational hub, hosting more than 33,000 registered factories that employ nearly 70,000 workers, including prominent companies such as MRL, MRF, Ashok Leyland, and the TVS Group. The region benefits from Ennore Port, which annually manages over 45 million metric tonnes of cargo, primarily coal for power generation. Literacy levels differ across taluks, ranging from 81% in Ambattur to 64% in Gummidipoondi. According to Census 2011, the area reported about 0.25 million illiterate individuals, along with a significant proportion of non-workers and widowed or separated women. Government initiatives have driven rural development, with more than 9,000 projects launched and ₹22,600 lakh invested. Education is a stronghold of the region, supported by seven universities, numerous colleges, over 2,000 schools, specialized institutions for differently abled students, and free supply programs that promote school enrolment.

Employment continues to be a major concern, with over 172,000 registered job seekers but only 61 placements recorded in 2023–24, and nearly 297,000 trained individuals still without work—highlighting the urgent need for skill development and stronger industry linkages. While law and order data reflect a decline in murders, crimes against women have sharply increased, and road accidents remain severe, with 301 fatalities reported in 2023. Overall, North Chennai demonstrates significant industrial strength and educational progress but continues to grapple with critical challenges in value-added education, job creation, women's safety, and infrastructure resilience.

### 4. Need for Automation Support.

A few literature studies underline the necessity of automation in CSR and suggest that actively involving teachers, the core stakeholders in schools, would improve program outcomes (Chandrasekhar, 2021). Incorporate CSR practices into product design to align with customer needs (Hwang, 2016).

Pharmaceutical, biotech, medical device, and academic research institutions can leverage the AI-powered Intelligent Platform for Life Sciences—built by respected industry leaders—to enhance value, reduce risk, and achieve improved results (Medidata, 2018). It also builds on the concept of net value and introduces methods for assessing value that take into account factors such as attribution, alternatives, and complexity, ensuring a final value that is accurate, comprehensive, and mutually acceptable (Rosales, 1981).

## 5. Biblical Based Value added Education and Socio-Economic Transformation

Great reformers such as Martin Luther, Philip Melancthon, John Calvin, and John Knox advanced these principles:

- Luther: Stressed the home as the center of Christian teaching; valued discipline, understanding, and biblical knowledge.
  - Calvin: Established schools in Geneva teaching the Bible alongside reading, writing, and arithmetic.
  - Knox: Founded compulsory, church-supported elementary education for both boys and girls.
- Education under the Church of England was once viewed as a private matter reserved for those who could pay. Today, however, young people want churches to guide them biblically in navigating real-life decisions. This requires linking scriptural truth to current cultural challenges such as family responsibilities, work ethics, and moral limits, while ensuring that Bible teaching reflects cultural sensitivity in a globalized world (Endo, 1980). By drawing on biblical stewardship values, faith-based organizations significantly contribute to sustainability efforts and comprehensive community development, while offering spiritual, moral, and social guidance (Allen, 1964). In accordance with the CSR Act 2013, Schedule VII—which emphasizes education, skill development, gender equality, environmental sustainability, and relief measures—churches and faith-based NGOs can serve as valuable partners for corporates in implementing CSR initiatives that merge tangible impact with moral direction. Their participation can address key educational gaps, facilitate industry-relevant vocational training, and offer family counselling alongside community welfare services (Endo, 1980). Faith communities hold a strong capacity to guide environmental stewardship efforts and advocacy, supporting responsibility toward society and the environment alike (Gangel, 1970).

## RECOMMENDATIONS:

- Strategically utilizing CSR spending to promote education by improving the infrastructure of schools and other learning institutions.
- Targeted CSR Expenditures: Strategic CSR Focus: Invest in sectors where contributions can maximize literacy gains and strengthen economic results.
- Leverage Biblical stewardship principles to promote sustainability.
- Provide holistic transformation through moral, spiritual, and social support.
- Partner with NGO and Christian Society to deliver CSR projects with both material and moral impact.
- With Rs.17,259.9 crore in unspent CSR funds falling short of mandated expenditure, 5,721 contributing companies have the opportunity to invest in education and job creation, thereby strengthening GDP growth."
- Systematic Monitoring: Implement effective mechanisms to measure CSR outcomes and adapt approaches accordingly.
- Provide Financial assistance for school children pursuing higher education, focusing on merit scholars, orphans, single-parent families, economically weaker sections, differently abled students, and those from remote rural regions, through scholarships and support like laptops and other necessities.

## 6. CONCLUSION:

The Role of Corporate Innovation in Economic Transformation lies in examining how innovative corporate practices contribute to economic progress. However, a persistent CSR challenge remains in the gap between skills imparted and industry needs. Automation-driven job-matching platforms can bridge this divide by connecting trained individuals with suitable employment opportunities. At the same time, community-led and Biblically inspired vocational training, delivered in collaboration with corporates, can ensure that skill development remains relevant, demand-driven, and sustainable. Together, these approaches enhance employability, strengthen community resilience, and promote inclusive growth. This

recommendation is grounded in an impact assessment of CSR-contributing companies. A mixed-method research approach was applied to ensure rigor, combining primary data from questionnaires, interviews, focus group discussions, and direct observations with students, unemployed youth, and community members, along with secondary data from government publications, CSR reports, and academic literature. Quantitative data were analysed through descriptive statistics, while qualitative insights were derived using thematic analysis. Based on these findings, we strongly recommend utilizing unspent CSR-prescribed funds to collaborate with schools and higher education institutions to create growth-oriented learning environments. This includes providing financial assistance for higher education to students from merit-based, orphaned, single-parent, economically disadvantaged, differently abled, and remote rural backgrounds—through scholarships, laptops, and other essential support. Additionally, investments should be directed toward faculty development, pilot research initiatives, and structured programs that empower colleges to deliver high-quality education for the leaders of tomorrow.

Abbreviation.			
AI	Artificial Intelligence	INR	Indian Rupee
CI	Corporate Identity	ML	Machine Learning
Cr	Crore	MNC	Multi National Company
CSR	Corporate Social Responsibility	SER	Social and Environmental Reporting
GDP	Gross Domestic Product	SME	Small Medium Enterprises

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