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## **A Study on Corporate Social Responsibility Activities of State Bank of India**

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### **Abstract:**

Corporate Social Responsibility refers to the set of business practices which involve initiative of social welfare and benefiting society. This includes various efforts and strategies undertaken to enhance social welfare and economic development of society. Corporate Social Responsibility also known as Sustainable Responsible Business or Responsibility towards Society. It includes actions or activities taken by businesses to contribute to sustainable development through CSR contribution. The Main objective of CSR is ethical and socially responsible treatment of all stakeholders associated with a firm. This includes not only shareholders but creditors, employees, local community and society at large. State bank of



India is 1<sup>st</sup> Largest Bank in the Public sector bank which contributes into Corporate Social Responsibility Activities. State Bank of India contributes into various activities like Health Care & Sanitation, Education, Empowerment of Women, Environment, Rural and Slum Area Development etc. This Research considers the primary Corporate Social Responsibility actions done by SBI. Here, five years data covers for the purpose of evaluation in CSR Activities which are from 2018-19 to 2022-23.

## **Introduction:**

State bank of India has a strong tradition in contributing towards Corporate Social Responsibility activities. As Per the Guidelines of Reserve Bank of India, Bank can spend up to 1% of its previous year's Profit in CSR efforts or activities. Corporate Social Responsibility is one of the important activities through which a bank plays the role of responsible corporate citizen. The Aim of SBI towards Corporate Social Responsibility is to integrate economic, environmental and social objectives to implement national priorities for social development. Through CSR, banks want to help economically disadvantaged sections of society by providing benefits of social welfare. Mostly these activities are for rural and urban slums who are downtrodden people who need help in education, food and shelter, medical etc. So in this study, we are going to find out how much contribution in each sector is made by SBI and its growth in these activities.

## **Review of Literature:**

**(Gaurav Rath & Dr. Sunita Dhakene, 2022)** They have studied SBI's robust commitment towards corporate social responsibility. The Bank, with 14000 locations nationwide, recognised CSR as integral for long-term viability. This Paper examined primary CSR efforts of SBI for a span period from 2014-15 to 2017-18 for insight into their impactful contributions.

**(Dr. Benson Kunjukunju, 2020)** explores the study of Corporate Social Responsibility which is now a crucial management tool for long term success and sustainability, gaining Prominence in the corporate world. He considered study for 2016-17 and 2017-18 for study.



He focused on various sectors which were covered under CSR Activity of SBI through Descriptive and Analytical Study.

**(Merin Jose, 2017)** studied on Concept of CSR and CSR initiatives of State Bank of India for improving livelihood of people in rural areas. He considered secondary data from Annual Report of 2015-16 year. Based on that how much the bank contributed in different sectors that analysed.

**(Ankita Patel, 2016)** researched on two key players, State bank of India and Industrial Credit and Investment Corporation of India, analysing their CSR activities and spending from 2009-10 to 2015-16. She used Least Square Method for estimating CSR Spending for the 2016-17. She concluded that SBI spending towards CSR is more than ICICI.

### **Research Methodology:**

#### ***Objectives of Study:***

1. To Understand Knowledge about the concept of CSR.
2. To Identify CSR activities of leading Public Sector Bank- SBI.
3. To Understand Sector wise contribution of SBI.

#### ***Research Design:***

This Research is based on Descriptive methods of study. This Research is based on Secondary Data. The Research considers Period from 2021-22 to 2022-23 for State Bank of India. Data Collected from secondary data which are Annual Report of SBI, Newspapers, Websites, Journals etc.

#### ***Limitation Of study:***

The Research is based on secondary data so result and finding completely depends on it. So data are taken as per annual report, the amounts of CSR activity contribution are considered.



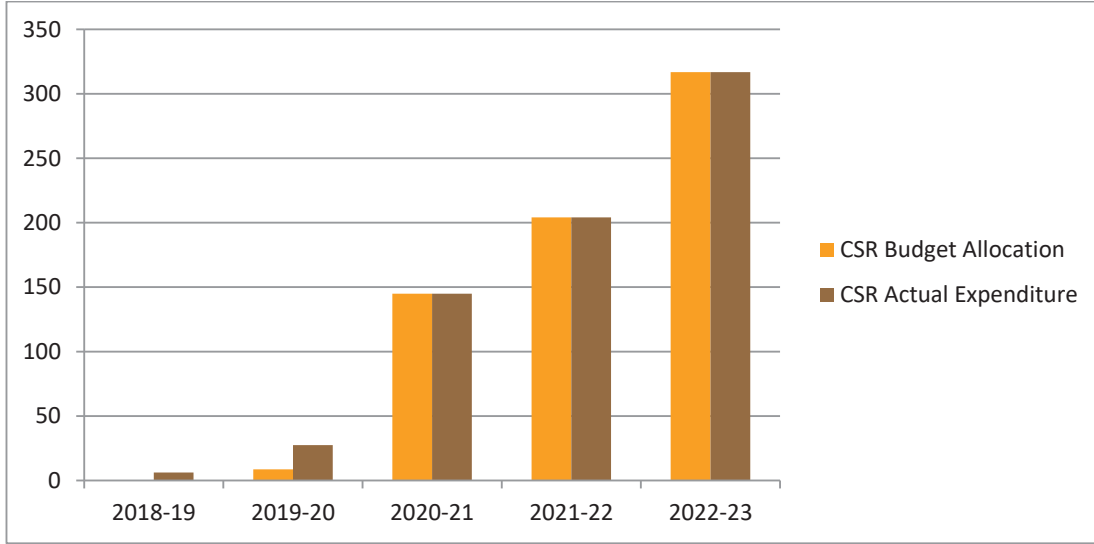
### *Data Analysis and Interpretation:*

The data collected for Total Budget of CSR, Expenditure or Spend amount towards CSR, Contribution towards Health care, Education, Women Empowerment, Swachhata & Environment and Rural & Slum Development.

**Table no.1 Total CSR Expenditure of SBI Bank:**

| <b>Year</b> | <b>CSR Budget Allocation<br/>(Rs. In Crores)</b> | <b>CSR Actual Expenditure<br/>(Rs. In Crores)</b> |
|-------------|--|---|
| 2018-19     | 0  | 6.24  |
| 2019-20     | 8.62   | 27.47   |
| 2020-21     | 144.88   | 144.88  |
| 2021-22     | 204.1  | 204.1   |
| 2022-23     | 316.76   | 316.76  |

State Bank of India took various initiatives for corporate Social Responsibility for the period of 2018-19 to 2022-23. The above table exhibits CSR budget allocation and CSR Actual Expenditure. In 2018-19, Bank has loss so as per RBI guidelines bank contribute 1% of net profit so that is Rs. 0 but bank done expenditure for Rs.6.24 crores. In 2019-20, budgeted Rs.8.62 crores and expenditure for Rs.27.47 crores were spent. In 2020-21, the Bank considered a budget for CSR Rs.144.88 crores budgeted, from this year the bank spent equal amounts in CSR activities. In 2021-22, SBI spent Rs.204.10 crores for various activities of CSR and in 2022-23-year, Bank Spent Rs.316.76 crores towards corporate social responsibility. The contribution towards CSR increased year by year and helped needy people and made growth in livelihood.



**Important Sector wise Contribution of CSR:**

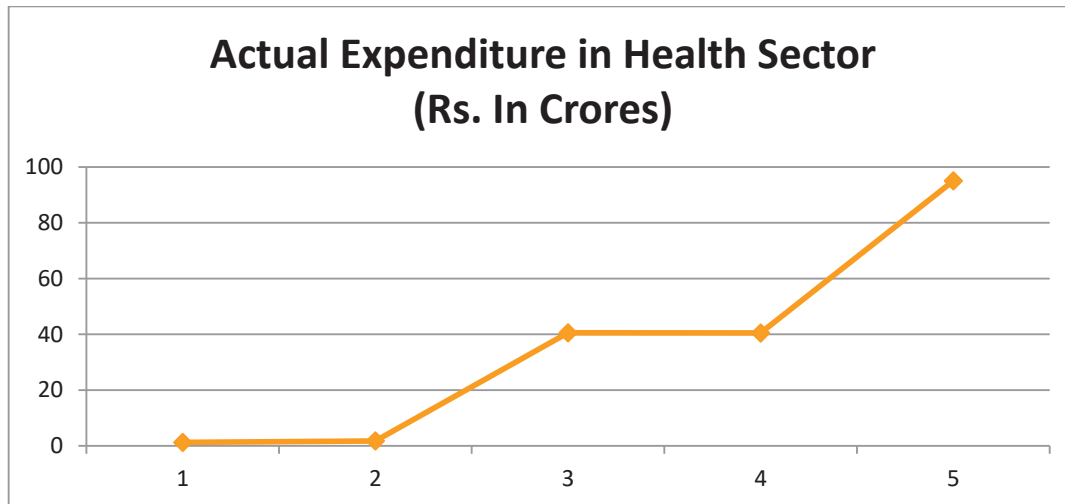
**Table No.2 CSR contribution in Healthcare Sector:**

| Year    | Actual Expenditure (Rs. In Crores) | Increase/ Decrease |
|---------|------------------------------------|--------------------|
| 2018-19 | 1.24                               | -                  |
| 2019-20 | 1.75                               | 0.51               |
| 2020-21 | 40.54                              | 38.79              |
| 2021-22 | 40.49                              | (0.05)             |
| 2022-23 | 95.03                              | 54.54              |

SBI provides contributions towards hospitals in concern of basic infrastructure and NGO in concern of medical facilities to privilege needy people. In 2018-19, the bank contributed Rs.1.24 crores in Health and sanitation. In the year 2019-20, banks contributed 6.37% of their CSR expenditure which is Rs.1.75 crores. In the next year, which rapidly increased and



reached up to a contribution of Rs.40.54 crores due to Covid-19 pandemic, The Bank supported this very well. In 2021-22, SBI contributed 19.84% of its CSR expenditure into the health sector and in 2022-23, SBI Contributed Rs.95.03 crores which was 30% of CSR spend.



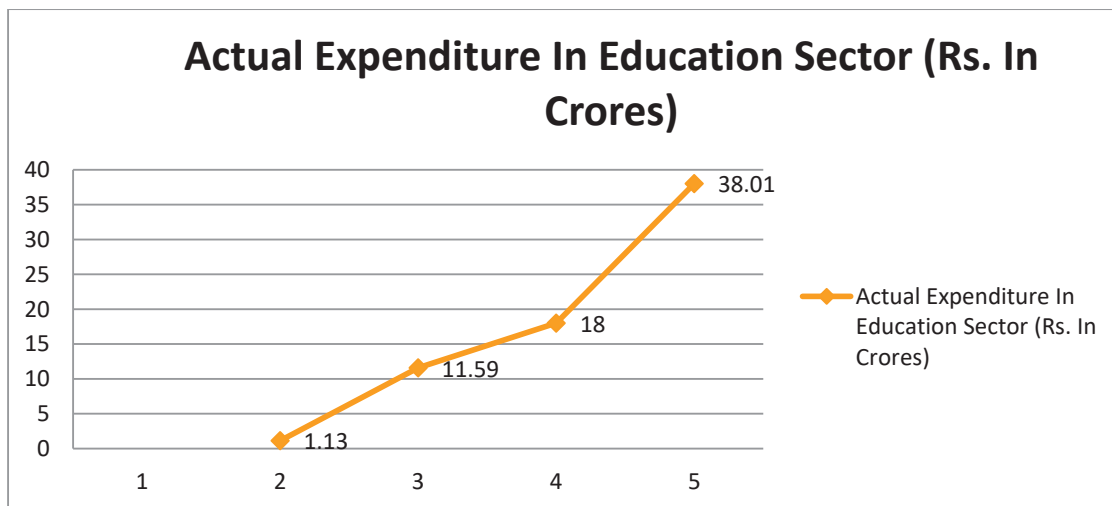
**Table No.3 CSR Contribution in Education Sector:**

| Year    | Actual Expenditure<br>(Rs. In Crores) | Increase/ Decrease |
|---------|---------------------------------------|--------------------|
| 2018-19 | -                                     | -                  |
| 2019-20 | 1.13                                  | -                  |
| 2020-21 | 11.59                                 | 10.46              |
| 2021-22 | 18.00                                 | 6.41               |
| 2022-23 | 38.01                                 | 20.01              |

Education is the most powerful weapon to bring growth and development to a country. Education gives learning and Knowledge so Learning leads to Earning. Bank strives to



support remote, underdeveloped and unreachable areas through Education. In 2019-20 Rs.1.13 crores which was 4.10% of total CSR spend. In 2020-21, the Bank spends Rs.11.59 crores which was increased by Rs.10.46 crores. In 2021-22, 8.82% of CSR expenditure Rs. 18 crores spent on the education sector. In the year 2022-23, Rs.20 crores contributions increased up to Rs.38.01 crores. In short, The Bank increases its education sector contribution year by year and promotes literacy through education.

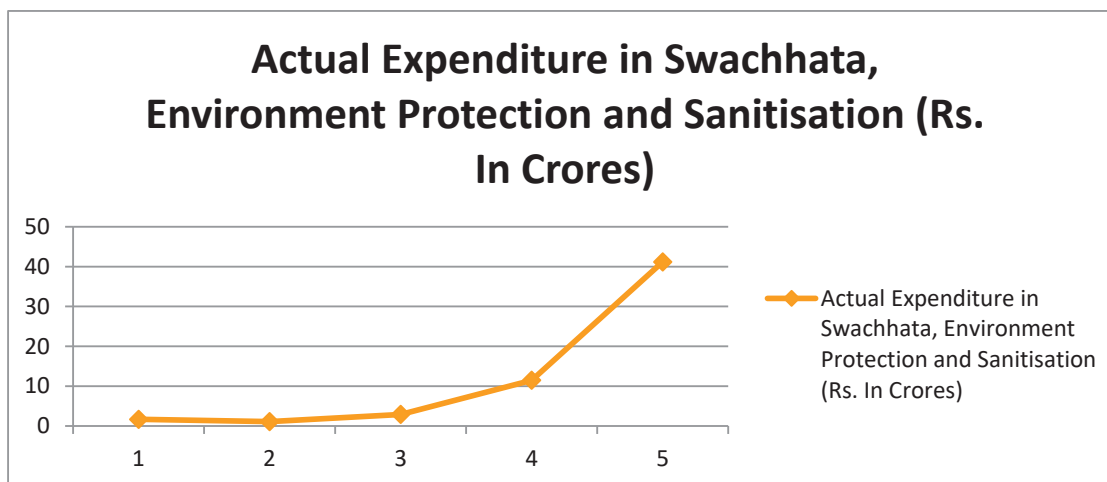


**Table No.4 CSR Expenditure on Swachhata, Environment Protection and Sanitisation:**

| Year    | Actual Expenditure (Rs. In Crores) | Increase/ Decrease |
|---------|------------------------------------|--------------------|
| 2018-19 | 1.67                               | -                  |
| 2019-20 | 1.1                                | (0.57)             |
| 2020-21 | 2.9                                | 1.8                |
| 2021-22 | 11.47                              | 8.57               |
| 2022-23 | 41.18                              | 29.71              |



The above table exhibits data of CSR expenditure on Swachhata, Environment Protection and Sanitisation. SBI supports our government's mission of "Swachh Bharat" and contributes in this sector. In 2018-19, SBI spent Rs. 1.67 crores for plastic free and beat plastic pollution. In 2019-20, 3.40% of total CSR spent on this sector was Rs.1.10 crores. In 2020-21, Rs. 2.9 crores spent on sanitary napkin vending machines, dumper bins and plastic recycle machines. In 2021-22, bank spend 5.62% of CSR expenditure on solar based deep-well pumping systems to provide water to wildlife, solar power units etc. In 2022-23, the bank spends Rs. 41.18 crores towards beach cleaning, distribution of jute bags, construction of toilets etc.



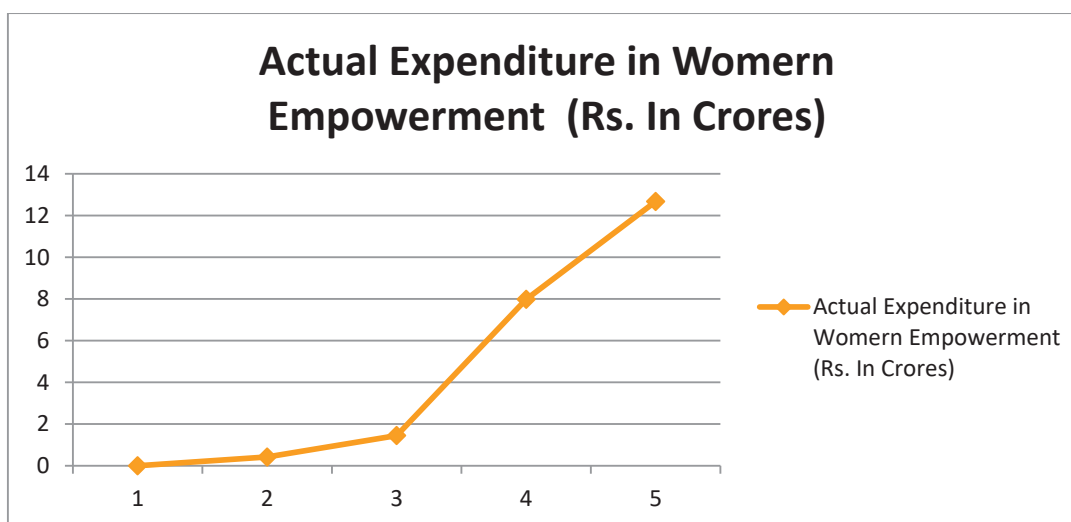
**Table No.5 Total Expenditure on Empowerment of women and senior citizen:**

| Year    | Actual Expenditure (Rs. In Crores) | Increase/ Decrease |
|---------|------------------------------------|--------------------|
| 2018-19 | -                                  | -                  |
| 2019-20 | 0.42                               | -                  |
| 2020-21 | 1.45                               | 1.03               |
| 2021-22 | 7.98                               | 6.53               |
| 2022-23 | 12.67                              | 4.69               |





Bank initiative, women empowerment and senior citizens like stitching training, computer library station etc. In 2019-20, 1.52% is spent on women empowerment of Rs. 0.42 crores which increase by Rs.1.03 crores and reach up to Rs. 1.45 crores in 2020-21. In 2021-22, the Bank spends Rs.7.98 crores in various women empowerment activities like Sachhi Saheli for sensitizing menstruating women and girls. In 2022-23, Rs. 12.67 crores spent on procurement and distribution of 100 laptops and 1305 sewing machines to enhance skill in women.

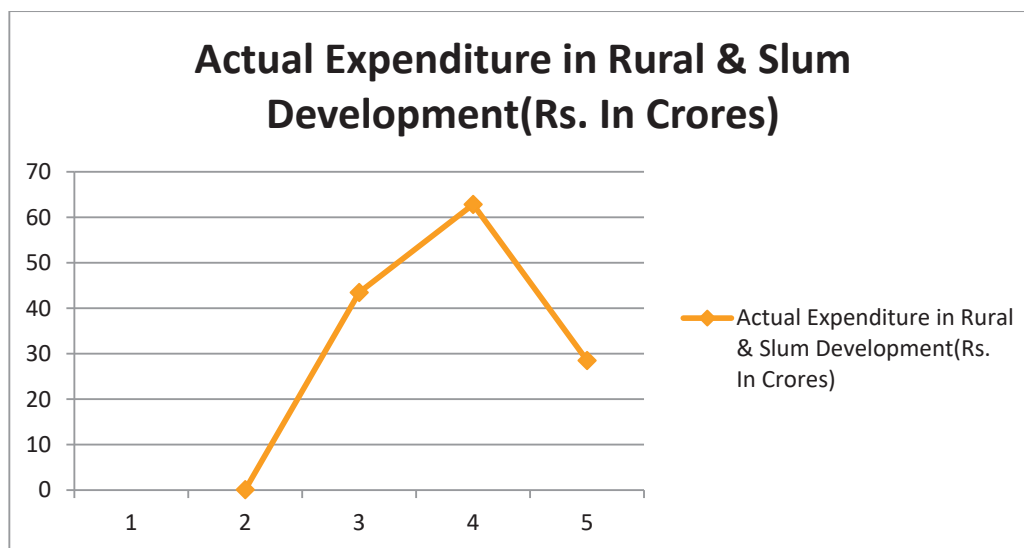


**Table No. 6 Total CSR Expenditure on Rural & Slum Development:**

| Year    | Actual Expenditure (Rs. In Crores) | Increase/ Decrease |
|---------|------------------------------------|--------------------|
| 2018-19 | -                                  | -                  |
| 2019-20 | 0.1                                | -                  |
| 2020-21 | 43.46                              | 43.36              |
| 2021-22 | 62.82                              | 19.36              |
| 2022-23 | 28.51                              | (34.31)            |



The above table shows CSR expenditure towards Rural and Slum area Development by state bank of India. In 2019-20, the Bank spent Rs.0.10 crores on this sector because at that year the bank contributed mostly on covid-19 pandemic. In 2020-21, banks contributed the highest 30% in this segment which was Rs.43.46 crores. In 2021-22, the bank spent the highest 30.78% for development of slum areas and rural development and in 2022-23, bank contributed Rs. 28.51 crores.



### Conclusion:

State bank of India is the first largest public sector bank who has been actively involved in CSR activity since 1973. The corporate social responsibility of bank touch millions of needy and poor people. The bank contributes every year constantly and helps the citizens for growth and development in living standards. Through Various CSR activities, bank achieve customer loyalty, increase staff enthusiasm, increase brand value etc. Thus, through this research studies, we can understand the state bank of India initiative and contribution towards Corporate Social Responsibility.



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