A COMPARATIVE ANALYSIS OF CSR ACTIVITIES OF SELECTED INDIAN BANKING COMPANIES

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ABSTRACT

The term Corporate Social Responsibility refers to the manner in which a business house responds to emerging societal priorities and expectations and creates an overall positive image in the society. With the passage of time initiatives taken by business houses relating to CSR are increasing at greater velocity. After the New Company Act 2013, corporate social responsibility has become commonly used concept. Corporate social responsibility initiatives and significance of vital components of CSR of an industry are different from another; due to this one industry feel more answerable for ecological issues while other industry may be desirous to spend in societal issues. The present paper attempts to explore the importance of corporate social responsibility in Indian Banking industry, major CSR areas of banking companies and responsiveness of selected banking companies towards their social responsibilities. The present paper focuses on Corporate Social Responsibility practices and areas of major CSR spending by 10 selected banking companies from Indian banking sectors during 2016-17. Content analysis and empirical analysis methodology was done with the objective of examining the CSR expenditure disclosures from the annual financial reports. Various Corporate Social Responsibility related reports, i.e., directors’ report, chairman’s report and sustainability reports given in the annual financial reports of the selected corporate houses in the financial year 2016-2017 were analyzed in detail for the study. The study disclosed that banking companies feel more accountable for communal issues and financial inclusion is fundamental part to fulfil their social responsibilities and ecological issues remain unaddressed by most of them. It may be possible because banking companies does not damage environment directly. It is also observed that contribution made by selected banking companies for CSR activities is less than the recommended budget.

Keywords: Corporate Social Responsibility, Corporate Social Performance, Content Analysis, Annual report, Banking Companies.
INTRODUCTION

The term CSR refers to the manner in which a business house responds to emerging societal priorities and expectations and creates an overall positive image in the society. With the passage of time initiatives taken by business houses relating to CSR are increasing at greater velocity.

The notion of corporate social responsibility has evolved over the years but still there is no appropriate definition of it. Different authors defined CSR as an integration of social, ethical, economic, environmental and legal hopes of society from business organizations. Liberalisation, Privatisation and Globalisation lead to practice under which CSR activities become an integral part of strategies formulation to fulfill competitive urge. Different business organisations, non-profit organisations, community welfare societies and government are working together for progress of economy through such activities.

Banking sector plays very vital role in Indian economy, it acts like blood in body for proper and smooth functioning. Banking and financial institution being backbone of Indian economy are not different from each other and have to cope up with all changes around them. Accountability of banking industry is more as compared to other industries because of their financing services which generate multiplier effect on the on whole economy and long term sustainability. Banks have to act in more responsible manner while investing and financing any project with respect to social issues.

Central Bank of India i.e. RBI was established in 1935 which was nationalized in 1949 and with this banking regulation act empowered RBI to regulate, control and scrutinize the banking companies in India. Neither of the banks in India can operate without taking permission from RBI because this act made mandatory to register all banks with RBI. Listed Banks have to follow set regulations of SEBI for trading purpose; Companies Act 1956 under supervision of Ministry of corporate affairs and Reserve bank of India at same time. There are extraordinary guiding principles for Corporate Social Responsibility in companies’ bill 2013 which are applicable from 2014 – 2015. As per the recommendations of Khan Committee (2005) and Nachiket committee (2013), all commercial banks should be covered under financial inclusion plan and made it mandatory for them to submit annual report on CSR activities every year. Ten banks were selected to study the importance of CSR in strategy formulation. Under present study Content analysis was done to study annual reports generated from official website of these banks.
EVOLUTION OF BANKING SECTOR AND CORPORATE SOCIAL RESPONSIBILITY

1. **Phase 1 - Pre – independence (up to 1947):** During this phase Mahatma Gandhi gave a concept of trusteeship for women empowerment, social up betterment and development through sharing and caring.

2. **Phase 2 Pre – nationalization phase (1947 -1969):** In period of nationalisation phase a trend of intentional CSR actions based on cultural values, ethical values and moral values was found.

3. **Phase 3 - Expansion phase (1969 - 1984):** During the expansion phase a tendency of conformity of various legal laws was observed. The different laws i.e. Labour laws, compensation Act, environmental laws, minimum wage Act, etc. were being complied with in true spirit. There could be found certain mandatory business groups which accomplished fundamental responsibilities towards society and environment.

4. **Phase 4 - Consolidation phase (1985 – 2000):** In the consolidation phase the idea of CSR became vital significance and stakeholders started to be considered crucial than internal interested parties. Corporate houses started to realise that CSR activities can have impact on financial performance in short-term and on sustainability in the long run.

5. **Phase 5 - Restructuring phase (2000 onwards):** During this phase Corporate Social Responsibility turn out to be integral part of strategy formulation and execution. In this phase NGOs, Governments, and corporate groups were working together. After passing of New Company Act 2013, Section 135 became obligatory to comply with. To achieve the objective sustainable economic development, the integration of CSR initiatives with corporate strategies is must.

REVIEW OF LITERATURE

The importance of literature review in any research study can be compared with the opening batsman of the game cricket. Review of literature helps us to have a critical overview of various aspects of any subject i.e., research methodology used, findings of study etc. Therefore, review of literature identify the gaps existed in the literature and motivates researchers to explore that further. A lot of studies have been conducted on various aspects of Corporate Social Responsibility. We have reviewed sufficient number of them to have thorough knowledge of the topic to identify the research gaps. A few of them are mentioned below:

Bowen (1953) was the first person to provide the definition of corporate social responsibilities of a businessman. He concluded in his book that CSR is a duty of a businessman to practise those policies, to make those verdicts or to pursue those lines of action which are enviable in terms of
values of the general public. Friedman (1962, 1970) proposed that “There is one and only one social responsibility of business-to use its resources and engage in activities designed to increase its profits” and corporate social responsibility minimizes the corporation focus on profit.

Hederson (2001) suggested that corporate houses should focus on what they can do best, should generate job opportunities and augment the wealth of stakeholders. He found that private companies cannot do anything for CSR as interests of private companies are much different from public companies. Therefore the government must speak for society and not for businessmen. Waddock, Sandra A., and Samuel B. Graves (1997) studied the empirical relationship between CSR and financial performance. They found that corporate social performance is positively linked with financial performance. Thus, it may be concluded that firms with available resources may chose to spend those resources on "doing good by doing well," and that those resource allocations may result in improved CSP overall.

Verschoor and Murphy (2002) examined the top hundred best corporate citizens published in Business Ethics magazine and concluded that companies with strong communal values and practices demonstrate superior financial performance. Bhattacharya and Sen (2007) explained that innovative CSR practices could build consumer confidence as it exhibits that the firm is dedicated for betterment of society (the benevolence dimension of trust) and it is capable in effecting optimistic social change (the credibility dimension of trust). Siegel and Vitaliano (2007) outlined that corporate social responsibility takes place when corporations involve in such practices which appears to progress a social agenda beyond that which is mentioned by law. They further elaborated that corporate social responsibility occurs when companies make payment for social cause by sacrificing their profits.

Hoeffler & Keller (2002) outlined that companies practising appropriately for social responsibility do not contravene the law. They further add that corporations can get positive impact by taking voluntary initiatives by contributing for different environmental and social causes. These CSR activities help in building brand equity by promoting brand awareness and image. Deegan & Gordon (1996), Deegan et al. (2000), Adams et al. (1998), Patten (1992), and Campbell (2004) found in their researches that CSR initiatives, if augmented over a period of time then it will offer competitive advantage over other in the matters of contact with customer, investor, stakeholder, government etc. Frederick (1960) concluded in his study that the term CSR refers to the operations of a businessman that fulfils the hopes of the community. To put it in another way, scares sources of economy should be used in such a manner that production and distribution should increase the level of total socio-economic wellbeing.

Jensen and Meckling, (1976) mentioned in his study that, it is being observed from literature of banking industry that this requires special consideration because working prototype and
dimensions of banking companies are different from other companies in terms of funds & assets quality. Orlitzky et al (2003) used mete-analytical techniques to hold the proposition that CSR and corporate financial performance are positively correlated. He observed from this analysis that there is a higher correlation between CFP and organisation’s management of its societal impact than between CFP and a organisation’s management of its internal environment, which no doubt favours social programmers. Mohr and Webb (2005) mentioned that CSR had a significant and positive impact on assessment and purchase intent of corporation. They further concluded that American consumers “reacted more strongly to negative than to positive corporate social responsibility” and that a “low price did not appear to compensate for a low level of social responsibility”. Geoffrey Heal (2004) proposed a reasonable logical study of CSR, and recommend how it is replicated in financial markets. He further added that a program of activities taken to reduce externalized costs or to avoid distributional conflicts is called CSR.

**MAIN OBJECTIVES OF STUDY**

1. To examine the CSR practices of selected banking companies.
2. To examine the major areas of CSR activities of the selected companies.
3. To compare the amount spent by the Selected banking companies on CSR activities.

**RESEARCH METHODOLOGY AND DATA COLLECTION**

The study is an exploratory research in nature, where content analysis was done to investigate 10 selected banking companies in India during 2016-17. The banking companies were ranked on the basis of their total capitalisation. Annual reports and sustainability reports were explored from official websites to find out the required data for research.

**Table 1: Top Ten Public and Private Sector Banks**

<table>
<thead>
<tr>
<th>Type of Bank</th>
<th>Number of Bank</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public sector</td>
<td>4</td>
<td>40</td>
</tr>
<tr>
<td>Private sector</td>
<td>6</td>
<td>60</td>
</tr>
<tr>
<td>Total</td>
<td>10</td>
<td>100</td>
</tr>
</tbody>
</table>

Data is collected from official websites of banks for the purpose of detailed investigation of annual reports. Different parameters like ownership, major area of Corporate Social Responsibility contribution, Publication of business responsibility report, Formation of CSR committee, Publication of separate Corporate Social Responsibility report or sustainability and
total Corporate Social Responsibility amount contribution were considered to understand the propensity of bank.

1. **Analysis of Corporate Social Responsibility practices of Banking Companies**

The World Business Council for Sustainable Development has described Corporate Social Responsibility as the contribution of a business house to sustainable economic development. Corporate Social Responsibility typically includes commitments and activities relating to, Corporate Governance and Ethics, Health and Safety, Environmental Stewardship, Human rights, Sustainable Development, Safety And Health, Hours Of Work, Wages and Industrial Relations.

The CSR practices performance by companies varies from company to company. It is possible that areas of Social Responsibility of large companies may be different then the areas of small companies. India being a developing country has numerous kinds of companies operating in different sectors. From the annual reports of 10 selected Indian banking companies, following 13 different areas are identified where companies are providing assistance for development of the society:

1. Preventive Healthcare
2. Promoting Education
3. Social and Communal Welfare
4. Environment Conservation
5. Skill Development and Sustainable Livelihood
6. Poverty Eradication & Employment
7. Promoting Awareness on Swachh Bharat
8. Financial Literacy
9. Sports, Art and Culture
10. Women Empowerment and Child welfare
11. Energy Conservation
12. Disaster Management & Natural Calamities
13. Others (i.e. Rural Development, Capacity Building, Tree Plantation, Blood Donation and CM Relief Fund)
### Table 2: Analysis of CSR Practices of HDFC Bank Limited

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Actual CSR Spending (Million)</th>
<th>CSR Report Publication</th>
<th>CSR Committee</th>
<th>BRR Publication</th>
<th>Major CSR Areas</th>
</tr>
</thead>
</table>
| Non – Government owned organisation    | 3054.2                       | Under annual report as a section | Yes           | Yes             | 1. To Promote Education  
2. Skill Training and Livelihood Enhancement  
3. Financial Literacy  
4. Healthcare  
5. Environment Conservation  
6. Poverty Eradication  
7. Rural Development |

The Key Theme of CSR of HDFC is comprehensive growth and advancement of society in which they operate and therefore products and services centred on betterment of population, environment, employees, internal and external stakeholders and customer with extreme principled governance.

### Table 3: Analysis of CSR Practices of State Bank of India

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Actual CSR Spending (Million)</th>
<th>CSR Report Publication</th>
<th>CSR Committee</th>
<th>BRR Publication</th>
<th>Major CSR Areas</th>
</tr>
</thead>
</table>
| Government owned organisation           | 1098.2                       | Under annual report as a section | Yes           | Yes             | 1. Education  
2. Healthcare  
3. Skill Development and Livelihood Creation  
4. Environment Protection |
Key Theme of CSR of SBI is to cover various social, environmental and welfare activities through its original and pioneering products. SBI focuses on customer delight seriously and offered a full range of services to satisfy its customer. SBI Bank has an approved and complete Corporate Social Responsibility Policy.

Table 4: Analysis of CSR Practices of Kotak Mahindra Bank Ltd

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Actual CSR Spending (Million)</th>
<th>CSR Report Publication</th>
<th>CSR Committee</th>
<th>BRR Publication</th>
<th>Major CSR Areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non – Government owned organisation</td>
<td>173.3</td>
<td>Under annual report as a section</td>
<td>Yes</td>
<td>Yes</td>
<td>1. Education</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2. Skills and Livelihood</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3. Preventive Healthcare</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4. Poverty Eradication</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5. Sustainable development</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6. Promoting awareness of Swachh Bharat</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>7. Relief and rehabilitation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>8. Sports</td>
</tr>
</tbody>
</table>

Under Key Theme of CSR, Kotak Mahindra Bank has a Board approved and complete CSR policy and CSR. As per this policy the Corporate Social Responsibility agenda of bank is to positively contribute towards economic, environmental and social welfare of communities.
Table 5: Analysis of CSR Practices of ICICI Bank Ltd

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Actual CSR Spending (Million)</th>
<th>CSR Report Publication</th>
<th>CSR Committee</th>
<th>BRR Publication</th>
<th>Major CSR Areas</th>
</tr>
</thead>
</table>
| Non-Government owned organisation | 1823.6                       | Under annual report as a section           | Yes           | Yes             | 1. Education  
2. Healthcare  
4. Financial Inclusion  
5. Promoting awareness on Swachh Bharat. |

Key Theme of CSR of ICICI Banks is to provide sustainable banking products and services to provide for the needs of all type of customers. ICICI bank also acts in accordance with all environmental regulation prescribed by the government. There is a proper use of renewable energy for long term sustainability.

Table 6: Analysis of CSR Practices of Axis Bank Ltd

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Actual CSR Spending (Million)</th>
<th>CSR Report Publication</th>
<th>CSR Committee</th>
<th>BRR Publication</th>
<th>Major CSR Areas</th>
</tr>
</thead>
</table>
| Non-Government owned organisation | 1353.9                       | Under annual report as a section           | Yes           | Yes             | 1. Education  
2. Healthcare  
4. Financial Inclusion  
5. Promoting awareness on Swachh Bharat. |
Under Key Theme, philosophy of Axis bank is to contribute significantly on the lives of economically physically and socially challenged communities. This is to be done through a systematic approach of progress and development which focuses on sustainable livelihood, promoting education and skills development, financial literacy, environmental conservation and preventive healthcare.

**Table 7: Analysis of CSR Practices of IndusInd Bank Ltd**

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Actual CSR Spending (Million)</th>
<th>CSR Report Publication</th>
<th>CSR Committee</th>
<th>BRR Publication</th>
<th>Major CSR Areas</th>
</tr>
</thead>
</table>
| Non-Government owned organisation | 338.1                       | Under annual report as a section | Yes           | Yes             | 1. Development & sustainable livelihood.  
2. Education  
3. Healthcare  
4. Environment Protection  
5. Promoting awareness on Swachh Bharat  
6. Sports  
7. Awareness & Capacity Building |

Key Theme of CSR is intrinsically weaved into bank’s philosophy of creating enduring value for all stakeholders. The vision and mission of best articulate this philosophy. Bank engage in to fulfil the needs of business sustainability a responsibility building upon principle like ethics, transparency, accountability, product sustainability, employee well being, stakeholder engagement, environment protection and inclusive and equitable growth.
Table 8: Analysis of CSR Practices of Yes Bank Ltd

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Actual CSR Spending (Million)</th>
<th>CSR Report Publication</th>
<th>CSR Committee</th>
<th>BRR Publication</th>
<th>Major CSR Areas</th>
</tr>
</thead>
</table>

Key theme of CSR of Yes Bank is to create shareholder value through its responsible ethos, by implementing projects based on unique models with scalable and sustainable impact. The CSR policy articulates the Bank’s aim to deliver internal and external positive socio-environmental impact by following a unique approach.

Table 9: Analysis of CSR Practices of Bank of Baroda Ltd

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Actual CSR Spending (Million)</th>
<th>CSR Report Publication</th>
<th>CSR Committee</th>
<th>BRR Publication</th>
<th>Major CSR Areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government owned organisation</td>
<td>175.8</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>1. Education 2. Healthcare 3. Women welfare 4. Social welfare activities. 5. Promoting awareness on Swachh Bharat</td>
</tr>
</tbody>
</table>
Key Theme of CSR of bank is to be an answerable corporate citizen by fulfilling its obligations towards society. The bank is empowering the society through economic development of the deprived, neglected and poor sections of the country.

Table 10: Analysis of CSR Practices of Punjab National Bank Ltd

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Actual CSR Spending (Million)</th>
<th>CSR Report Publication</th>
<th>CSR Committee</th>
<th>BRR Publication</th>
<th>Major CSR Areas</th>
</tr>
</thead>
</table>
| Non-Government owned organisation | 27.2                          | Under annual report as a section | No            | Yes             | 1. Assistance during natural calamities  
2. Healthcare  
3. Training and development activities for farmers  
4. Tree Plantation  
5. Blood Donation Camps  
6. Distribution of Artificial Limbs |

Under Key Theme of CSR, CSR is an essential part of Bank corporate strategy. To give back to the society is the intention behind these activities for future generation. It involves its staff to undertake such activities for long term sustainability. They believe being responsible for society, environment and all stakeholders.
Table 11: Analysis of CSR Practices of Canara Bank

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Actual CSR Spending (Million)</th>
<th>CSR Report Publication</th>
<th>CSR Committee</th>
<th>BRR Publication</th>
<th>Major CSR Areas</th>
</tr>
</thead>
</table>
| Government owned organisation | 326.8                        | Under annual report as a section | No            | Yes             | 1. Education  
2. Healthcare  
4. Social welfare and relief.  
5. Energy conservation.  
7. Skill Development.  
8. Chief Minister Relief fund. |

Key Theme of CSR of Bank is to engage in diverse Corporate Social Responsibility activities. Under the CSR proposal of bank different activities are included, i.e. unemployment training schemes, ensuring healthcare facilities, clean drinking water and sanitation facilities, women empowerment and community development etc.

2. Area Wise Analysis of Corporate Social Responsibility activities of Banking Companies
Table 12: Major CSR Activities Reported by Banks

<table>
<thead>
<tr>
<th>Major Areas of CSR Activities</th>
<th>Number of Banks</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promoting Education</td>
<td>9</td>
<td>90</td>
</tr>
<tr>
<td>Preventive Healthcare</td>
<td>10</td>
<td>100</td>
</tr>
<tr>
<td>Social and Communal Welfare</td>
<td>2</td>
<td>20</td>
</tr>
<tr>
<td>Skill Development and Sustainable livelihood</td>
<td>9</td>
<td>90</td>
</tr>
<tr>
<td>Environment Conservation</td>
<td>4</td>
<td>40</td>
</tr>
<tr>
<td>Poverty Eradication and Employment</td>
<td>2</td>
<td>20</td>
</tr>
<tr>
<td>Promoting awareness on Swachh Bharat</td>
<td>5</td>
<td>50</td>
</tr>
<tr>
<td>Financial Literacy</td>
<td>3</td>
<td>30</td>
</tr>
<tr>
<td>Women Empowerment &amp; Child Welfare</td>
<td>2</td>
<td>20</td>
</tr>
<tr>
<td>Disaster Management &amp; Natural Calamities</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>Development of Arts, Culture and Sports</td>
<td>4</td>
<td>40</td>
</tr>
<tr>
<td>Energy conservation</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>Others*</td>
<td>6</td>
<td>60</td>
</tr>
</tbody>
</table>

* Other activities include, Rural Development, Capacity Building, Relief and Rehabilitation, Tree Plantation, Blood Donation and CM Relief Fund

Source: Author’s calculations based on secondary data
Figure 1 reveals that sample banking companies focus on few major areas to spend their CSR budget. Education, healthcare, skill developments for sustainable livelihood and promoting awareness on swachh bharat are on top of this list. In the area wise performance score there are four areas (health, education, promoting awareness on swachh bharat) where all the companies have performed excellent with respect to Corporate Social Responsibility Practices as these got 50 per cent to 100 per cent share of total CSR expenditure. From the analysis it has been found that the areas in which all the companies work substantially and significantly are education, health and sustainable livelihood.

3. Analysis of Prescribed and Actual Corporate Social Responsibility Expenditure of Banking Companies
Figure 2: Comparative View of Prescribed and Actual Spending of Selected 10 Banks with Respect to CSR Contribution (2016-17)

X-axis: Banking Companies; Y-axis : Average Prescribed and Actual CSR Expenditure (In Million)

The Figure 2 exhibits that the selected ten banks were ranked as per their market capitalisation share at the end of year 2016-17, clearly revealed that banks with high market capitalisation contribute good amount in CSR activities. It is clear that SBI, ICICI, Axis and HDFC bank are top four banks in the list.

Table 13: Comparison of Prescribed and Actual Expenditure of Banking Companies

<table>
<thead>
<tr>
<th>Name of Bank</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Df</th>
<th>T</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>HDFC Bank</td>
<td>17.040</td>
<td>54.926</td>
<td>4</td>
<td>0.694</td>
<td>0.526</td>
</tr>
<tr>
<td>State Bank of India</td>
<td>19.532</td>
<td>55.46</td>
<td>4</td>
<td>0.787</td>
<td>0.475</td>
</tr>
<tr>
<td>Kotak Mahindra Bank</td>
<td>25.232</td>
<td>10.050</td>
<td>4</td>
<td>5.614</td>
<td>0.005</td>
</tr>
<tr>
<td>ICICI Bank</td>
<td>5.20</td>
<td>29.17</td>
<td>4</td>
<td>0.399</td>
<td>0.710</td>
</tr>
<tr>
<td>Axis Bank</td>
<td>20.61</td>
<td>16.98</td>
<td>4</td>
<td>2.714</td>
<td>0.05</td>
</tr>
<tr>
<td>IndusInd Bank</td>
<td>11.62</td>
<td>8.297</td>
<td>4</td>
<td>3.13</td>
<td>0.035</td>
</tr>
<tr>
<td>Yes Bank</td>
<td>12.33</td>
<td>5.47</td>
<td>4</td>
<td>5.037</td>
<td>0.007</td>
</tr>
<tr>
<td>Bank of Baroda</td>
<td>71.07</td>
<td>5.41</td>
<td>4</td>
<td>29.364</td>
<td>0.0001</td>
</tr>
<tr>
<td>Punjab National Bank</td>
<td>63.60</td>
<td>32.38</td>
<td>4</td>
<td>4.391</td>
<td>0.012</td>
</tr>
<tr>
<td>Canara Bank</td>
<td>23.39</td>
<td>24.07</td>
<td>4</td>
<td>2.452</td>
<td>0.05</td>
</tr>
</tbody>
</table>

Source: Author’s calculations based on secondary data
Table 13 exhibits that, from the ten selected banking companies, null hypothesis is rejected for seven companies and it is concluded that there is a significant difference between prescribed and actual expenditure incurred on CSR activities. This shows that in banking sector, companies are not in position to spend as per the mandatory requirement under the law in force.

**FINDINGS OF THE STUDY**

For the development and growth of a country growth of banking companies is a pre-condition. Therefore, in Indian economy banks also playing a dominant role, just like blood in human body. This is the reason presently we have examined banking companies. Following are the findings or results of the study:

1. Earlier studies shows that banks were far behind as very few of them publish separate CSR report but the present study shows that during 2016-17 most of the banks publish CSR report and banks also publish business responsibility report.
2. Results highlight that the selected Indian companies have executed their corporate social responsibility obligations in the areas of their preference.
3. The result shows that Indian banking companies are using descriptive measures for corporate social responsibility practices.
4. Out of the selected ten banking companies, majority contributed less than the prescribed budgeted amount.
5. The study reveals in context with relative expenditure incurred on corporate social responsibility that, from the ten selected banking companies, null hypothesis is rejected for seven companies and it is concluded that there is a significant difference between prescribed and actual expenditure incurred on CSR activities. This shows that companies are not in position to spend as per the mandatory requirement.
6. The present study also disclosed that total earning and size of banks are very significant factor for corporate social responsibility initiatives. It is found that high income group banks contribute more towards CSR initiatives.
7. The present study also revealed that attention on social issues is more as compared to ecological issues, it may be possible because banking companies does not damage environment directly.

**CONCLUSIONS**

The present study attempts to analyse the responsiveness of selected Indian companies towards Corporate Social Responsibility. During the research, it is found that Indian companies have executed their corporate social responsibility obligations in the areas of their preference.
In the area wise performance score there are four areas (health, education, skill development & sustainable livelihood and swachh bharat) where all the companies have performed excellent with respect to Corporate Social Responsibility. From the analysis it has been found that the areas in which all the companies work substantially and significantly are education and health. In these areas all the companies have performed excellent with respect to Corporate Social Responsibility Practices as these got 50 per cent to 100 per cent share of total CSR expenditure. From the analysis it has been found that the areas in which all the companies work substantially and significantly are education, health and sustainable livelihood.

Indian companies are using descriptive measures for corporate social responsibility practices and majority of them contributed less than the prescribed budgeted amount. In the study relative expenditure incurred on corporate social responsibility is examined and found that, from the ten selected companies, null hypothesis is rejected for seven companies and it is concluded that there is a significant difference between prescribed and actual expenditure incurred on CSR activities. This shows that companies are not in position to spend as per the mandatory requirement.

Therefore it can be concluded that Indian companies are aware about Corporate Social Responsibility, but companies are irresponsible to some extent with respect to CSR. Our accounting system is not encouraging to adopt new and innovative measures for Corporate Social Disclosures. Hence it is the need of hour to develop and as well as to adopt global CSR measures. As companies, even after the amendment of companies Act are not spending as per recommended budget therefore Government and the other regulatory authorities must take some actions for the wellbeing of society.

REFERENCES


**ANNEXURE**

**Selected Banking Companies**

<table>
<thead>
<tr>
<th>No.</th>
<th>Banking Company</th>
<th>Prescribed CSR Spending FY 2016-17 (Million)</th>
<th>Actual CSR Spending FY 2016-17 (Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>HDFC Bank Ltd</td>
<td>3054.2</td>
<td>3054.2</td>
</tr>
<tr>
<td>2.</td>
<td>State bank of india</td>
<td>3284.1</td>
<td>1098.2</td>
</tr>
<tr>
<td>3.</td>
<td>Kotak Mahindra Bank Ltd</td>
<td>548.6</td>
<td>173.3</td>
</tr>
<tr>
<td>4.</td>
<td>ICICI Bank Ltd</td>
<td>1997.3</td>
<td>1823.6</td>
</tr>
<tr>
<td>5.</td>
<td>Axis Bank Ltd</td>
<td>2186.6</td>
<td>1353.9</td>
</tr>
<tr>
<td>6.</td>
<td>IndusInd Bank Ltd</td>
<td>553.8</td>
<td>338.1</td>
</tr>
<tr>
<td>7.</td>
<td>Yes Bank Ltd</td>
<td>600.2</td>
<td>416.6</td>
</tr>
<tr>
<td>8.</td>
<td>Bank of Baroda Ltd</td>
<td>905.0</td>
<td>175.8</td>
</tr>
<tr>
<td>9.</td>
<td>Punjab National Bank Ltd</td>
<td>120.0</td>
<td>27.2</td>
</tr>
<tr>
<td>10.</td>
<td>Canara Bank</td>
<td>331.8</td>
<td>326.8</td>
</tr>
</tbody>
</table>