

A COMPARATIVE STUDY ON CORPORATE SOCIAL RESPONSIBILITY OF STATE BANK OF INDIA

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Abstract

Nowadays corporate social responsibility is become most demanding for whole society. Banks are considered as a barometer of economy. The objective of the study is to analyze CSR activities of State Bank of India. SBI is India's largest public sector bank. The study mainly focuses on CSR initiatives and CSR expenditure done by the bank. Data collection is on secondary base which is collected from annual reports. For the purpose of study researcher has taken five years since 2018-19 to 2022-23 for the research. The purpose of this paper is to find out contribution of bank in different area like education, environment, healthcare, sports etc.

Keywords: Corporate Social Responsibility, Banking Sector, State Bank of India

INTRODUCTION

India is the first country to make CSR mandatory. In simple words responsibility means organizations have some moral duties towards the society. It is a voluntary activity by the organization aimed at the welfare for all over society. It is also considering reputational driver also. Because CSR able to create economic value of the business. CSR is about what business does to influence the society.

India is fastest growing economy in the world but there is some problem related to illiteracy, poverty, environmental problem and lack of healthcare facilities. It is a strategy that business employ to conduct their operations in a way that society friendly, ethical and beneficial to community.

Banks play a vital role in financial improvement of the nation. Reserve bank of India, the main regulatory authority of India also encourages banks to promote CSR activities in different field. Banks financing services create long term sustainability and effect on the whole economy.

OBJECTIVE OF THE STUDY

- To understand the initiatives and activities of State bank of India.
- To analyze role of State bank of India in economic through CSR.
- To analyze and compare CSR expenditure of State bank of India.

LITERATURE OF REVIEW

Moharana (2013) in their study "Corporate Social Responsibility – A Study of Selected Public Sector Banks in India". The aim of the study is to analyze CSR activities carried out by State Bank of India, UCO Bank, Allahabad Bank, Andhra Bank and bank of Baroda. The result says that banks are engaged in rural development, education, women and children and community welfare.

The study by Patel Ankita in 2013 titled "Corporate Social Responsibility: A Comparative Study of SBI and ICICI in India" aims to examine the CSR initiatives and CSR spending. The researcher collected data for the period from 2009-10 to 2015-16. By analyzing the data, the researcher found that SBI spend more percentage of profit as compared to ICICI bank.

The research paper published by Sandeep Kaur in 2013 titled "A Study on Corporate Social Responsibility (CSR) in the Indian Banking Sector". The objective of this study was to analyze various CSR activities carried out by Indian banks. To conduct the research, the authors selected Axis Bank, Yes Bank, Union Bank of India, ICICI, IDBI, Induslan Bank, Punjab National Bank, HDFC Bank, SBI and SIDBI. The study shows that public sector banks have a higher contribution as compare to private sector banks and foreign banks in CSR activities. The study suggests that there is requirement of more emphasis on CSR by banks.

Ayush Raj and Alka Agnihotri (2022) published a research paper on “Impact of CSR on Indian Banking Sector”. For the study researcher has selected four banks. Which is HDFC Bank, State Bank of India, Axis Bank and IDBI bank. The study result indicate that CSR activities performed in limited areas.

Nithin Venugopal and Benson Kunjukunju in 2018 the aim of the study is to find out perception of employees of CSR initiatives. Researcher has analyzed Union Bank of India, Federal bank, State Bank of India and HDFC bank during 2014-15 and 2015-16. The analysis shows that banks don't meet the regulatory requirement of CSR spending.

RESEARCH METHODOLOGY

The present paper is based on secondary data. Secondary data has been collected from annual reports of bank. In this paper State bank of India has been selected. Researcher has been taken a time period of five years from 2018-19 to 2022-23.

DATA ANALYSIS AND INTERPRETATION

Year 2018-19:

In this year SBI focus area are environment, skill development and livelihood creation, supporting healthcare and sanitation and supporting education. In 2018-19, the investment in the healthcare and sanitation was Rs.1.24 crore. For children's welfare fund Rs.0.49 crore used. In this year SBI donation Rs.5 crores towards CM distress relief fund for Kerala. Total CSR spend of SBI foundation was RS.16.46 crore. As compare to previous year SBI increase 26% number of financial literacy camps. SBI receives Skoch CSR award – best CSR practices for gift hope, gift life project. Some of the initiatives:

Healthcare: 'Life' – an initiative is to conducting free tests for prevent and control thalassemia disease. 'Gift hope, gift life' for 24/7 toll free national helpline. 'Cancer care' initiative for prevent and control breast, cervical and oral cancer among women. 'Darpan' for sickle cell anemia.

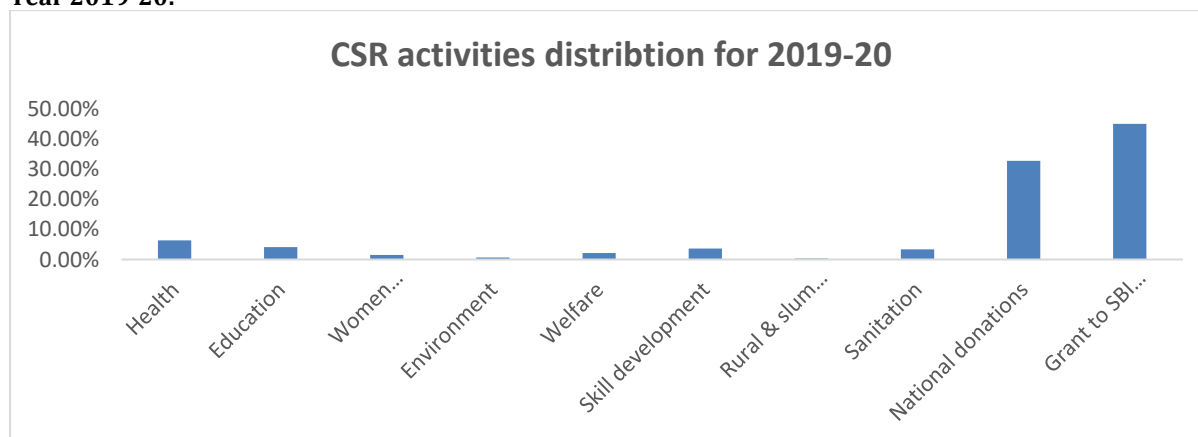
Education: 'Peepul school adoption program' initiative aims to raise education standard and improving learning outcomes in government schools. 'Khelwadi' under this initiative the focus on personality building and creating thinking of students.

Environment and Sustainability: 'Waste to gold' in this bank address waste management in the city and it also develop small sustainable businesses for their livelihood. 'Swachh belur math' under this activity SBI support Ramkrishna mission.

Art, Culture and Heritage: SBI start project 'SBI Swachh Iconic CST' for conservation of heritage building.

Sports: 'SBI eklavya' for providing basic sports to children in ashram school.

Year 2019-20:



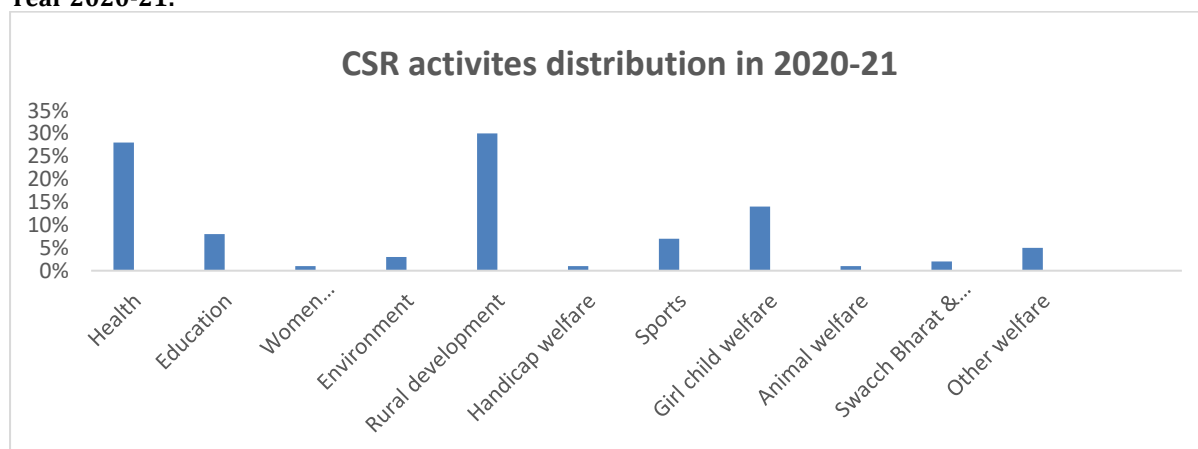
(Source: Annual report of SBI 2019-20)

The above chart shows bank spend higher amount in national donations. SBI spend Rs.27.74 crore on CSR activities and projects. During this year bank spend 45.06% of the profit through SBI foundation which is Rs.12.38 crore. In 2019-20 share of SBI's contribution in rural self-employment training institutes is Rs.6.06 crore. In this year bank spend very less amount in environment and rural & slum area development. Some of the initiatives:

Education: SBI support learning Centre 'Gyan shala' program which is imparting high quality middle school education. 'Arpan' for awareness regarding personal safety and prevention to sexual abuse. SBI launched Yono krishi app in July 2019 which is strengthen agriculture business.

SBI has undertaken initiative that is 'Project vivek' for new credit underwriting engine for small and medium enterprise financing to reduce the time taken to process loans.
The SBI has received certification from Indian Green Building Council for eco - friendly initiatives.

Year 2020-21:



(Source: Annual report of SBI in 2020-21)

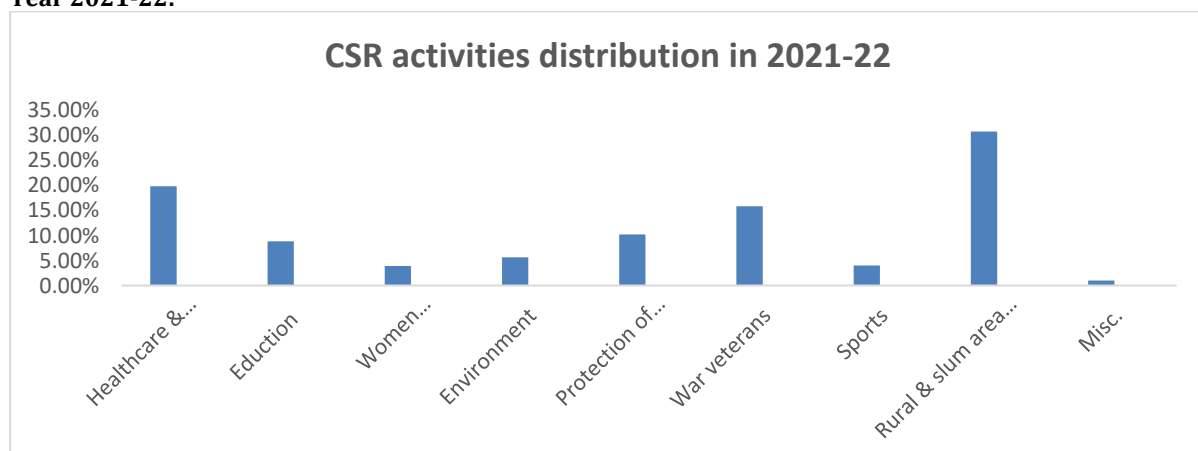
According to the above chart, it is clear that SBI make huge investment in rural development. During this year the bank's total CSR spend amount Rs.144.88 crore. SBI spend Rs.43 crores to fight against the covid -19. In which Rs.30 crore spend for covid related various relief programs. SBI also contributing Rs.11 crores to the PM CARES funds for vaccination drive. Rs.1 crore donated to Apollo hospitals educational and research foundation for medical rooms. In March 2021, SBI donated Rs.1 crore to the Mumbai police foundation for covid warriors. In this year, bank spend Rs.26 crores for national donations and Rs.47.70 crore for the other activities like to help and mitigate the unemployment. SBI set up rural self-employment training institutes. To support athletes in Olympic Games Rs.5 crore donate to the National Sports Development Fund. SBI has also invested in different sectors like animal welfare, handicap welfare and other sector. Some of the initiatives:

Healthcare & Sanitation: The bank is supporting cancer patients at Gujrat cancer society. SBI also donate high and medical equipment FISH to detect molecular and genetic status in cancer patients. Bank make donation for lab equipment and renovation of five disabled friendly toilets.

Girl education: under the initiative of government 'beti bachao, beti padhao' SBI provide education grant to girl children of ex-servicemen and war-widows. SBI launched many scholarships and programs for student.

Environment: Tree plantation at Ahmedabad. Donation to Prabhav Foundation Green Park.

Year 2021-22:



In the year 2021-22, SBI major focus on rural and slum area development. In healthcare and sanitation 19.48% profit used this year. In year 2021-22, total budget for CSR is Rs.204.10 crore in which Rs.102.56 crore spend through SBI foundation and Rs.101.54 crore through by bank. SBI Foundation allocated Rs.71 crore for various activities to fight against covid-19 like distribution of food, ration kits, PPEs, masks and oximeters. Some of the initiatives:

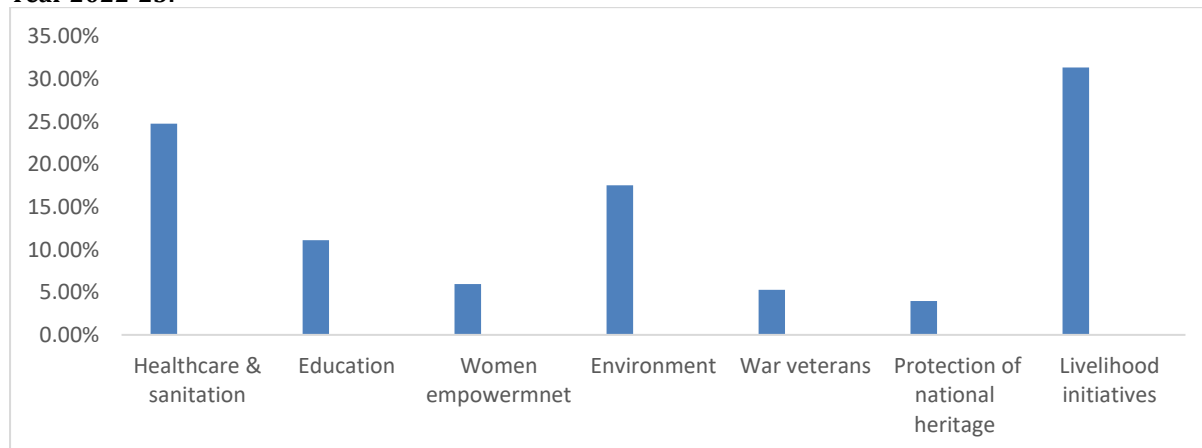
Healthcare & Hygiene: Under this ‘Sachhi Saheli’ the key focus is on sanitizing menstruating women and girls in a healthy, hygienic and effective manner.

Education: For the promoting education SBI supported TATA Steel Foundation which is helps students in remote and tribal areas of Odisha and Jharkhand. The bank also provides vehicles, computers and school infrastructure.

Women Empowerment: ‘Bharosa Centre’ for providing support to women and children.

SBI Gram Seva Programme: It is a rural development initiatives taken by SBI bank aims to social-economic of rural areas.

Year 2022-23:



This chart shows that investment in livelihood initiatives is more than other activities in year 2022-23. From the annual report it is clear that SBI spend Rs.45.5 crore for women empowerment, livelihood and entrepreneurship. Rs.30 crore was spend on healthcare & sanitation. For CSR activities Rs.316.76 crore has been allocated and 854 activities undertaken. During this year Rs.49 lakh used for animal welfare. Some of the initiatives:

Healthcare: ‘SBI Sanjeevani’- providing primary healthcare to villages via mobile medical unit. ‘Nirantar seva’ for emergency for road accident victims. ‘TB mukt Gujrat’ for detection of TB. ‘Suraksha’ for providing helmets to Mumbai police.

Women Empowerment: This project helped women by raising awareness on women’s rights and gender equality.

Sports: ‘ACE’ for providing support to sportspersons, Olympic medal prospects and Para athletes.

LEAP- Livelihood & Entrepreneurship Accelerator Program for development and strengthening of institutions.

CONCLUSION

Banks helps country to improve the financial condition. This research gives a basic idea about State bank of India. From the analysis it is concluded that growth rate of CSR activities by SBI is increase. As per the above analysis of the five year, it is very clear that SBI has given more attention to healthcare and sanitation, education and rural & slum area development in compare to other sectors. It is also observed that bank spend some percentage of their profit on sports, protection of national heritage and other welfare. From the above finding, it can be concluding that bank needs to increase their CSR activities towards the environment and women empowerment.

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