

CORPORATE SOCIAL RESPONSIBILITY (CSR) EXERCISES OF A FINANCIAL INSTITUTION IN BANGLADESH: A STUDY ON SOCIAL ISLAMI BANK LTD. (SIBL) (SAVAR BRANCH, DHAKA)

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ABSTRACT

The practice of Corporate Social Responsibilities in corporate world as well as financial institutions has brought a new shape to the social economic scenario of the world around. Under these issues can be grouped including training and education, leadership, health and safety, working conditions, human rights, stakeholder engagement and corporate governance. CSR practice in Bangladesh is a new dimension which is the main focus point of this paper. Though Bangladesh Bank, the central authority to guide the banking sector in Bangladesh has already provided some directives about CSR practices in banking sector, it is a long way to adopt the CSR culture by the banks. The objectives of the study are to gather broader knowledge about CSR activities of SIBL. For this, the study tries to identify the major areas and strategies followed by SIBL while performing CSR activities and evaluate the CSR contribution in proportion of profit. In our country many of the financial and non-financial institutions are not aware of CSR activities and they have not started practicing it yet. The aim of the paper is to focus on the CSR activities of different fields of financial institutions. Exploratory research design has been used for this study and the nature of the study is qualitative. Both primary and secondary data have been collected for this study. In-depth interviews with 20 employees of the bank are conducted. Secondary data are collected from different annual papers, CSR journals and different websites regarding CSR practices of banks. Social Islami Bank Limited is dedicated itself towards the welfare of the society. Although SIBL has not formed a strong separated CSR foundation but it does much social-welfare activities. SIBL also has some specific strategy and follows the regulations set by the Government. SIBL has its greatest contribution in Corporate Social Responsibilities (CSR). Their focused areas of CSR are mainly education, health, disaster relief, sports, social awareness and social development and so on, one of the reputed first generation banks in the growing banking sector in Bangladesh. From the research it is found that SIBL is contributing for poverty alleviation, working in collaboration with local community, developing relationship with employees and customers as CSR activities. SIBL enjoy some benefits of practicing CSR activities such as-reducing cost and risk, gaining competitive advantage, have positive impact in customers mind, can promote respect for the company, increases employee motivation, improves company's social standing, improves company's brand reputation, reduce employee turnover.

Keywords: Corporate Social Responsibility (CSR), Social Islami Bank Limited., CSR management and practices

Introduction:

Corporate Social Responsibility (CSR) is a concept well known in the corporate world and beyond that. All over the world CSR activities have practiced only profit making actions at past but not for long. Through CSR enterprises are intent to strike a balance between economic and social goals, where resources are used in a rational manner and social needs are be addressed responsibly. CSR can be viewed as a comprehensive set of policies, practices, and programs that are integrated into business operations, supply chains, and decision making processes throughout the company and include responsibilities for current and past actions as well as adequate attention to future impacts.

Social Islami Bank Limited (SIBL) is a banking company registered under the companies Act 1994 with its heads office 15 Dilkusha C/A, Dhaka-1000. The bank operates as a scheduled bank under a banking license issued by the Bangladesh Bank. The Bank started its operation from 22, November 1995. As an Islamic Bank, Social Islami Bank Limited is quite conscious of its social responsibilities and is trying to participate in social cause related program in the country. The bank has already formed CSR Desk with the aim to serve humanity through different philanthropic activities giving emphasis on health and Education. The bank believes that any kinds of social & philanthropic activities would improve the quality of the lives of the poor masses of the country. In this paper, a comparative view of corporate social responsibilities (CSR) of SIBL is presented and also defines the concept of corporate social responsibilities and now-a- days how important it is in the banking sector of Bangladesh. Along with the analysis of the corporate social activities of SIBL, this paper also has focused on the expenses that the bank bears and the benefits get because of these corporate social activities.

Background of the Study:

Business is an inseparable and embedded part of the society. Besides conducting business activities and pursuing economic gains, business houses also have several other roles and responsibilities towards society such as the social and environmental responsibilities and business contributions that would benefit the society at large. In the modern era commercial banks are not only engaging in profit making but also paying attention to their social responsibilities. This particular paper is prepared with a

view to providing an overall overview of CSR activities of commercial banks and its practicing areas. Besides it will help us along with any reader of this particular framework to learn about corporate social responsibilities, its regulatory framework and lastly advantages and utilities in a brief manner at least.

Scope of the Study:

In Bangladesh, CSR activities are not very popular yet. Under the policies of Bangladesh Bank some financial institutions have started thinking about CSR and they have also been implying those policies in different sectors. But these are not sufficient in relation to the world perspective. This paper has mainly focused on one specific financial institution named Social Islamic Bank Ltd (SIBL) (Savar Branch, Dhaka) to make an example for other financial institutions in our country which do not do any kind of research or follow any guidelines related to CSR activities for their institutions.

We have chosen Bangladesh as our sample because Bangladesh is a Least Developed Country (LDC) and in our country our investment is huge just to fulfill the basic needs. So our government has very few scopes to invest on the social developments. In that case, this is very important that the private sectors like, Pharmaceuticals, private firms and different financial institutions to auspicate the social responsibilities which are necessary for a country like us. This article can give an idea for those financial institutions which have resources for taking initiatives toward society beyond maintaining central Bank's order. It has been observed that SIBL (Social Islamic Bank Ltd.) is just complying Bangladesh Bank's regulations of CSR activities in limited way but further CSR activities are needed.

Objectives of the Study:

The objective of the study may be viewed as:

General Objective: To analyze the Corporate Social Responsibility (CSR) Exercises of a Financial Institution in Bangladesh: A Study on Social Islami Bank Ltd. (SIBL) (Savar Branch, Dhaka).

Specific Objective: The specific objectives are:

- To gather broader knowledge about CSR activities of SIBL.
- To identify the major areas and strategies followed by SIBL while performing its CSR activities.
- To evaluate the CSR contribution in proportion of profit of SIBL.

Methodology of the Study:

The survey is conducted based on exploratory research to get insight and understanding about the CSR practices of SIBL. The nature of the study is qualitative. Both primary and secondary data have been collected for this study. In-depth interviews with 20 employees of the bank are conducted. The sample size was 20 among which 18 respondents were employees, 02 were beneficiary of SIBL. In-depth interviews has been conducted by structured questionnaire with five points Likert Scale. Secondary data are collected from different annual reports, CSR journals and different websites regarding CSR practices of banks. Social Islami Bank Limited is dedicated itself towards the welfare of the society. Sample selection has been made as per non-probability convenience sampling process. Microsoft Excel and Microsoft Word software package have been used for primary data and secondary data research has been conducted to identify the variables. Reliability and validity of the outcomes of a study is depends on the reliable data and information.

Literature Review:

Carroll A, B. (1991), "*The pyramid of corporate social responsibility*":*Toward the Moral Management of Organizational Stakeholders*", Business Horizons. He organized different corporate social responsibilities as a four-layered pyramid model and called it the pyramid of responsibilities.

According to Carroll and Buchholtz (2003), the pyramid of responsibilities should be seen as a whole and the different parts should not be separated. To be profitable as a company, minimize cost and maximize sales or make sensible strategic decisions are at the base of **economic responsibilities**. Economic performance is required by the society. The second layer is the **legal responsibilities** and it is also required by society. In these responsibilities companies are expected to obey the law, because the law mirrors show the society regards as accepted or unaccepted. The difference of the **ethical responsibilities** from the first two responsibilities is that the ethical responsibilities are not required but expected by society. To assert ethical leadership, avoid questionable practices or operate above the minimum standard of the law could be examples for the ethical responsibilities. The **philanthropic responsibilities** stand at the top of the pyramid and to be a good corporate citizen and improve the quality of life for the society is the aim of these responsibilities. Corporate contributions, to support the community by providing programs or engagement in volunteerism can be example for the philanthropic responsibilities. To some extent the philanthropic responsibilities are desired and expected by the society.

According to Samina (2012) banks all over the world, in developed as well as in developing countries, are adopting various social activities for social sustainable developments. Consequently, CSR disclosure studies have been carried out both in developed and developing countries, however according to Ahmad et al. (2003), studies in developing countries are limited. This

section reviews the prior studies of CSR disclosures by commercial banks in various countries focus but not limited to developing countries.

Dusuki & Dar (2005) found that the areas and dimensions of CSR as proposed by many Western theoreticians and international bodies may well be applied to Islamic banking since most of them were consistent with the spirit and the teachings of Islam. Al Omar and Abdel-Haq (1996) indicated the duty of Islamic banks towards the society in which they operated by providing a clear expression outlined in the public statement of the International Association of Islamic Banks. Farook (2007) recognized the dimensions of Islamic social responsibilities for Islamic Financial Institutions. Hasan (2005) and Tag el-

Alam S.M.S, et. al. (2010) in a paper entitled "Corporate Social Responsibility of Multi National Corporations in Bangladesh: A Case study on Grameenphone" pointed out that CSR is still an evolving concept that enables corporate executives to create and apply self determined policies to best meet the needs and demands of its stakeholders.

In Bangladesh Alam (2000) undertakes a case study on interest- free financial institutions in Bangladesh known as Islamic Bank Bangladesh Limited. Sarker (1999) in his study analyzes the performance, problems and prospects of Islamic Banking in Bangladesh. Islam, Hossain and Haque (2005) found that a significant statistical difference in sales revenue and in employee size between companies having environmental disclosure and companies not having environmental disclosure prevails in Bangladesh through using Wilcoxon rank sum test and Mann-Whitney U Test. Wise & Mahboob Ali (2009) determines the nature and extent of CSR papering in the conventional banking sector in Bangladesh and to assess the need to improve CSR by such firms. Wise & Mahboob Ali (2010) further extends their work by concentrating to the nature and extent of corporate social responsibility disclosure in the banking sector in Bangladesh. But up to now no research has been done on the CSR activities of Islamic banks in Bangladesh. So this paper focuses light to the concept of CSR from the perspective of Islamic Shariah and the practice of CSR specifically by the Islamic banks in Bangladesh. Basically this paper tries to see the extent to which Islamic banks in Bangladesh are engaged to CSR activities. In this case we follow the guidelines set by Farook (2007) regarding the CSR of Islamic banks according to Islamic Shariah.

Duarte and Rahman (2010) this paper has papered the findings of an exploratory study which examined perceptions in relation to CSR by a heterogeneous group of Bangladeshi managers from Dhaka. They found some of the responses also showed a common misconception that the notions of CSR and philanthropy are equal with each other. Only a few respondents acknowledging environmental concerns as a dimension of the CSR concept and a significant number expressed approval of CSR strategies, emphasizing that they would like to see CSR implemented in their own company.

Belal (2001) suggests that. As noted earlier, corporate papering in general and CSR in particular is greatly influenced by social, political, cultural, legal, economic and technological factors, so this paper measures the extent and volume of disclosures of CSR practices in Bangladesh by using content analysis, and explores the socio-political and economic context in which these disclosures take place. CSR practices in Bangladesh have been examined in this article under three disclosure categories as employee disclosures, ethical disclosures, and other disclosures.

Metwally (1992), Aggarwal & Youssef (2000), Maali et al (2003) found that Islamic banks are not completely fulfilling their role in accordance with the prescription of Islam. The same sort of result was found by Usmani (2002). He found that very few Islamic banks and financial institutions have paid attention to the social aspects. He further highlight that in a number of Islamic banks, other permitted forms of financing are not affected according to the procedures required by the Shariah. Now it is the time to evaluate the scenario in context of Islamic Banks of Bangladesh.

Azim et al. (2011) in a study named "Corporate Social Disclosure in Bangladesh: A Study of the Financial Sector", Corporate social responsibility is not the only ethical dilemma that financial institutions face in an atmosphere of corrupt corporate practice. The literature recognizes that CSR practices differ from country to country (Adams, Hill & Roberts, 1998b) and between developed and developing countries (Imam, 2000). Furthermore the nature and patterns of CSR vary between types of industry (Gray, Javad, Power & Sinclair, 5 2001). Surveys of CSR practices in western countries reveal that companies place the greatest emphasis on disclosing human resource information such as employee numbers and remuneration, equal opportunities, employee share ownership, disability policies, and employee training (Gray et al., 2001).

Corporate Social Responsibilities exercised by SIBL:

CSR means the corporate social responsibility which means encompassing the economic, legal, ethical and discretionary expectations that society has of organizations at a given point in time. In a simple way it can be said that CSR is a business's concern for the welfare of the society. It is based upon some basic principles as integrity, fairness and respect. For SIBL, a business is always based upon goodwill and trust of the customers and stakeholders. SIBL always mention themselves as the trusted partner of the customers. So, to expand this trust they take the initiatives of doing CSR programs which help them strengthen the trust.

As a part of Corporate Social Responsibility (CSR) activities the Bank spent Taka 5.77 crore against Taka 6.51 crore in 2014 under **Health, Education, Sports, and Disaster Management and Environmental programs**— mostly belonging to social benefit and reforms their commitment to support many other sectors. SIBL is extending financial help to different orphanages, schools, madrasahs, social organizations & individuals who are suffering from fatal diseases like cancer, kidney failure, and heart diseases etc. The main sources of fund behind the CSR activities of the bank are:

- Cash Waqf Fund,
- Compensation Fund,

- Doubtful Income
- Zakat Fund

Bangladesh Bank provides DOS Circular No. 01 dated 1 June, 2008 titled “Mainstreaming Corporate Social Responsibility (CSR) in banks and financial institutions” gave a comprehensive guideline on CSR. SIBL submitted quarterly CSR paper to Bangladesh Bank as per format provided by them. The format has following dimensions:

- Financial Inclusion: In the form of financing to Agriculture, SME, Women Entrepreneur, Renewable Energy, Solar Irrigation etc.
- Donation to the individuals, covering: Education, Health, Disaster Management (Family Rehabilitation), Environment (Social Utility), Sports, Art & Culture, Others etc.
- Donation to NGO’s: For supporting such welfare activities.

SIBL is doing its corporate social responsibilities where they find it necessary and They have categorized it as different sectors such as,

- Health
- Education
- Disaster management
- Sports
- Art and culture
- Environment or Social utility
- Others

Below the chart shows SIBL’s contribution in different sectors in different years—

SECTORS	(JANUARY- JUNE 2015)	(JULY- DECEMBER 2015)	CONTRIBUTION ON 2015	CONTRIBUTION ON 2014
Health	2,010,000	1,270,000	3,280,000	3,840,000
Education	2,747,180	1,972,893	4,720,073	3,315,610
Disaster Management	11,448,824	34,111,000	45,559,824	38,748,052
Sports	500,000	74,200	574,200	215,000
Art & Culture	25,000	45,000	75,798	11,005,798
Environment (Social Utility)	1,124,793	2,350,127	3,474,920	7,951,900
Others	-	-	-	-
Total	17,855,797	39,823,220	57,679,017	65,076,360

Table 01: Sector-wise contribution of CSR activities of SIBL (In TK) SOURCE-Social Islami Bank Limited Annual Paper 2015

Below the graph we can see that, SIBL mostly donated to the disaster management sector which is 79%, then in the education purpose which is 8%, and Equally 6% in the health and environment sector, 1% in both art and culture and sports.

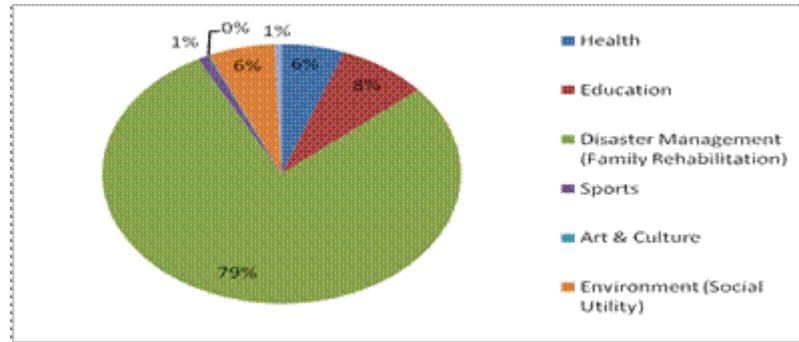


Figure 01: Sector-wise contribution of CSR activities of SIBL (%)

Above the graph SIBL's contribution in different sectors have been showed. SIBL mostly donated to the disaster management sector which is 79%, then in the education purpose which is 8%, and equally 6% in the health and environment sector, 1% in both art and culture and sports.

Contribution to Educational Sector:

SIBL has contributed in the educational sector it means they have done numerous activities for improving the quality of education as well as increasing the number of educated people. For example, they have been contributing in the infrastructural development of education.

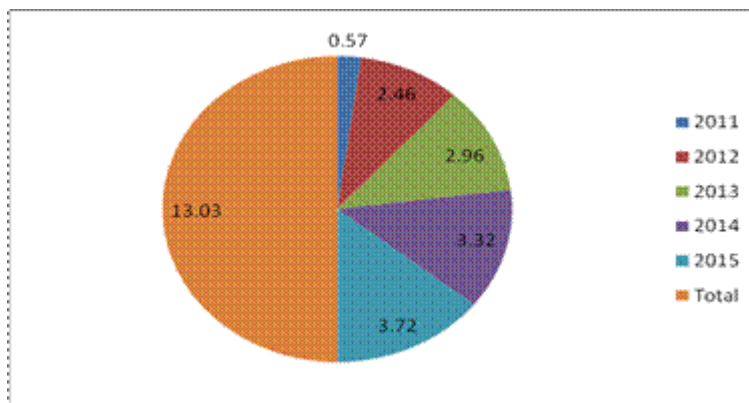


Figure 02: SIBL's contribution to education sector (Source annual paper of SIBL 2014 &2015)

The graph shows contribution to education sector of SIBL in different years. The graph shows the contribution in educational sector is increasing in every year. In the year of 2011 the contribution was only .57% and the percentage is increasing in every year. In 2015 the contribution was 3.72% which is much more than the year of 2011.

Now let's have a look on different donations made by SIBL in 2015.

- To accelerate govt. education policy to compulsory ICT education (specially for female student), the bank donated tk.50,000/- at "Ummul Mumineen Ayesha(R) Mohila Aleem Madrasha, Feni" for purchasing laptop.
- To accelerate govt. education policy to compulsory ICT education, the bank donated tk. 72,713/- for purchasing laptop and projector to make a multi-media classroom at Jirtoli Union High School, Begumgonj, Noakhali.
- The Board of Directors of the Bank approved an amount of tk. 3,50,000/- favoring Khalshi Bazar High School, Pashapole, Chowgacha, Jessore to build their school building and Radhanagar High School, Debiddar, Comilla to build a classroom.
- The Bank has donated tk. 1,80,000/- favoring Anjuman Protibondhi Shishu Kolyan School, Khulna (a school of physically and mentally disabled children) for paying salary of 3 teachers.
- The Bank has paid scholarship to 24 brilliant result holders in SSC & HSC examination among the family members of SIBL employees for tk.3,60,000/-.
- The Bank has donated tk.50,000/- only favoring Bir Shreshta Mostafa Kamal Library, Lalmohon, Bhola for purchasing books for the library.

Contribution to Health Sector:

Health sector is another important CSR area practiced by commercial banks in Bangladesh. All commercial banks work for ensuring better medical service to the helpless people side by side they also provide personal donation for medical treatment of poor people.

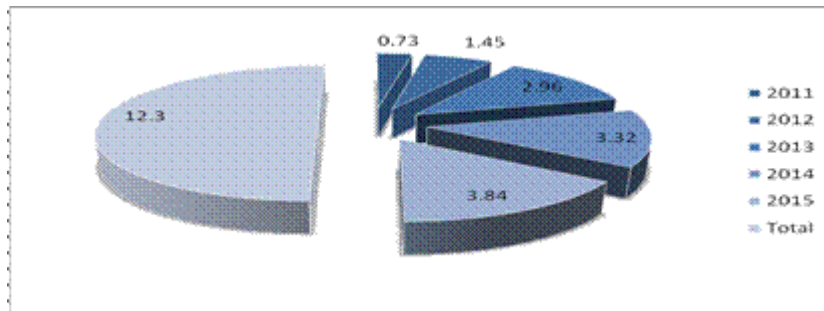


Figure 03: SIBL's contribution to health sector (Source annual paper of SIBL 2014 &2015)

From the graph we can find out SIBL's contribution to the health sector in different years. The figure shows in 2011 the percentage was only .73% and in 2015 the percentage was increased 3.84%. The total contribution over the five year is 12.3% of the total contribution in the CSR practices. SIBL has identified health care as a priority sector and helped create better health care facilities at a cheaper cost for the disadvantaged population. The donations made in 2015 by SIBL are-

- The SIBL Foundation of the bank has come to light and a Hospital called 'SIBL Foundation Hospital and Diagnostic Center' in short, SIBL FHDC, is set up. In line with the objectives of SIBL Foundation, SIBL FHDC has declared 30% discount for general public and 40% discount to the employees of SIBL including their family members. SIBL has donated tk. 1,00,000/- favoring SIBL Foundation Hospital and Diagnosis Center for the purpose of treatment of the poor and distressed people.
- SIBL has donated financial assistance to the poor and distressed people for treatment. In the year of 2015, the bank has donated tk.23.25 lac favoring 47 poor and distressed people around the country.
- The Board of Directors has approved donation over of tk.3.70 lac (excluding AIT & VAT) for buying an infant incubator for the Child Unit of Dhaka Medical College Hospital.
- The Board of Directors has also approved donation over of tk. 4.50 lac for 45 emergency patient beds favoring National Institute of Burn and Plastic Unit of Dhaka Medical College Hospital;
- For the re-construction of a reception building at a outpatient center, the bank accorded post-facto approval for tk.1.00 lac for Kailakuri Health Care Project situated at Madhupur, Tangail.

Contribution to Sports and Culture:

Sports represent a country to the world. Commercial banks in our country being socially responsible sponsor this sector regularly.

- SIBL has donated tk.5.00 lac favoring Los Angeles Special Olympic 2015 Team for their Air Tickets and Others. The team performs a very good result.
- SIBL has contributed tk.35,000/- as sponsorship for promoting youth football favoring Patwary and associates to conduct Fantasy Premier League (FPL) an online competition organized by Battle of the Champions and YFW Events.
- SIBL has contributed tk.25,000/- as sponsorship for promoting youth football favoring Patwary and associates to conduct FIFA 15 Tournament (season 2) organized by Battle of the Champions and YFW Events.
- SIBL sponsored bags of ACM_ICPC Asia Regional Dhaka Site Event organized by Bangladesh University of Business and Technology at a cost of tk. 2.50 lac only.

Contribution to Disaster Management:

Disaster relief and rehabilitation became the segment where the highest number of banks participated to help ease the sufferings of the affected people. During the time of natural calamities commercial banks come forward to help the affected people for humanitarian reason. SIBL spent most donations in the disaster management. In 2015 the bank has spent 45,559,824 in this sector; they spent 38,748,052 in 2014 on this regard. SIBL has contributed 45,000 pieces of blanket for distribution among the poor and distressed in different places of the country during the Winter 2015 costing tk. 129.80 lac.

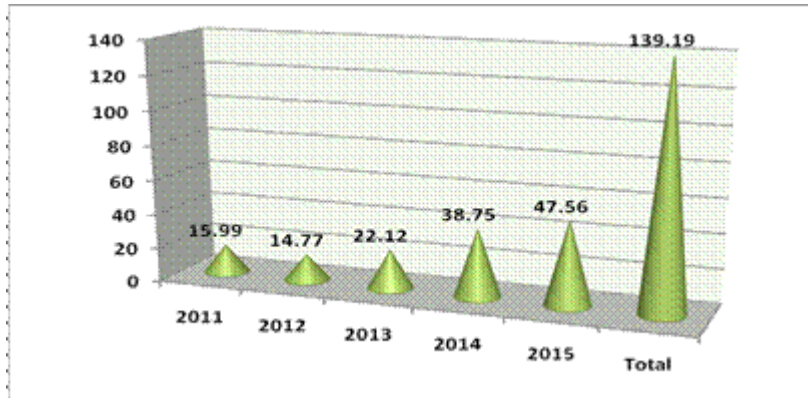


Figure 04: SIBL’s contribution to disaster management (Source annual paper of SIBL 2014 &2015)

The graph shows SIBL’s contribution to the disaster management which is the most important field of CSR practices. The graph shows the contribution of SIBL to disaster management in 2011 was 15.99%, in 2012 was 14.77%, in 2014 was 38.75%, and in 2015 was 47.56%. we can see that the contribution is expanding. So we can say that SIBL is an organization which performs social responsibilities.

Contribution to Social Utility:

Environment is the most essential element for living. Commercial banks are also committed to improve environmental situation of our country. SIBL’s contribution to social welfare is noticeable.

The graph shows SIBL’s grant in different years in social welfare sector. The sum of the contribution is 36.79%. The graph shows that in 2012 the contribution was 16.8% which was the largest amount of the five years. In 2014 the amount was again to increase 7.95%, and in 2015 the amount was 9.5%. The contribution in this sector depends on different occurrence of the society and for that reason the percentage also varies.

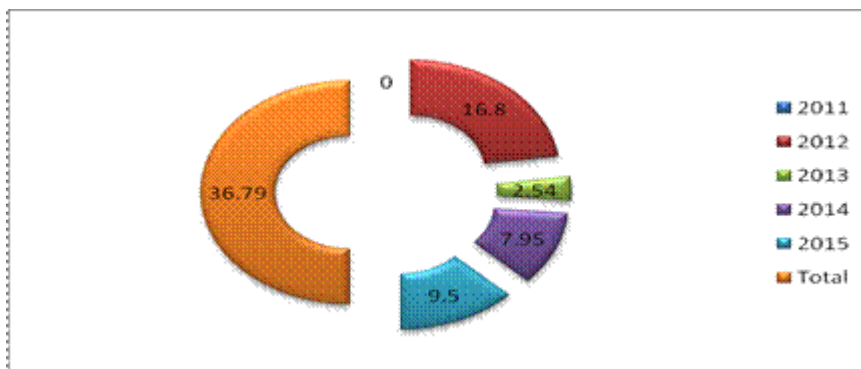


Figure 05: SIBL’s contribution to social utility (Source annual paper of SIBL 2014 &2015)

According to the annual paper of SIBL 2015, the donations given by SIBL in this regard were-

- SIBL donated 45,000 sharees and 22,000 lungis(traditional dress for mail in BD) for distribution among the poor and distressed in different places of the country during Holy Ramadan 2015 costing th.271.21 lac.
- SIBL donated tk. 10,00,000/- to Mr. Annisul Hoque, Honorable Mayor, Dhaka North City Corporation for installation of surveillance Camera in road side of Gulshan area, Dhaka for security purpose.
- Daily Prothom Alo published a photo news on 22.12.2014 at its front page captioned “Jibon Sangram”. In the news, a veteran poor farmer namely Mr. Azizur Rahman of Gabtoli Upozilla of Bogra District was seen cultivating land along with his two nephews using as plough without having bull/power tiller, being suffered from severe financial crisis. The bank has donated a new power tiller at a cost of tk. 1, 18,459/- only.
- SIBL donated tk.14,00,000/- for establishing Child Day Care Center at Motijheel, Dhaka.

Contribution to Other Activities:

There is some CSR expenditure which may not be fall under any category presented in miscellaneous sector. Generally banks donate in different program beyond these category discussed above.

- The Board of Directors of the bank approved the financial assistance favoring Major (Rtd.) Md.Waliur Rahman BIR PROTIK for bearing medical expenses of his elder daughter who has been suffering from cancer.
- SIBL contributed check for tk.4.80 lac favoring to a family of martyred Army Officer Major Mostofa Mahmood killed in BDR carnage for financial support in the year 2015 at The Prime Minister’s Office.

- SIBL donated tk.1,04,000/- to 23 Bir Mata of 1971 located at Sirajgonj district and locally tk.4,000/- each before the Holy Eid-ul-Fitr through Sirajgonj Branch.

Ongoing CSR Activities:

- SIBL is sponsoring the education program of “Banglar Pathshala”, a school for underprivileged children. It is mentionable that 04 schools of Banglar Pathshala situated at Mirpur, Mohammadpur, Karail and Doyagonj are being sponsored by SIBL involving total tk.8.90 lac being paid on monthly and yearly basis.
- SIBL sponsoring the education program of URECA (school for underprivileged children). It is mentionable that 03 schools of URECA situated at Uttara Sector-8 & 9 are being sponsored by SIBL involving total tk.9.00 lac being paid on monthly and yearly basis.
- SIBL is sponsoring financial support to the poor and meritorious student. In the year of 2015, they had donated tk.14.44 lac to 57 students of different college and university around the country.

Findings of the Paper:

A company's good reputation lies on its good performance. In that case, SIBL is proving their sustainability power by good company performance and a wide range of CSR activities. Overall study about the CSR exercises of SIBL signifies that the contribution towards the social welfare by this bank is increasing day by day. It is not only helping the bank to decrease its employee turnover rates but also helping to increase its brand value as well as to build trust among the people and alleviation of poverty.

The major findings are:

- The aims of conducting CSR activities of SIBL are- alleviate poverty, working in collaboration with local community, developing relationship with employees and customers, being socially responsible.
- SIBL enjoy some benefits of practicing CSR activities such as- reducing cost and risk, gaining competitive advantage, have positive impact in customers mind, can promote respect for the company, increases employee motivation, improves company's social standing, improves company's brand reputation, reduce employee turnover.
- The main source of fund behind the CSR activities of the bank is Cash Waqf Fund, Compensation Fund, and Doubtful Income Zakat Fund.
- The SIBL Foundation of the bank has come to light and a Hospital called ‘SIBL Foundation Hospital and Diagnostic Center’ in short, SIBL FHDC, is set up. In line with the objectives of SIBL Foundation, SIBL FHDC has declared 30% discount for general public and 40% discount to the employees of SIBL including their family member.
- Common CSR activities exercises of SIBL are poverty alleviation, healthcare, education, disaster management, sports and culture, environment or social utility.
- SIBL has some ongoing CSR projects Banglar Pathshala, a school for underprivileged children; an education program of URECA (school for underprivileged children), sponsoring financial support to the poor and meritorious student.
- The bank some other initiatives for the future on this CSR projects which they kept confidential. If those are done according to the plan then the mass people will be more benefited and also it will help the bank to reach its destination.
- There are many areas like engaged in clean water management, engaged in forestation, waste management, and old person's homes, accommodation for the slum dwellers, women's rights and anti-dowry practices, birth control products, training for unskilled labors etc where SIBL won't pay proper attention.
- SIBL follows the regulations provided by the Bangladesh Bank and papers to the bank quarterly basis.
- SIBL cares about employees' wellbeing and prosperity and for that reason the bank take different initiatives to make them comfortable and provide them with different benefits.

Recommendations:

Based on the above information the following recommendations can be made for Social Islami Bank Limited about their exercises of CSR activities.

- The variability of perceptions indicates specific areas where to intervene and set priorities. All the controversial issues should be taken note of and settled through a multi-stakeholder initiative.
- SIBL should engage in different CSR areas such as clean water management, forestation, waste management, and old person's homes, accommodation for the slum dwellers, women's rights and anti-dowry practices, birth control products and so on.
- During board meetings, different training sessions CSR practices of the bank should be included.
- SIBL is one of the renowned banks in our country, so they should be update their website information in a routine basis.
- The bank should extend their sponsorship program.
- SIBL should communicate its CSR exercises to its employees in a better way so that they have proper knowledge about the bank's performance regarding CSR.
- The bank should focus more on branding by using CSR activities.
- Promotional activities should be increased in a proper way that people can know that the bank is being socially responsible and doing well to society.
- In this modern time information technology area should receive greater attention by SIBL.
- CSR expenditure should be increased direct proportion to profit.

Conclusion:

CSR involves a commitment to contribute to the economic, environmental and social sustainability of communities through the on-going engagement of stakeholders, the active participation of communities impacted by company activities and the public papering of company policies and performance in the economic, environmental and social arenas.

SIBL, as a commercial bank, has a large scale of spill over economic impact side by side its financial impact through creating values for distributions to the society year to year. SIBL has always been responding spontaneously to its social commitment through its CSR activities covered financial inclusion (in the form of financing agriculture & SME sectors, women entrepreneurs, renewable energy, irrigation by solar power, etc.), donation to the individuals covering education, health, disaster management (family rehabilitation), environment (social utility), sports, art & culture and NGOs for supporting different welfare activities. In the year 2015 SIBL has contributed a sum of total Tk. 57.68 million in different CSR activities.

Though there are some articles on CSR activities have been published about manufacturing terms but for service organization or financial institutions there are a very small number of papers related to CSR have been published. This paper will give some idea about the CSR activities on financial institution like Social Islamic Bank Ltd, Bangladesh. These will provide some guidelines about different financial institutions of the world to give some idea about CSR activities within financial institution's Act. This will also provide some policy guidelines for Bangladesh bank for creating new policies regarding CSR.

SIBL is looking forward to expand its area of operation from urban to rural by introducing new customized products and services that are tailored to different economic class of people of the society in order to bring the un-banked population into banking channels.

Finally, SIBL has been established with a view to conduct prompt banking and to establish welfare oriented banking through corporate social responsibility that would lead to just society.

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