



PNB: CSR Revolves Around in Sustainability, Social Investment, Education and Health

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ABSTRACT

In developing country like India, banking sector plays a very important role in upgrading the economy of the country not only by lending money or increasing the liquidity in the country but also by imposing a new practice called corporate social responsibility (CSR). RBI played a important role in supporting the concept of CSR by passing a circular in the year 2007, December, directed banks to undertake CSR initiatives for sustainable development .The Banking sector is in a leading position in discharging CSR in the country. In this paper I am discussing PNB is also a big player of Banking Sector under Public Sector which has contributed in a lot in CSR strategies like Sustainability, Corporate volunteering, social investment, health, collaboration, and green initiatives.

KEYWORDS

Corporate social responsibility, Sustainability, Social investment

INTRODUCTION

Banking in India in the modern sense originated in the last decades of the 18th century. The first banks were Bank of Hindustan (1770-1829) and The General Bank of India, established 1786 and since defunct.

The largest bank, and the oldest still in existence, is the State Bank of India, which originated in the Bank of Calcutta in June 1806, which almost immediately became the Bank of Bengal. This was one of the three presidency banks, the other two being the Bank of Bombay and the Bank of Madras, all three of which were established under charters from the British East India Company. The three banks merged in 1921 to form the Imperial Bank of India, which, upon India's independence, became the State Bank of India in 1955. For many years the presidency banks acted as quasi-central banks, as did their successors, until the Reserve Bank of India was established in 1935.

In 1969 the Indian government nationalised all the major banks that it did not already own and these have remained under government ownership. They are run under a structure known as 'profit-making public sector undertaking' (PSU) and are allowed to compete and operate as commercial banks. The Indian banking sector is made up of four types of banks, as well as the PSUs and the state banks, they have been joined since 1990s by new private commercial banks and a number of foreign banks.

Punjab National Bank was registered on 19 May 1894 under the Indian Companies Act, with its office in Anarkali Bazaar, Lahore. The founding board was drawn from different parts of India professing different faiths and a varied back-ground with, however, the common objective of providing country with a truly national bank which would further the economic interest of the country. PNB's founders included several leaders of the Swadeshi movement such as Dyal Singh Majithia and Lala Harkishan Lal, Lala Lalchand, Shri Kali Prosanna Roy, Shri E.C. Jessawala, Shri Prabhu Dayal, Bakshi Jaishi Ram, and Lala Dholan Dass.

Punjab National Bank (PNB) is an Indian financial services company based in New Delhi, India. PNB is the third largest bank in India in terms of asset size. It was founded in 1895 as a private banking company by Lala Lajpat Rai and is current-

ly the second largest state-owned commercial bank in India ahead of Bank of Baroda with about 5,000 branches across 764 cities. It serves over 37 million customers. The bank has been ranked 248th biggest bank in the world by the Bankers' Almanac. The bank's total assets for financial year 2013 were about US\$6.6 billion. Punjab National Bank is one of the Big Four banks of India, along with State Bank of India, ICICI Bank and Bank of Baroda. PNB has a banking subsidiary in the UK, as well as branches in Hong Kong, Dubai and Kabul, and representative offices in Almaty, Dubai, Oslo, and Shanghai.

OBJECTIVE OF THE STUDY

The Present study aims to evaluate the different dimensions of Corporate Social Responsibility by studying the following Objectives:

- To Study the concept of CSR.
- To Study the Major areas of CSR practices in Indian banking sector.
- To Focus on the Present Status of CSR in Banking.

METHODOLOGY

Research methodology is the blue print of the research which is going to be conducted. I have been selected for the study i.e. PNB. The Data is collected from secondary sources particularly from concerned Banks Annual Report, Web sites, newsletters, magazines and data from various journals.

CORPORATE SOCIAL RESPONSIBILITY OF PUNJAB NATIONAL BANK:

"CSR is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large".

Punjab National Bank views Corporate Social responsibility (CSR) as a commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders including investors, customers, employees, business partners, local communities, the environment and society at large and contribute to the quality of life of the society. At the heart of this strategy is our Bank's unwavering commitment to build vibrant communities across our global footprints. This commitment comes to life through our investment in institutions and programmes to support and en-

hance Community Development in a sustainable fashion. The bank leverages the core competencies in following ways:

Sustainability:

PNB intends to be a catalyst for change that benefits present and future generations. Sustainability is an integral part of all PNB activities – in our core business and beyond. Thus it believes in being responsible to our shareholders, clients, employees, society and the environment.

Corporate Volunteering:

It is the motive behind our CSR activities. The message that the bank gives to the staff regarding CSR is that whatever they do will have an impact on future generations. Thus, they undertake CSR activities with full participation by our staff members. Their employees even volunteer their personal time in contributing to society through various CSR activities.

Health:

They strongly endorse the view that healthy mind and healthy body in a healthy environment is essential for overall growth of society and the nation. Thus, they invest in areas that facilitate such enhancements.

Green Initiatives:

They have implemented some quick win “Green practices” to conserve resources be it electricity, water, paper, etc. They have introduced “Green audit” of all their functional units to sensitize the staff towards sustainable practices. They are making efforts for rainwater harvesting in existing buildings and new constructions are environment friendly. They are promoting wind energy and Popularizing solar energy usage in rural areas.

Collaboration:

The Bank engages with local agencies so as to offer facilities as per the local needs and requirements. They have district coordinators for better access to Government machinery and equipment for carrying our social responsibilities. The Bank also collaborates with local panchayats/Self Help Groups for facilitating better acceptability and do vetailing products as per requirements of local populace. Their alliances with local organizations help ensure that they are supporting programs that are most likely to succeed and facilitate long-term, positive change.

QUALITY POLICY:

- To effectively meet customer's requirements and endeavour to achieve total customer satisfaction.
- To gain consistent faith and confidence of customers and potential customers regarding the quality of services rendered.
- To pursue excellence through continuous improvement in all areas and to distinguish ourselves by the quality of our services.
- To achieve operational efficiency by attaining better productivity and profitability.
- To work and act in such a manner that all services rendered in due course of banking lead to excellence and improved credibility and image of the Bank

CBS - 'BENEFITS' TO CUSTOMERS:

- Instant funds transfer
- Cheques collection/Deposit across cities
- Cheques can be deposited at the centre where it is drawn
- Interconnected ATM's
- Access of accounts through any CBS connected branch
- SWIFT remittance facility
- Instant generation of statement of accounts
- PNB Prudent Sweep-Scheme for saving Fund A/c Holders
- PNB Smart Roamer-Scheme for current A/c holder (Sweep in and Sweep out facility)

MAJOR CSR AREAS

- (a) PNB Farmer Welfare Trust
- (b) Farmers Training Centers
- (c) Model Villages
- (d) PNB century Rural Development Trust
- (e) PNB Swarozgar Vikas Santhan

KEY OBSERVATIONS

PNB regards Corporate Social Responsibility (CSR) as an investment in society and in its own future. The aim of the bank is to create social capital. The Bank has its own report on CSR but fails to publish global standard CSR report. Moreover, no fund is earmarked for pursuing CSR activities. The thrust of the bank on CSR revolves around in sustainability, social investment, education and health. The bank establishes two TRUST for the rural development and to foster financially inclusive growth in the economy. In addition, the Bank has laid emphasis on capacity building and training of intermediaries. The Bank has also set up Rural Development and Self Employment Training Institute (RUDSETI) as per the direction of the Ministry of Rural Development. Adoption of villages for development is the unique feature of PNB's CSR policy.

CONCLUSION

Punjab National Bank views Corporate Social responsibility (CSR) as a commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders including investors, customers, employees, business partners, local communities, the environment and society at large and contribute to the quality of life of the society.

The Banks under study have recognized their responsibility towards the society and are making their contribution in the field of employment generation, education, farmer training, women welfare and women empowerment, Sustainability, Corporate volunteering, social investment, health, collabora-

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