

Comparative Study on Bangladeshi Nationalized Commercial Banks Regarding CSR Disclosure and Practices in Financial Statements

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ABSTRACT

The banking sector is an industry that significantly depends on the confidence and trust of its clients, which in turn enables the bank to get funds from a range of other sources. A bank's ability to earn a profit is closely correlated with the caliber of its fund management as well as the extent to which it looks into and actively seeks chances to invest its assets in order to achieve the highest potential returns. Businesses have obligations beyond producing a profit since they are socially significant institutions. Instead, they must assist those who are directly or indirectly impacted, favorably or unfavorably, by the organizations' efforts. Consequently, businesses that are publicly traded are more likely to engage in and report on corporate social responsibility initiatives. The role of business has changed over the past several decades from the conventional "profit maximization" strategy to one of social responsibility. In a broader and more inclusive sense, this means that corporations are now accountable to the majority of their stakeholders in addition to their investors. This is especially valid in advanced economies. In today's information age, reporting on a company's corporate social responsibility is crucial for rising nations. In recent decades, the traditional "profit maximization" business strategy has given way to an emphasis on social responsibility. In a broader and more inclusive sense, this means that corporations are now accountable to the majority of their stakeholders in addition to their investors. This change has taken place all around the world, although it is more obvious in countries with developed economies. In this age of knowledge, reporting on corporate social responsibility is crucial for developing nations. The study's findings illustrate the importance of corporate social responsibility programs in developing countries like Bangladesh. Annual reports from nationalized banks in Bangladesh of CSR-related reports from 2018–2020 were included in the research. It has been found that nationalized commercial banks only included a little amount of CSR information and expenses in their yearly financial reports.

Keywords: Corporate Social Responsibility, Practices and Disclosures, Bangladeshi, Nationalized Banks.

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INTRODUCTION

The idea of corporate social responsibility was created in the early 1930s, but in Bangladesh, it has recently experienced exponential growth. This is evident from the publicly disclosed CSR expenditures made by Bangladeshi stock exchange-listed corporations. The following is Business for Social Responsibility's definition of corporate social responsibility: "building financial success in methods that respect people, communities, the natural environment, and ethical beliefs." Frooman (1997) gave the simplest and maybe one of the earliest definitions of corporate social responsibility: "An action by a business, which the firm decides to execute, that greatly influences the wellbeing of a recognized social stakeholder" In the minds of the majority of people, corporate social responsibility (CSR) refers to a broad strategy that a company employs that, in addition to business activities, addresses issues of ethics, community development, environmental concerns, governance, human resource development, and the benefit of the entire society as well as the workplace. This concept of society encompasses the whole corporate environment, which includes the government, legal authorities, consumers, stakeholders, investors, creditors, shareholders, and even rivals. The banking sector in Bangladesh has a long and distinguished history of participating in a broad range of social endeavors, which are referred to as corporate social responsibility (CSR). These initiatives include giving to a range of social and educational groups, enhancing the appearance of the nation, supporting cultural events, and advancing health. But in recent years, there has been a significant improvement in this activity, which may be linked to a suggestion made by the Bangladesh Bank in 2008 that pushed the banks to get more systematically involved in these activities. In 2013, all financial institutions decided to implement CSR by creating distinct foundations or trusts as non-profit organizations dedicated entirely to the advancement of CSR goals. These organizations are solely committed to the causes of altruism, social welfare, and other charitable endeavors. Bangladesh, a developing country with a Gross Domestic Product (GDP) growth rate of more than 6% annually, is currently attempting to entice investors from both within and outside the country in order to accelerate its economic growth. CSR is not the same as giving to a good cause or supporting a sporting event. Strategic thinking is centered on the idea of corporate social responsibility (CSR). Every business's main objective is to make a profit. On the other hand, the profit motive is not always viewed as being particularly admirable because it places such a strong emphasis on one's own self-interest. Selfishness, in contrast to self-interest, emphasizes one's own interests at the expense of those of others. Self-interest, however, is a possibility when making decisions. Self-interest is generally thought to be a straightforward concern for one's personal financial benefit, and some would argue that it is absolutely necessary for a society to reach its full potential for resource efficiency and maximum production (Geoffrey P., 2002). As a participant in the world economy, Bangladesh is keenly aware of the need to make progress toward establishing a reputation for businesses that are socially and environmentally responsible. Since the bulk of financial institutions have not incorporated CSR into their daily operations, these efforts were mostly overlooked and categorized as promotional or one-off charitable endeavors rather than CSR activities. The implementation and effectiveness of CSR efforts by banks and financial institutions will be monitored by the Bangladesh Central Bank as an additional aspect of their management performance. The need for CSR and sustainable social development has received a fair response from the financial services sector. The external stakeholders are very interested in the activities of the outer circle, including the nature of the work done by the company and whether it is good or bad, the kind and caliber of the products the company used to offer, and the effects of the company's services on the environment and society. The many stakeholders, especially financial analysts, place great importance on the quality of management as a key indicator of prospective future performance in addition to past financial success (mallenbaker.net). In Bangladesh, CSR is still a novel idea, hence it is not widely accepted. Despite this, the people of Bangladesh are slowly warming up to the concept. Still, banks include CSR

information in their annual reports, but this isn't nearly enough to meet the expectations of people who read financial reports from the outside.

LITERATURE REVIEW

"Corporate social responsibility" (CSR) is a term used to describe a group of obligations that corporations have to their communities. Societies' continued existence is necessary for enterprises to operate. It must therefore protect society's interests. When a business organization or company considers the development of society, such as not polluting the environment and water by reducing the nature of throwing garbage into the river or ponds and by planting more trees, worrying about the general public's safety of life, encouraging children to pursue an education, providing primary health care to the underprivileged and the poor, and providing necessary support to the victims of disasters, etc., they are developing the condition of society.

In the age of globalization, commercial companies are reportedly held accountable for not just the core operations of their enterprises but also for the social, environmental, and auxiliary activities they carry out, according to Karam et al. (2018). Recent CSR research literature emphasizes not only the importance of determining the quality of CSR activities but also the relationship between the firm's performance and the quality of its CSR disclosures (Rashid, 2018; Ameer & Othman, 2017; Plumlee et al., 2015; Clarkson et al., 2013; Harjoto & Jo, 2011; Dhaliwal et al., 2011; Marg (2006)). Contrarily, this study differs greatly from the previous authors' work in that it does not account for the value of a company's brand. Goyal (2006) instead focused on the signaling function that CSR plays for businesses that are thinking about FDI (foreign direct investment) and are interested in favorable conditions. Many forward-thinking companies in Bangladesh are eager to share specific information on social and environmental challenges (Chowdhury and Chowdhury, 1996). CSR refers to both one of a corporation's duties toward its constituents and the voluntary contribution a company makes to the cause of sustainable development (Crane and Matten, 2007). The current method of voluntary social reporting has not sufficiently served the goals of stakeholder involvement and organizational openness. A more realistic conclusion, according to Owen et al. (2000), is that companies have been successful in "co-opting" a procedure that was first created with the intention of holding stakeholders responsible and turning it into a technique for managing stakeholders. There is a growing consensus that companies will only divulge information about social issues and the environment in the event of a crisis that casts doubt on their ability to operate legally (Deegan, 2002). Khan and Hossain (2003) undertook a quick examination of how industrial organizations in Bangladesh report on the environment, focusing especially on their annual reports. It is somewhat paradoxical that corporate social responsibility (CSR) initiatives benefit not just society but also the firms that participate in them. According to Margolis and Walsh [13], 122 studies that looked into the relationship between corporate social responsibility and financial performance were published between 1971 and 2001. These studies were carried out between 1971 and 2001. Posnikoff [18] discovered evidence of a positive association despite Wright and Ferris [28] finding evidence of a negative relationship. Moir (2001) asserts that there are two major reasons why CSR may have a substantial influence on the corporate sector. The first justification relates to some kind of innate morality and ethics that must be upheld. Businesses, which have more resources at their disposal, are in charge of finding answers to society's problems. Martin (2002) asserts that customers and market forces are increasing the pressure on companies to practice corporate social responsibility (CSR). Globalization, which has also increased the value put on corporate responsibility, is partially to blame for this pressure. According to Smith (2003), a number of business scandals, including those involving Enron and WorldCom, have exacerbated the public's already declining faith in the economy.

One further thing that adds to the growing significance of corporate social responsibility is the general public's growing understanding that the government does not always succeed in resolving social problems. As a result of globalization and people's general lack of trust in large corporations, there is increasing pressure on CEOs and the companies they lead to demonstrate broader social ideals (Martin, 2002). Some studies have shown a connection between CSR and financial performance that is good, while others have found no such connection (McWilliams and Siegel, 2006; Margolis, Elfenbein, and Walsh, 2007). The results of the correlation between CSR and financial performance have been inconsistent. There is a link, but some research has found it to be positive while others have found it to be negative. In industrialized economies, two major types of empirical studies have been conducted to examine the relationship between corporate social responsibility and financial performance (Margolis and Walsh, 2007). Rashid (2018) also studied 115 Bangladeshi publicly listed firms, using the simultaneous equation approach to assess the relationship between a company's performance and its CSR initiatives. He has learned that business performance is significantly impacted by CSR information, but firm performance is not significantly impacted by the CSR performance of the chosen samples. Meng et al. (2014) conducted a study on publicly traded Chinese enterprises. The study's authors utilized a content analysis on a sample of 533 publicly traded firms and found that companies with bad and strong financial results were likely to reveal more environmental information than those with average financial results. In addition, Javeed and Lefen (2019) carried out a thorough study based on Pakistani listed companies from 2008 to 2017 and discovered that CSR has a significant positive association with corporate performance, despite the fact that the interaction of CEO power, managerial ownership, and ownership concentration with CSR has little to no effect on this relationship. Additionally, Javeed and Lefen (2019) discovered a strong positive correlation between CSR and company performance.

Most earlier research (Simpson and Kohers, 2002; Graves and Waddock, 1994; McGuire et al., 1988) found a positive relationship between corporate social responsibility and financial performance. Moskowitz (1972) found a favorable correlation between increasing corporate stock returns and socially conscious company practices. By utilizing policies, initiatives, and programs that are connected to social activities, an organization's level of commitment to CSR can be assessed. Most studies on corporate social responsibility have concentrated on economies that are already established. The key emphasis of the studies being undertaken in Bangladesh is the disclosure checklist in relation to CSR. Imam (2000) asserts that, the majority of the time, CSR is ignored. Bangladesh's Imam in 2000 However, there is a lot of work being done by businesses to act ethically and responsibly toward society, as well as the political and environmental environments. (Azim and co., 2). In the same manner that customers expect businesses to meet their requirements, organizations must also do so. In order to maintain good customer relationships and attract new ones, businesses are making efforts to accommodate the rising need for this type of information. When employees feel comfortable and appreciated, they are more inclined to put in extra effort during production, resulting in economies of scale.

CORPORATE SOCIAL RESPONSIBILITY DISCLOSURE IN BANGLADESH

Reporting on a company's CSR is a crucial part of any enterprise that aims to increase shareholder value by encouraging stakeholder confidence and successfully managing its reputation. Information on social and environmental issues, also referred to as data on a company's corporate social responsibility, is being disclosed by businesses in a more transparent manner. Corporate social responsibility (CSR) information is often only given voluntarily, in contrast to the stringent requirements that regulate financial disclosures. In Bangladesh, philanthropic deeds have been carried out since the dawn of time.

This custom has a lengthy history. As part of these charitable endeavors, contributions were provided to a range of nonprofit organizations, needy people, and religious institutions (Porag, 2015). Few studies have been carried out using poor countries as the context. There has been very little research done on Bangladesh. CSR is still a relatively new concept in the business culture of Bangladesh. The concentration of businesses concerned with disclosing their CSR initiatives is rising quickly. Since the reputations of the stakeholders are important, organizations can only enhance their reputations by making transparent and accurate disclosures. To boost their businesses, reputations, returns to stakeholders, and general stakeholder satisfaction, companies are considerably increasing the amount of CSR information they disclose. The government of Bangladesh has not set any regulations that must be followed for public reporting of social and environmental performance. The 1994 Companies Act established the general standards for corporate financial reporting. Corporate social responsibility efforts in Bangladesh are purely voluntary. Only a small percentage of businesses disclose their corporate social responsibility (CSR) initiatives to improve the environment, human health, and society. More than ever, companies are striving hard to uphold their reputations as socially conscious enterprises in order to influence consumers' purchase decisions in favor of the goods and services they promote (Porag, 2015). By disclosing volunteer activities as part of a CSR program, a company can give different internal and external stakeholders a clear and accurate picture of the organization. For the same amount of investment, this leads to a higher share price. Businesses should only engage in activities that, from an economic standpoint, will either reduce costs or increase benefits. Information that will increase revenues while reducing costs should be disclosed. Depending on the size of the organization, firms may have to deal with more or less powerful stakeholders, which implies that they may have to pay for a range of political, legal, and social costs. Businesses make an effort to cut these costs by voluntarily disclosing data about how well they perform in the areas of social responsibility and environmental stewardship. According to Michael Hopkins (2012)

- "Corporate social responsibility" means treating a company's stakeholders ethically or responsibly (CSR). It entails dealing with major stakeholders according to international norms. "Behave ethically"
- Social responsibility includes economic and environmental considerations; stakeholders might be inside or outside a corporation.
- Social responsibility aims to improve the lives of both members and non-members of an organization to maintain its integrity and profitability. This affects insiders and outsiders.
- Corporate social responsibility (CSR) promotes sustainable development.

OBJECTIVE OF THE STUDY

The purpose of this study is to comprehend the CSR initiatives carried out by six state-owned commercial banks in Bangladesh. However, more precisely, the research aimed to accomplish the following goals:

1. To determine how government commercial banks in Bangladesh practice reporting on CSR
2. To determine on which area of focus they are concentrating their efforts.
3. To ascertain the role that government banks play in Bangladesh's sustainable development through CSR.

METHODOLOGY

The purpose of this study is to provide a descriptive analysis of the manner in which government banks in Bangladesh disclose their actions related to corporate social responsibility within their financial reports. In Bangladesh, there are six nationalized commercial banks, which make up the small sample in this study. Only secondary data sources are used in this investigation. The information obtained from bank CSR reports for the years 2018–2020 is regarded as suitable for studying banking companies' CSR disclosure as well as the website from Bangladesh bank CSR information. Furthermore, a number of books and papers published in a variety of periodicals that are directly relevant to the topic are used to deepen the basic knowledge of the topic. CSR expansion and implementation were also studied, as were a number of international decisions and novel approaches.

DISCUSSION AND ANALYSIS OF THE RESULTS OF THE STUDY

We look into the corporate social responsibility initiatives of six state-owned commercial banks. Many different kinds of CSR reporting are being done by banks in their financial statements. This section contains the reporting of CSR activities that will be included in the financial statements of government banks in 2018, 2019, and 2020 that will be released by the Bangladesh Bank.

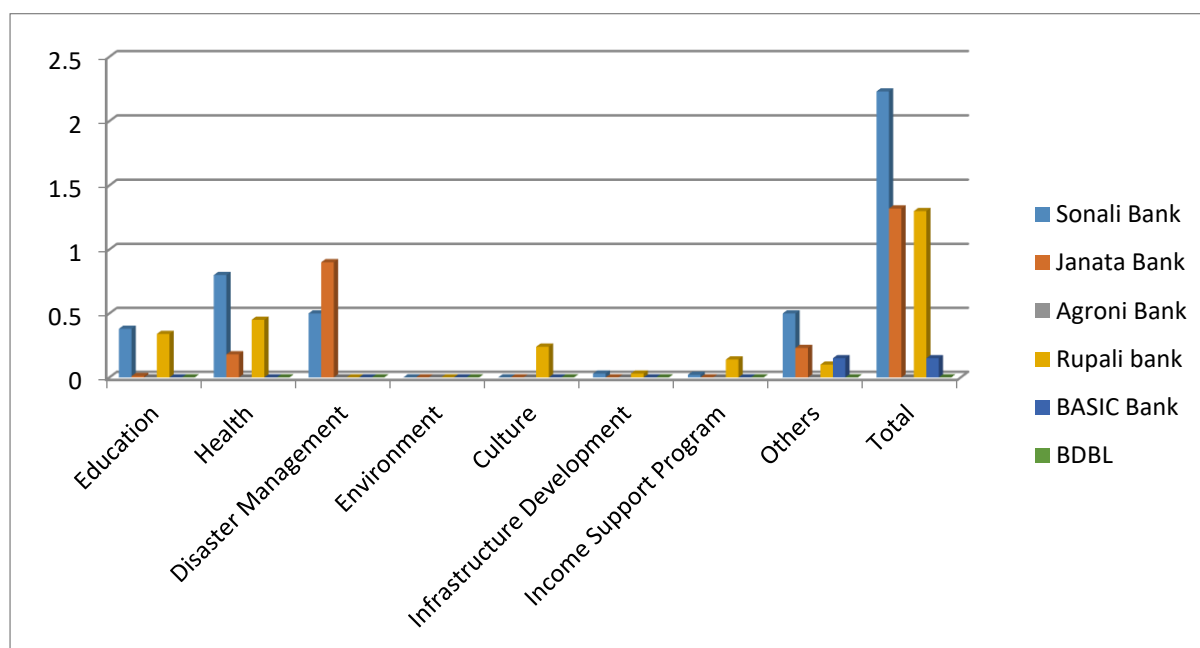


Figure 1: Total Amount Spent on CSR by The State-Owned Banks in Bangladesh by 2018 (in Crore Taka)

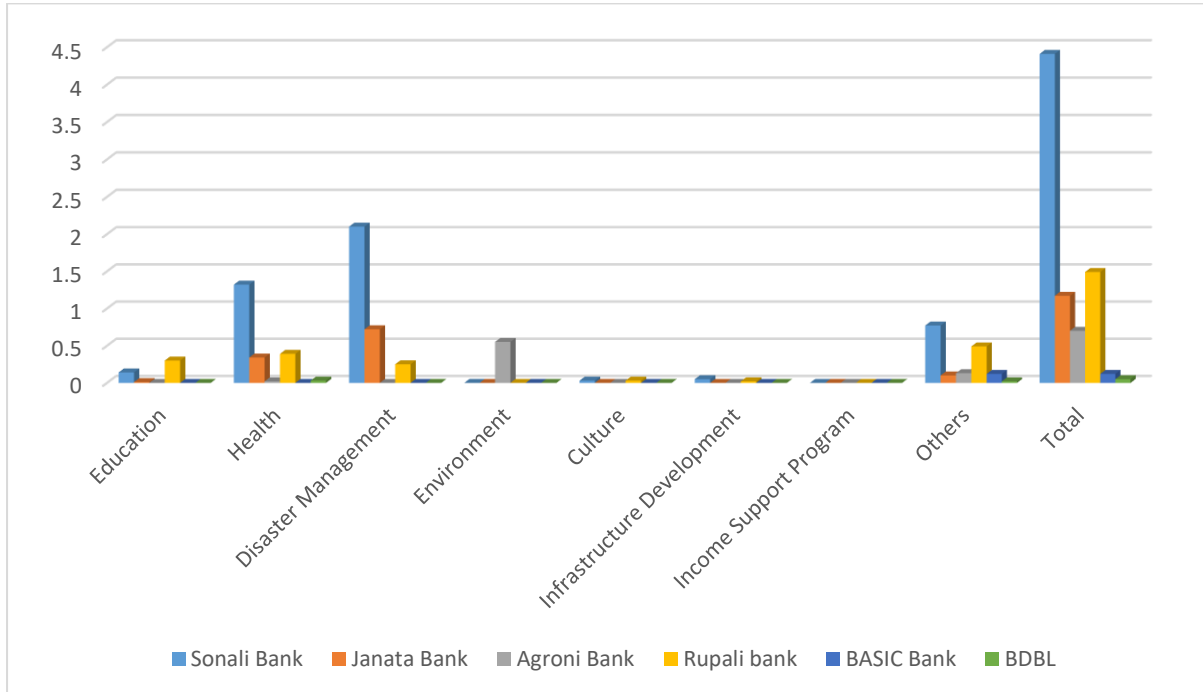


Figure 2: Total Amount Spent on CSR by The State-Owned Banks in Bangladesh by 2019 (In Crore Taka)

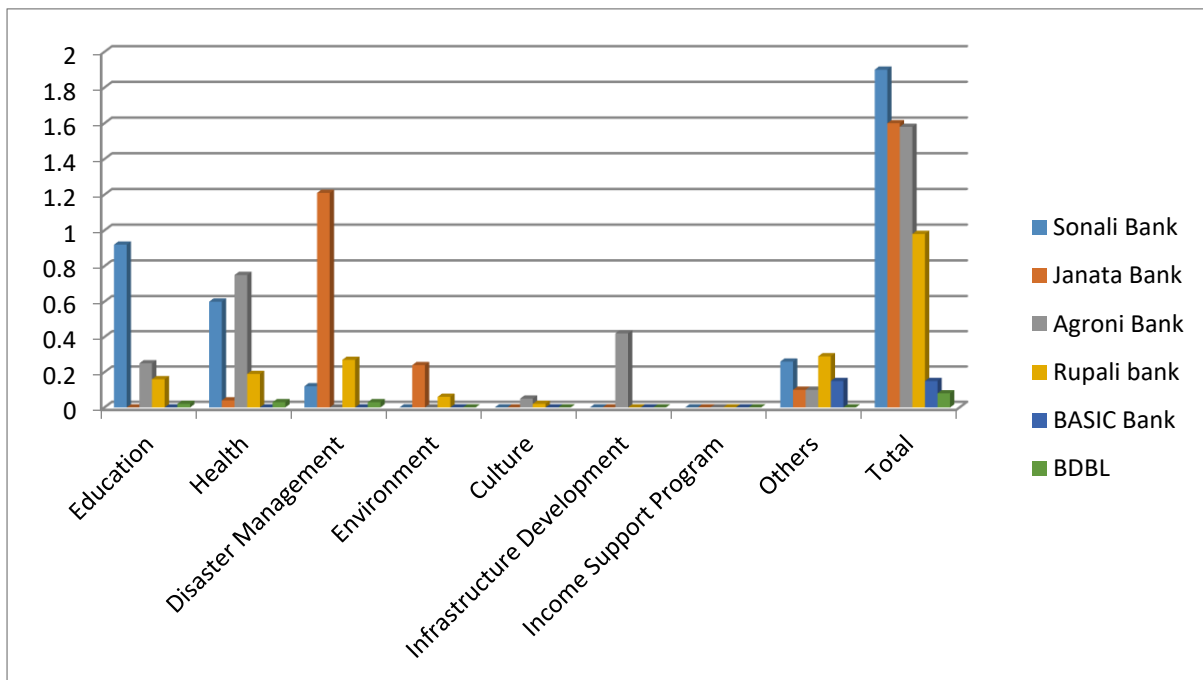


Figure 3: Total Amount Spent on CSR by The State-Owned Banks in Bangladesh by 2020 (In Crore Taka)

Sector Wise Comparison of Corporate Social Responsibility Practices by the Bangladesh Bank

CSR		Education
	Year	Amounts in Taka (crore)
Sonali Bank	2018	0.38
	2019	0.14
	2020	0.92
Janata Bank	2018	0.01
	2019	0.01
	2020	0
Agroni Bank	2018	0
	2019	0
	2020	0.25
CSR		Education
Rupali Bank	2018	0.34
	2019	0.30
	2020	0.16
BASIC Bank	2018	0.00
	2019	0.00
	2020	0.00
BDBL	2018	0.00
	2019	0.00
	2020	0.02

CSR		Health
	Year	Amounts in Taka (crore)
Sonali Bank	2018	0.8
	2019	1.32
	2020	0.6
Janata Bank	2018	0.18
	2019	0.34
	2020	0.04
Agroni Bank	2018	0.00

	2019	0.02
	2020	0.75
Rupali Bank	2018	0.45
	2019	0.39
	2020	0.19
BASIC Bank	2018	0.00
	2019	0.00
	2020	0.00
CSR		Health
BDBL	2018	0.00
	2019	0.03
	2020	0.03

CSR		Disaster Management
	Year	Amounts in Taka (crore)
Sonali Bank	2018	0.50
	2019	2.10
	2020	0.12
Janata Bank	2018	0.90
	2019	0.72
	2020	1.21
Agroni Bank	2018	0.00
	2019	0.00
	2020	0.00
Rupali Bank	2018	0.00
	2019	0.25
	2020	0.27
BASIC Bank	2018	0.00
	2019	0.00
	2020	0.00
BDBL	2018	0.00
	2019	0.00
	2020	0.03

CSR		Environment
Sonali Bank	Year	Amounts in Taka (crore)
	2018	0.00
	2019	0.00
CSR		Environment
	2020	0.00
Janata Bank	2018	0.00
	2019	0.00
	2020	0.24
Agroni Bank	2018	0.00
	2019	0.55
	2020	0.00
Rupali bank	2018	0.00
	2019	0.00
	2020	0.06
BASIC Bank	2018	0.00
	2019	0.00
	2020	0.00
BDBL	2018	0.00
	2019	0.00
	2020	0.00

CSR		Culture
Sonali Bank	Year	Amounts in Taka (crore)
	2018	0.00
	2019	0.03
	2020	0.00
Janata Bank	2018	0.00
	2019	0.00
	2020	0.00
Agroni Bank	2018	0.00

	2019	0.00
	2020	0.05
CSR		Culture
Rupali Bank	2018	0.24
	2019	0.03
	2020	0.02
BASIC Bank	2018	0.00
	2019	0.00
	2020	0.00
BDBL	2018	0.00
	2019	0.00
	2020	0.00

CSR		Infrastructure Development
	Year	Amounts in Taka (crore)
Sonali Bank	2018	0.03
	2019	0.05
	2020	0.00
Janata Bank	2018	0.00
	2019	0.00
	2020	0.00
Agroni Bank	2018	0.00
	2019	0.00
	2020	0.42
Rupali bank	2018	0.03
	2019	0.02
	2020	0.00

CSR		Infrastructure Development
BASIC Bank	2018	0.00
	2019	0.00
	2020	0.00
BDBL	2018	0.00
	2019	0.00
	2020	0.00

CSR		Income Support Program
	Year	Amounts in Taka (crore)
Sonali Bank	2018	0.02
	2019	0.00
	2020	0.00
Janata Bank	2018	0.00
	2019	0.00
	2020	0.00
Agroni Bank	2018	0.00
	2019	0.00
	2020	0.00
Rupali Bank	2018	0.14
	2019	0.00
	2020	0.00
BASIC Bank	2018	0.00
	2019	0.00
	2020	0.00
BDBL	2018	0.00
	2019	0.00
	2020	0.00

CSR		Others
	Year	Amounts in Taka (crore)
Sonali Bank	2018	0.5
	2019	0.77
	2020	0.26
Janata Bank	2018	0.23
	2019	0.10
	2020	0.10
Agroni Bank	2018	0.00
	2019	0.13
	2020	0.10
Rupali Bank	2018	0.10
	2019	0.49
	2020	0.29
BASIC Bank	2018	0.15
	2019	0.12
	2020	0.15
BDBL	2018	0.00
	2019	0.02
	2020	0.00

ANALYSIS OF DATA

Sonali Bank Limited (SBL)

Sonali Bank Limited, a well-known nationalized commercial bank in Bangladesh, is totally governed by the government. It is the state's most significant bank. By incorporating and nationalizing the East Pakistan-based branches of the National Bank of Pakistan, Bank of Bhowalpur, and Premier Bank that were present before the Bangladesh Liberation War of 1971, it was created in line with a decree made by the Bangladesh Bank in 1972. The SBL is the largest state-owned commercial bank, and it is crucial to the implementation of social and charitable initiatives that aid underprivileged citizens of the state.

Sonali Bank plans to invest a total of 2.72 crore taka in CSR programs for health and disaster relief between 2018 and 2020. Between 2018 and 2020, there will be increases in education spending of 0.38, 0.14, and 0.92 crores of taka. Environmental protection will not receive any attention from 2018 to

2020. From 2018 to 2020, there will be notable expenditures of 0.03 crore taka, 0.08 crore taka, and 1.13 crore taka in cultural, infrastructure development, income assistance programs, and other CSR initiatives that will have a substantial impact on sustainable development.

Janata Bank Limited (JBL)

A nationalized commercial bank named Janata Bank Limited was established in 1971. By providing the requirements they need, it meets the needs of the large corporate clients. The bank was established with the new idea of offering prompt banking services in order to meet the rising and diverse financial needs of the country's anticipated economic expansion (Janata Bank Limited, n. d.).

During the years 2018 and 2020, the expansion of Janata Bank's CSR projects in disaster management would cost 0.90, 0.72, and 1.21 billion taka. 2,833 crores of taka have already been spent on the health sector, and more money will be invested there in the future. The money spent on cultural, infrastructural, and income assistance initiatives as part of the CSR event from 2018 to 2020 is disregarded. The corporation plans to maintain the same level of CSR operations from 2018 to 2020. The overall expenditure in the education sector is 0.2 crore taka.

Agrani Bank Limited (ABL)

On March 26, 1972, Agrani Bank Limited, a nationalized commercial bank of Bangladesh, was founded in compliance with the Bangladesh Banks Order 1972 by assuming control of two failed Pakistani banks. Habib Bank and Commerce Bank were the two banks that were taken over from Pakistan. The bank has been functioning under its new name, Agrani Bank Limited, since November 15, 2007, when it changed its legal form to a publicly listed limited liability company with the government owning all of the business's shares. Agrani Bank Limited is dedicated to fostering societal progress through its Corporate Social Responsibility initiatives. The ABL's moral code is not just intended to boost sales; rather, it foretells the creation of a society where respect for human rights and dignity is given the highest thought and concern.

Agrani Bank Limited has donated 0.25 crore and 0.77 crore taka, respectively, to the health and education sectors, and the bank intends to steadily enhance this sum starting in 2018 and continuing through 2020. A total of Rs 0 crore of taka would be disbursed for income assistance and disaster relief programs between 2018 and 2020. A great indicator for Bangladesh's economic development is the fact that expenditures between 2018 and 2020 will rise year over year in the areas of infrastructural development, cultural development, and environmental preservation.

Rupali Bank Limited (RBL)

Bangladesh also has Rupali Bank Limited. On March 26, 1972, under the Bangladesh Banks Order 1972 (P.O. No. 26 of 1972), the Australasia Bank Ltd., the Muslim Commercial Bank Ltd., and the Standard Bank Ltd., all of which had previously done business in what was then Pakistan, merged to form the Bangladesh Bank, assuming all of the assets, properties, rights, authorities, privileges, debts, and responsibilities of the previous banks. RBL's CSR initiatives aimed to satisfy the vast number of unfulfilled public demands. It tends to encourage business endeavors that are more committed to societal demands and national needs in a genuine and practical way (RBL, 2014).

The majority of the funds for the health and education sectors—a combined 1.03 crore and 0.8 crore between 2018 and 2020—were disbursed by Rupali Bank. The bank has recently focused on environmental protection starting in 2020, and its commitment to catastrophe management is marginally rising. From 2018 to 2020, the amounts allocated for infrastructure improvement and the income

assistance program in the sphere of cultural activities are 0.29, 0.05, and 0.14 crore taka, respectively, and they are decreasing year over year. The bank contributes a sizeable sum—totaling \$0.88 million—to various CSR initiatives; however, the amount distributed from 2018 to 2020 is slightly less than that amount.

BASIC Bank Limited

The BASIC Bank is the only bank that fully supports and attends to small and medium-sized enterprises. Another area where BASIC Bank has made a big difference is in the empowerment of women. Along with the underprivileged, people with little means, and new company owners, BASIC Bank offers assistance and motivation to women entrepreneurs. By offering borrowing facilities, this is made possible.

The bank will not invest any funds in the fields of education, health, disaster management, environmental protection, culture, infrastructure development, or income assistance programs between 2018 and 2020. While the bank will provide 0.42 crores taka to the other sectors, this amount will gradually increase over time. Although BASIC Bank is dedicated to supporting small companies, it hasn't done much to advance society as a whole.

Bangladesh Development Bank Limited

Bangladesh Development Bank Limited, also known as BDBL, is a well-known nationalized commercial bank in Bangladesh and one of the nation's financial organizations with an emphasis on economic development. The firm was recognized as a public limited company in accordance with the provisions of the 1994 Act, per the official judgment, on November 17, 2009. To create this bank, the Bangladesh Shilpa Bank and the Bangladesh Shilpa Loan Sangstha amalgamated.

The total distribution in the health sector from 2018 to 2020 was 0.06 crore taka, while the bank is now initiating CSR operations in education and disaster management from the year 2020. The bank will not provide any money between 2018 and 2020 to initiatives that benefit low-income people, preserve cultural heritage, build infrastructure, or save the environment. BDBL would contribute 0.02 crore taka across all businesses between 2018 and 2020.

FINDINGS

The number of CSR activities in Bangladesh has increased significantly. The majority of banks are trying to portray themselves as organizations working at the highest level possible in terms of their CSR initiatives, the study's findings indicate. Corporate social responsibility (CSR), which has a robust economic and legal framework, is quickly making way for the ethical and discretionary aspects of the subject in Bangladeshi banking sector firms. The state-owned commercial banks participate in a small number of corporate social responsibility projects, although their involvement in other CSR-related activities is limited. Bangladesh is currently attempting to increase its level of international competitiveness in order to fulfill the expanding demand for CSR practices and standards (Alimullah, 2006). Customers are the most important aspect of any business, and customers are more interested in information like the support and assistance provided by the organizations from which they wish to obtain goods or services, so the state-owned commercial banks primarily make contributions in the areas of education, health care, disaster relief, and arts and culture; however, the BASIC bank & Bangladesh Development Bank do not engage in any forms of CSR activities. None of the SOCBs are now alarmed by the emergence of new technology. In order to support the development of the nation's economy, both the BASIC bank and the Bangladesh Development Bank set out on their respective

missions. In order to solve pressing concerns in the sectors of infrastructure development and empowerment programs, respectively, they did this by contributing money to a number of initiatives.

CONCLUSION AND RECOMMENDATIONS

Conclusion

Corporate social responsibility (CSR) has developed into a de facto benchmark for generally reasonable efforts undertaken by firms, and it is steadily gaining acceptance among consumers. Through CSR initiatives, business groups have the chance to take part in philanthropic and societal events with the goal of promoting social progress that is both justifiable and supportable. In order to better serve the public, the nation's banking sector distributes a sizable sum of money to various elements of society each and every year. Bangladesh is a violent country on many levels, including political and social. The business and financial sectors should both contribute to the growth of this situation because the government is not always able to resolve these issues on its own. The preparation of an accurate financial statement requires the banks to disclose accurate information. The banks can greatly benefit from this information during the auditing process, and the information is still transparent in the eyes of the clients. However, corporate social responsibility should not be viewed as a public relations or marketing strategy because managing a successful business should involve more than just producing money. It should prioritize advancing the common good, advancing society, and safeguarding the environment. In turn, this will give the business a competitive edge over its industry rivals. Even though banks are taking part in more corporate social responsibility (CSR) efforts, certain state-owned commercial banks still don't engage in these initiatives to the same degree as other banks. A bank's customers are the only reason the organization is still in business. In order to enhance CSR reporting, the government should update both the Bank Companies Act of 1991 and the Company Act of 1994. We believe that a lot more research is needed to determine how CSR disclosures are included in financial reporting.

Recommendation

Bangladesh is still very far behind in attempts to build society, but the government can yet make the necessary moves. Financial institutions must now more than ever seriously explore how to fulfill their social obligations in a way that advances society and the welfare of their stakeholders while also enhancing their financial performance (CFP). The banks that are operated by the government should be more cautious while disclosing their information because the country's economy is so strongly dependent on its government sectors. The Bangladesh Bank is able to plan awareness-raising events. The policy should also be enforced by the Bangladesh Central Bank in order to develop efficient CSR initiatives within the nation's banks. Through the government banks, more social service projects might be able to be organized. In this regard, the field of education must receive top priority. It is crucial that these measures be put into place since they form the basis of a nation, and specific efforts must be made to empower women. As a developing country, it should prioritize the spread of technological capabilities, which should give rise to a constructive worry. It should also pay favorable attention to the function of invention. Finally, by decreasing the tax and offering other facilities, the government should help the banks disclose their true costs. The banks should also help the government build a strong economy for the nation by disclosing the proper costs on their financial accounts.

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