

Corporate Social Responsibility in Banking Institutions (In the Special Reference to SBI & ICICI BANK)

***Jyoti Prasad Kalita**

Abstract

Indian banking has around 200 years of history and has experienced numerous changes since freedom. Be that as it may, privatization and globalization and data innovation are as of now changing the Indian banking fundamentally. Changes in the Indian financial division have tossed them out to progressively liberal and free market powers. Presently, the banks extraordinarily the public sector banks are feeling more warmth of the challenge; duties of banks need to outperform "paternalism". Because of substantial challenge in banking area, CSR practices are the ongoing pattern pursued by various banks to expand their altruism in market. In India organizations like Tata and Birla are rehearsing the corporate social obligation regarding decades, well before CSR turn into a prevalent premise. In spite of having such a decent magnificent models; CSR exercises isn't so ruddy especially in budgetary area there is a nonattendance of arrangement with respect to consistence and announcing of CSR exercises. RBI has likewise demanded taking measures for supportable advancement of economy through understanding the need of CSR. There is exceptionally constrained exploration work with regards to usage of CSR practices in setting to creating nation like India. This exploration paper examines CSR practices in Indian financial segment. Research paper additionally endeavors to discover the push territories of private banks of India. It spotlights on the constraints, issues and difficulties of CSR exercises practices by private and public sector banks in India.

Keywords: - CSR [corporate social responsibility], NGO's [non-government organization],

Introduction

CSR isn't new to India. Improvement of CSR can be traced back in exceptional stages that are as follows:

The primary segment of CSR became predominantly determined by way of way of life, religion, own family way of life and industrialization. Commercial enterprise operations and CSR engagement had been based totally particularly on company self-law. Being the oldest shape of CSR, charity and philanthropy nonetheless influence CSR practices, especially in network development. Within the pre-commercial duration as much as the 1850s, traders dedicated themselves for the religious motives, sharing their wealth, for example, by means of building temples. Moreover, "the enterprise community occupied a giant place in ancient India and the traders provided alleviation in instances of disaster consisting of famine or epidemics by way of beginning pass-downs of food and treasure chests". Under colonial rule, western form of industrialization reached India and changed CSR from the 1850s onwards. The pioneers of industrialization in the 19th century in India were a few families which include the TATA, BIRLA, BAJAJ, LALBHAI, SARABHAI, GODREJ, SHRIRAM, SINGHANIA, MODI, MAHINDRA AND ANNAMALI, who have been strongly committed to philanthropically motivated CSR.

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CSR Practices in Indian Banks

Indian banking area is established to receive a coordinated methodology of consolidating CSR with a definitive consumer loyalty intentionally. In on-going year the endeavour has been started to guarantee socially dependable conduct of banking division in increasingly orderly way. RBI has additionally demanded taking measures for reasonable advancement of economy through understanding the need for CSR. The dominant part pushed territories of CSR practice in Indian banks are regular in public division and private segment, the zone incorporate Rural Development, Health Care, Education Women's Empowerment, Community Welfare, Girl Child, Blood Donation Camp, Sports, Heritage, Etc.

Why CSR needed?

Can Government adapt up to the expanding social obligations of the general public? Why the corporate firms ought to do the philanthropy by giving up their benefit proportion? And so on. Like such numerous issues and difficulties are emerging before the world.

A portion of the principle issues why CSR is fundamental are examined beneath:-

1. Due to advancement, privatization and globalization for example, the administration had diminished the confinement and guideline, because of which the social and condition objective is missing behind.
2. Now days the partner and exceptionally client and investor are especially intrigued to know the organization money related position and how the assets are used for the general public.
3. Investors are putting weight on the banks to satisfy the moral issues.
4. Many acts are coming up to ensure the enthusiasm of the partner. The banks need to guarantee that all partners' advantage is ensured.
5. KYC-"know your client" is the most recent issues in banks, also the clients are enthusiasm to realize the banks matter and how the morals and qualities are pursued.

A CSR venture can start in light of an emergency or publicity issue. The inspiration for rehearsing CSR can be shift between the generosity or philanthropy or moral or idea of corporate citizenship. The push region spotlight is on neediness mitigation, handling joblessness, ladies' strengthening and training.

Difficulties

Is rehearsing CSR is such a simple undertaking? Why still numerous organizations are not engaged with CSR practice? Why in India CSR isn't well known? And so forth. Like this there are numerous difficulties before India identified with CSR.

A portion of the fundamental CSR difficulties are as per the following:-

1. There is almost no or no information to the nearby people group identified with the CSR practice is the greatest test before India. Next to no or no endeavours are taken to spread the mindfulness identified with CSR practice by the Indian banks.
2. There are no unmistakable rules from RBI identified with CSR in banks, no obvious polices are connected identified with the records kept up on CSR.

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3. Many banks are chipping away at a similar push territory. There are no connections between the banks. So there is a plausibility of duplication of works in same zone.
4. The banking segments are focusing just on rustic territories, many push zone of urban division are disregarded.

There is no legitimate co-appointment between the ngo's, and the bank area. There is non-accessibility of efficient non-government association in remote territories, which will advance the CSR exercises.

CSR Policy of the State bank of India

The idea of Corporate Social Responsibility (CSR) was presented in the state bank of India as ahead of schedule as 1973, under the name creative banking, covering both banking just as non-banking exercises. The underlying accentuation was on helping gatherings having a place with the more fragile and discouraged areas of society by giving roads to progress of their monetary condition. Non-banking exercises included investment in people group exercises which added to the common great, for example blood gift camps, wellbeing camps, support in neighbourhood celebrations, grown-up education, tree planting and so on. As the extent of exercises expanded, the bank characterized these exercises as people group administration banking. Network administration banking is currently one of the exercises through which the bank assumes the job of a dependable and responsive corporate resident and releases its Corporate Social Responsibility to the people group.

Research & Development Fund

The bank set up the exploration and advancement store in 1977 with the essential goal of supporting exploration work important comprehensively to the exercises of the bank.

Dissipating Information Technology Education

With the end goal of scattering data innovation instruction to the remotest zones of our nation among the oppressed classes, solicitations got for gifts from ngos/establishments/schools, both government and private (regardless of whether supported or unaided)/rumoured colleges or specialized organizations to secure equipment (pcs and different embellishments) or potentially programming may be considered given the bank is fulfilled that the intention is to spread it training among the destitute. Inclination to be given to ngos/organizations undertaking ventures in immature and in reverse districts of the nation, especially innate zones which are overwhelmingly occupied by oppressed and underprivileged individuals.

Adoption of the Girl Child

Society's inclination for the kid has brought about a substantial number of occasions when the young lady youngster is denied of familial consideration, training, friendship, human services and in extraordinary cases, even nourishment. So as to enhance the endeavours of the govt., to change this idea, branches may embrace young lady kids in the age gathering of 6 to 14 years, who are vagrants/down and out/physically disabled/have a place with poor families. A single amount measure of rs.3000/to rs.5000/ - per annum is given for the kid's instruction.

Direct Exercises

As a feature of people group administration, the bank embraces various welfare exercises and projects straightforwardly which have a high social substance through its branches/workplaces by

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method for wilful endeavours of the staff individuals. These exercises which are directed on a continuous premise feature the bank's worry to the societal needs/welfare. Some of such exercises/projects are Blood Donation Camps, Medical Camps, Family Planning Camps, Veterinary Camps, Adult Literacy Classes, Ladies Club Activities Tree Planting Camps Special Programmes For Children And Other Cultural Activities.

Apart From Monetary Help

It is attractive that singular representatives from the bank/life partners of workers ought to embrace a couple of youngsters for consideration/coaching/advising, to attempt and satisfy the job of a non-permanent parent. In this association: a. At the point when a young lady youngster is chosen for reception, backing should proceed till she completes school with the exception of in situations where the young lady drops out from the school. B. Circles are urged to take part in exercises which will draw out the kid's needs both monetarily and inwardly.

ICICI Social Initiatives

ICICI establishment runs different expertise advancement activities solely for the underprivileged individuals the nation over. These projects furnish students with applicable professional aptitudes to empower them procure supportable occupations.

ICICI Academy for Skills (IAS)

The institute offers industry-applicable and occupation situated professional preparing to youth from underprivileged areas of the general public. The foundation has prepared more than 1,05,000 applicants through its 24 focuses free-of-cost and enabled them to manufacture a superior future for the country and themselves.

Rural Self Employment Training Institutes (Rsetis)

As a major aspect of a national program started by the service of provincial advancement (mord), ICICI has set up rests in Udaipur and Jodhpur. This program spotlights on giving free professional preparing in locally-important aptitudes that enable residents to act naturally dependent. The activity additionally advances business enterprise and improvement of miniaturized scale endeavours by giving advances.

Conclusion

The examination demonstrates that however the Indian banks are trying endeavours in the CSR territories yet at the same time there is a necessity of more accentuation on CSR. There are a few banks which are not notwithstanding meeting the administrative prerequisite of need division loaning and country branch extension. Indeed, even after the RBI's rules for money related education projects the banks have not make significant strides toward this path. The RBI may be progressively stringent in implementing such administrative necessities. The banks have concentrated on the people group welfare and ranchers' welfare projects yet the endeavours for ladies welfare and training are not sizeable. Also, the public part banks have in general most astounding commitment in CSR exercises. Private part banks and outside banks are as yet slacking here.

Banking division in India is appearing in incorporating supportability into their plans of action however its CSR revealing practices are a long way from fulfilment. There are just a couple of banks which report their exercises on triple primary concern standards. In actuality, the gauges for rating

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CSR practices are less uniform in contrast with that for budgetary rating. This prompts issue in examination of corporate houses and deciding the CSR rating. Indian banks are doing parcel of CSR exercises.

This examination may profitable for business banks to comprehend their very own situation among the general banking segment and furthermore it is essential for policymakers to pass judgment on the banking execution from the edge of corporate social obligation. Be that as it may, various restrictions of this investigation could be recognized. Initially, the examination is constrained to an example of 30 Indian banks consequently more proof is required on the CSR exercises before any speculation of the outcomes can be made. Second, the information was gathered just for the year 2010-11 and consequently the consequences of the investigation can't be accepted to reach out to various examination periods. The investigation has an extent of further exploration where the CSR execution of banks can be identified with money related execution

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