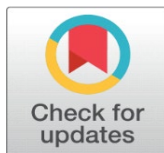
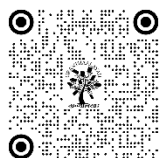


CASE STUDY OF CORPORATE SOCIAL RESPONSIBILITY PRACTICES OF STATE BANK OF INDIA

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ABSTRACT

Corporate Social Responsibility is the term with present century lives, this paper contains the various aspects of CSR policy followed by State bank of India. this study presents CSR practices of State bank of India, secondary source of data has been used for the study. The present study describes fund allocation and analysis of sector wise CSR spending. SBI foundation also plays important role in SBI corporate social responsibility practices.

Keywords: Corporate Social Responsibility, CSR, public sector Bank, SBI, Stakeholders, sustainability, SBI foundation.

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1. INTRODUCTION

Corporate social responsibility is emerging term in this century, majority of the corporate entity enable their resources for corporate social responsibility, majority of the organizations are established their own foundation for CSR practices, service sector also includes in performing CSR practices. Public and private sector banks are performing CSR policies with various aspects of uplifting the needed one. CSR practices of commercial bank is essential after the report of RBI for corporate social responsibility and sustainability published in 2005. State bank of India has wide vision to follow CSR practices.

CSR is covered by section 135 of the Companies Act of 2013. Thus, it is essential that the enterprises covered by section 135 abide to the CSR regulations in India. Businesses must have invested in CSR with a minimum of 2% of their net earnings from the three years prior. banking is the high earned service sector, in India banking sector performing their CSR practices and reports of CSR practices are published.

State Bank of India is the oldest Indian commercial bank. SBI's vision for CSR practices is "To be a bank known for bringing about sustainable improvement in the lives of citizens of the country with focus on socially & economically disadvantaged communities."1

SBI bank is the largest public sector bank in India, large number of employees, customer, investors and stakeholders are involved with the bank. Bank is working to fulfilment of the requirements of its stakeholders. In the annual report SBI presents the core values follows by them, the bank is also working to achieve sustainable goals. Bank is also working for digitalization, provide advances to agriculture sectors. Bank has wide vision for societal development.

2. REVIEW OF LITERATURE

There are several study and work done in this subject, to know and understand the previous work literature review plays important role in the study. The objectives of the literature review are to understand the concept of CSR thoroughly, acknowledge the research methodology followed by the researcher.

(Naik & Babu, 2023) studied about the CSR practices of SBI they conclude that every business's basic responsibility is to give back to the society, in their study they present various CSR practices followed by the bank.

(Rath & Dhakene, 2022) SBI is following CSR practices since long. the study found that fifty percent of the CSR funding of bank is spent on skill development and on livelihood creation, authors concluded that through media coverage of CSR performance of the bank, bank gets increase in the number of customer and customer loyalty.

(Mital & Rewadiya, 2019) This study conclude that many banks focused on some common field for CSR while other social issues are also need focused, it discovered that public sector banks are contributing more than private sector banks on CSR activities

(Prabhu & Aithal, 2021) Public and private sector banks are performing CSR practices, private sector banks are directly supports to customer relation while public sector banks focus on brand building activity through CSR. In India CSR is progressive term though private sector bank performing CSR activities more effective to retain their customer than public sector banks.

(Sharma & Thakur, 2016) This study found that private and public sector banks are working to fulfil their corporate social responsibility. SBI is in the top position in market capitalization, but it still needs to work on implementing CSR practices. HDFC Bank is working on CSR better than SBI. The authors suggest that there is much work that should be done in CSR.

Objectives of the study

To study the CSR practices followed by state bank of India

To analyze the activities and CSR spending of State bank of India

Research Methodology

To analyze the corporate social responsibility practices of SBI, secondary data has been used. Data collected from the websites, annual reports, sustainability reports, annual reports of the foundation, various articles, periodic journal articles, and published data has been used for the study.

State Bank of India

State Bank of India is India's largest public sector bank, bank started their CSR practices in the year 1973. to follow CSR practices smoothly Bank has established SBI foundation which work to perform best CSR practices. State bank India has their own CSR committee to control and report CSR implementation. Through foundation SBI is work for social and economic development of country.

The vision of SBI is "to be the bank of choice of transforming India, SBI is following various values like service, transparency, politeness, sustainability and transparency. According to data SBI is the third largest bank of India in terms of market capitalization. Bank is also contributing to societal development and performing their CSR practices. Bank publishes sustainability report every year. Bank play a vital role for development and uplifting the society.

State bank of India's major CSR practices are under following areas: Health care and sanitation, Education, Empowerment of women and senior citizens, Environment, Protection of national heritage, War Veterans, Sports, support in COVID-19 pandemic, protection of national heritage.

According to the published data in the annual reports of SBI, SBI is spending 1% of its profit on CSR practices. In the year 2021-22, the profit of the company is 31,676 Cr. In the next year, 2022-23, the company spends 1% of its profit, which amounts to Rs. 316.76 cr., on CSR practices.

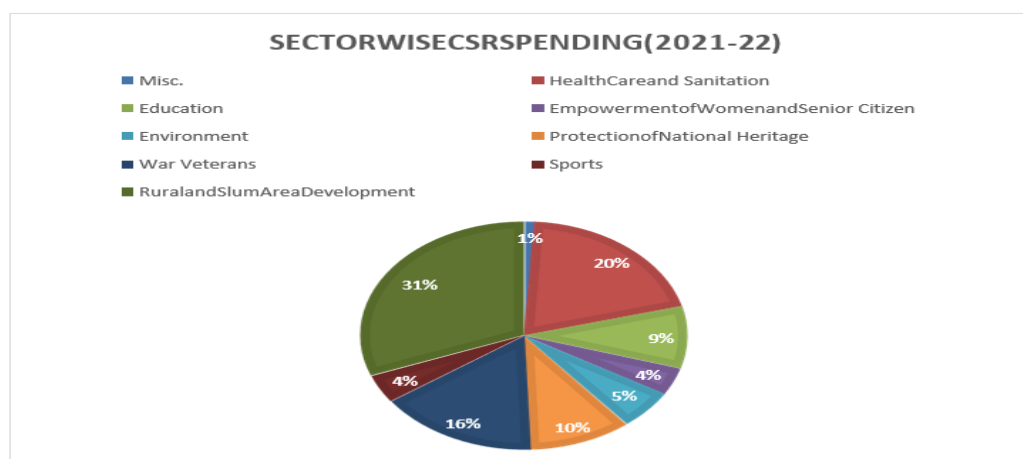
CSR spending in the previous years is presented in the following table,

SBI	2021-22	2022-23	2023-24
Profit After Tax	31,676	50,232	61,075
CSR Spending	204.10	316.76	502.32
Amounts allocated to SBI Foundation	102.56	194.78	301.24

Source: SBI annual reports

For the year 2021-22, SBI has published the sustainability annual report "Powered by Purpose." The bank's CSR spending was Rs. 204.10 crore. From that amount, the bank has allocated Rs. 102.56 crore to the SBI Foundation. In the fiscal year 2022, the bank has worked to uplift the communities in need across the country. Most CSR activities are implemented in rural and urban slum areas. The bank has also supported NGOs and various societies to help and develop disadvantaged communities. Through the SBI Foundation, the bank has spent Rs. 71 crore to fight against COVID-19. To assist communities in battling the COVID-19 pandemic, the bank has installed oxygen plants, organized vaccination drives, raised awareness about precautions, established COVID care centers, and more.

According to the report total 380 different CSR activities are undertaken and 1,97,551 people benefited from the activity.

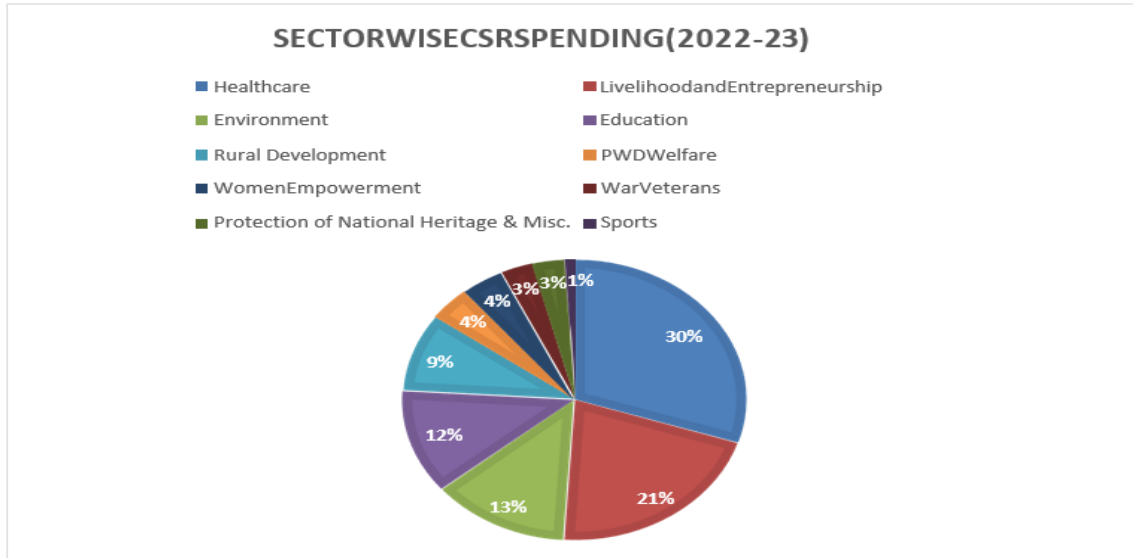


Source: SBI annual sustainability report 2021-22

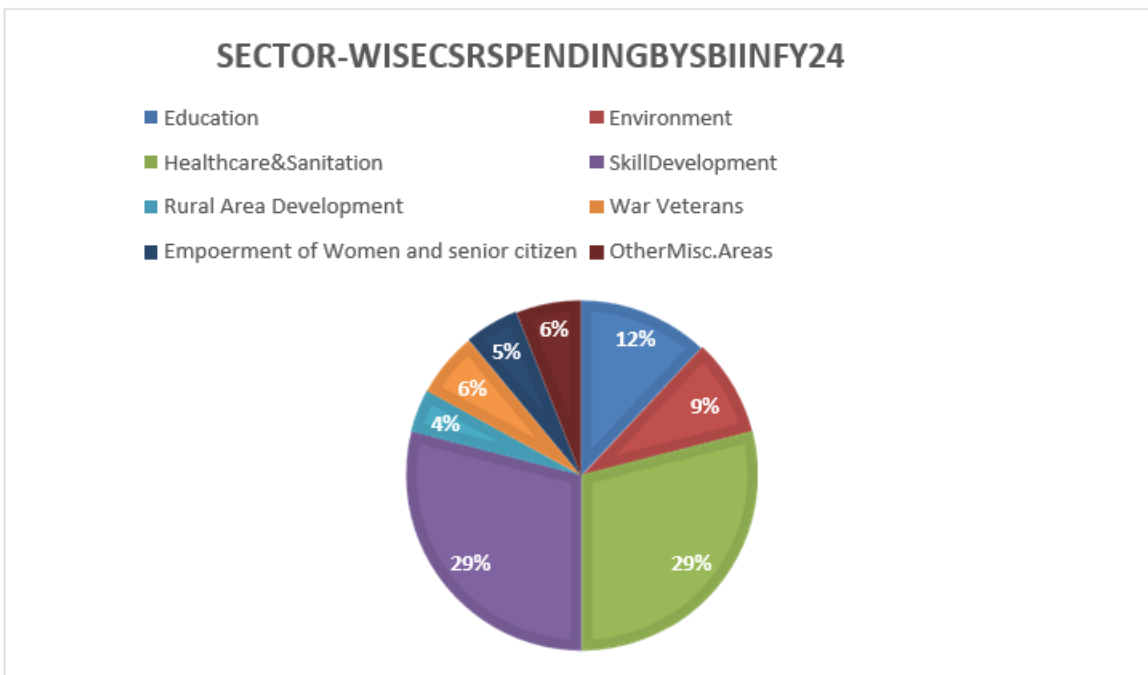
From the above data, SBI is spending the highest amount on rural and slum area development for the year 2021-22. SBI has contributed to education, healthcare, sanitation, war veterans, environment, etc.

For the year 2022-23, SBI earned profit after tax Rs. 50,232 cr., Bank spends 1% of previous published profit Rs. 316.76 cr. In corporate social responsibility practices, from that Rs. 194.78 cr. Allocated to SBI foundation for implement CSR practices. Total 54 lakh benefited from these CSR activities. And total 854 CSR activities are undertaken this year.

Following chart present sector wise CSR spending by the bank. Bank has spent highest amount in healthcare, 21% of its spending is on livelihoods and entrepreneurship, 13% and 12% of CSR spending on environment and education, bank has also contributed in rural development, PWD Welfare, Woman empowerment, War Veterans, protection of national heritage and sports, in this year bank has activeel participate in Swachhta Pakhwada organized by Indian Government and bank has also participated in swachhta abhiyan.



Source: SBI annual sustainability report 2023-24

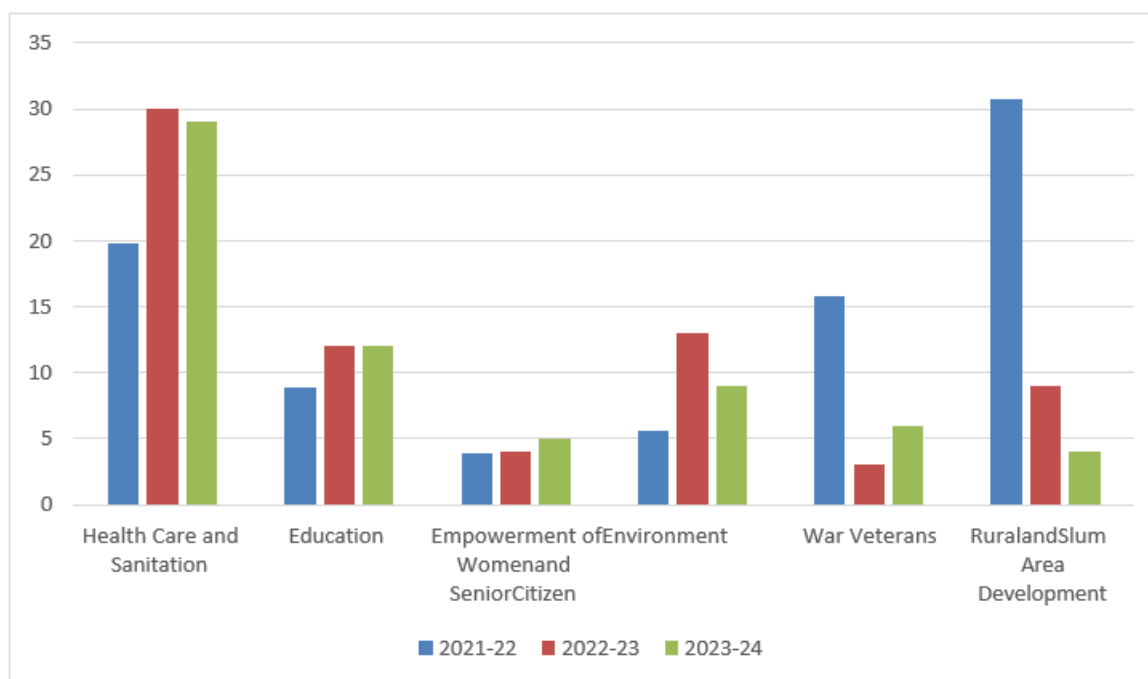


Source: SBI annual sustainability report 2023-24

For the Financial year 2023-24 SBI has spent 502.32 Crore in CSR practices, from that 301.24cr. Allocated to SBI foundation. In total 1306 activities are undertaken this year, and more than 55 lakhs people get benefits from CSR practices by State bank of India.

From the data, CSR spending on healthcare, sanitation, and skill development is the highest. The bank also works for the development of rural area development, environment, war veterans, empowerment of women and senior citizens, education, sports, disaster management and animal welfare.

SBI bank is working on various sectors such as education, healthcare, sanitation, empowerment of women and senior citizens, environment, war veterans, and rural and slum area development, which have been common in previous years.



Source: SBI annual report

From the data, SBI is changing their CSR spending in different sectors. In the year 2021-22 Rural and slum area development sector is higher but in upcoming years it is decreased, bank has also focused on Livelihood and Entrepreneurship, PWD Welfare, Skill Development, Sports, and other sectors.

3. CONCLUSION

State Bank of India is implementing its CSR policies for the development of the country. In previous years, the bank has constantly increased its CSR spending along with its net profit. The number of activities undertaken by CSR practices and CSR activities through SBI Foundation is increasing. The bank has achieved many awards for best CSR practices. SBI has a wide vision for establishing best practices for the development of society and stakeholders. Through various activities, SBI is creating market value. From the analysis of the data, the number of activities and beneficiaries has also increased. The bank is mainly working on particular areas. The bank should implement CSR policies for the areas that are remaining for development. Some sectors need to be developed which are essential for society, such as education, healthcare, and rural and slum area development. Since India is a developing country, there is a lot to be done for many areas. For the development of the country and uplifting society, all need to work together. Through these practices, it can be helpful to reduce inequalities in society, and holistic development can be possible.

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CONFLICT OF INTEREST

The authors declare no conflict of interest between them.

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