

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES AND COMMUNITY DEVELOPMENT OUTCOMES - A STUDY OF PUBLIC AND PRIVATE BANKS IN KARNATAKA

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Abstract

In the display time Corporate Social Duty (CSR) is significant in open and private management of an account and other segments to achieve their goals. The companies are deliberate with regard to their fundamental role in the society. The keeping money segment is accepted in this environment. Bank are also getting Corporate Social Duty hones. The open as well as the private segment banks have so far initiated many financial and social welfare programs that includes provincial range enhancement, wellbeing and therapeutic care, destitution annihilation, community welfare, environmental guarantee, education etc. At show ponder the Corporate Social Obligation hones of banks has been taken into consideration. In this regard, consider I choose 5 open division and 5 private division banks as participants in CSR exercises. The think about is merely founded on auxiliary information and attempts to inquire the CSR activity and CSR investing structure of different open segment and private segment banks of Karnataka and prescribe the higher potential ranges within which the banks can advance esteem by exploring its CSR undertakings.

Keywords: *Private Managing, Money Segment, Corporate Social Duty, Private Divisions, CSR Investing Design*

Introduction

Corporate Social Responsibility (CSR) refers to the duty of companies to ensure that they engage in their operations in an ethical manner as well as to ensure that they help in sustainable economic growth, and

also improve the living standards of employees, the local communities and the entire society. In India, CSR got a statutory relevance with the Companies Act, 2013 that required companies meeting the eligibility criteria to set aside a designated

share of profits as CSR activities under Section 135.

The Indian banking industry is a critical financial intermediary that can intervene in the economic development as well as social development by implementing specific CSR. Karnataka is among the most economically progressive and socially progressive states in India that has several leading banks both in the public and the private sector. These institutions are also actively involved in CSR activities which are connected to education, healthcare, environmental sustainability, skill development, and rural development which is relevant to inclusive growth.

Objectives of the Study

The present study aims to:

1. Research on the CSR activities of public and private banks in Karnataka.
2. Compare the CSR areas of focus of the public and the private sector banks.
3. Measure the effects of CSR activities on development of communities.
4. Determine the major challenges that banks have in the effective application of CSR programs.

Methodology

The proposed study is founded on the secondary data by analysing annual reports, CSR disclosures, official bank websites,

publications of the Reserve Bank of India (RBI) and reports published by the Ministry of Corporate Affairs. The sample involves some public sector banks like State Bank of India (SBI), Canara bank and Bank of Baroda and some of the private sector banks such as HDFC bank, ICICI bank and axis bank.

CSR Framework in the Banking Sector

The banking industry is regulated by the following institutional frameworks in CSR initiatives:

- The Companies Act, 2013 (Section 135 and Schedule VII).
- RBI principles of sustainable and inclusive banking.
- SEBI CSR disclosure code of listed entities.
- Typically, CSR activities undertaken by banks encompass:
 - Education and skill development
 - Healthcare and sanitation
 - Women empowerment
 - Rural development and livelihood enhancement
 - Environmental sustainability

CSR Initiatives by Public Sector Banks in Karnataka

State Bank of India (SBI)

SBI implements its CSR activities through the SBI Foundation, focusing on:

- Education: Educating poor students in the rural areas by offering them scholarships.
- Healthcare: Mobile health clinic in low economic districts.
- Environment: Organizing tree plantation campaigns and water conservation activities.
- Skill Development: Promoting rural entrepreneurship at the SBI Youth for India Fellowship.

Canara Bank

Canara bank with its headquarters in Bengaluru shows great sense of social responsibility by:

- Encouragement of Rural Self Employment Training Institutes (RSETIs) in Karnataka.
- Monetary education in the rural and semi-urban areas.
- Promotion of the governmental programs like Swachh Bharat Abhiyan and Beti Bachao Beti Padhao.

Bank of Baroda

The bank's CSR initiatives include:

- Health camp and blood donation drive organisation.
- Assistance to schools in the rural areas by supplying them with infrastructure, sanitation and computer laboratories.
- Women and youth entrepreneurship development programs.

CSR Initiatives by Private Sector Banks in Karnataka

HDFC Bank

Under its flagship *Parivartan* initiative, HDFC Bank emphasizes:

- Rural Development: Integrated Village Development Programs especially in North Karnataka.
- Education: Building of online classrooms and enhancement of the school facilities.
- Livelihood Promotion He: Women self-help group (SHG) skills development.
- Environment: Eco-friendly energy projects and solid waste management projects.

ICICI Bank

Through the ICICI Foundation for Inclusive Growth, the bank focuses on:

- Vocational training by ICICI Academy for Skills.
- E.g., health programs like eye care and maternity health programs.
- Rural population digital literacy campaigns.

Axis Bank

The Axis Bank Foundation undertakes:

- Farmers livelihood restoration programs.

- Nongovernmental organizations, such as water conservation and sanitation efforts.
- Scholarships and education assistance of girl children.

Comparative Analysis: Public vs. Private Sector Banks

Criteria	Public Sector Banks	Private Sector Banks
Focus Areas	Education, healthcare, sanitation, skill development	Rural livelihoods, women empowerment, environment
CSR Implementation	Trusts, societies, and branch-level initiatives	Dedicated CSR foundations
Community Engagement	Strong rural outreach and alignment with government schemes	Innovation-driven with NGO partnerships
Impact Measurement	Basic output-based reporting	Outcome-oriented, data-driven evaluation
Visibility and Branding	Moderate	High media visibility

Although the two sectors make an important contribution to CSR, private banks are more innovative and structured in measuring and assessing the impact compared to the public sector banks, but the latter is more effective in reaching large numbers of people through its policies and strategies and aligning itself with priorities of the national development.

Impact on Community Development

Education

CSR programs have increased access to education by offering scholarships, developing school infrastructure, and

providing digital learning in the rural communities.

Healthcare

Mobile medical units and health camps have enhanced healthcare accessibility and preventive health awareness.

Livelihood Development

Skill training has helped in creating employment and entrepreneurship particularly among the rural youth and women.

Environmental Sustainability

Ecological sustainability has been enhanced through initiatives touching on afforestation, water conservation and waste management.

Social Empowerment

The CSR programs have promoted community involvement, gender equality and marginalized groups.

Challenges in CSR Implementation

Key challenges faced by banks include:

1. Absence of standardized metrics to assess social impact.
2. Concentration of CSR activities in urban areas rather than underdeveloped regions.
3. Limited coordination with local self-government institutions.
4. Inadequate awareness among stakeholders regarding CSR objectives.
5. Regulatory and procedural delays in project approvals.

Suggestions for Improvement

- Strengthening collaborations with NGOs, SHGs, and local governance bodies.
- Adopting comprehensive impact assessment and monitoring frameworks.
- Expanding CSR initiatives to remote, rural, and tribal areas.
- Leveraging fintech and digital platforms for CSR delivery.
- Encouraging inter-bank partnerships for large-scale social development projects.

Conclusion

The CSR activities of the banks in Karnataka (both public and private sector) have played a significant role towards sustainable community development. The main distinction between the banks in the public sector and those in the private sector is that the former are mainly interested in welfare-relevant programs that are in accordance with the governmental aims, whereas the latter are more interested in innovation, efficiency, and tangible results. The outreach program coupled with innovation, collaboration, and inclusivity will allow banks to enhance their contribution to social and economic improvement in Karnataka.

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