

Practices and Disclosures of Corporate Social Responsibility in Financial Statements: A Comparative Study on Some Commercial Banks in Bangladesh

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Abstract

Enthusiasm in corporate social responsibility (CSR) disclosures information expanded as of late. This led to companies to set a clear view for the CSR reporting to fulfill their stakeholders' needs. The Business world is changing quickly in all over world and in addition Bangladesh. Now the objectives of business are not only confining in profit maximization as well as business is currently occupied with social duties. Social responsibilities became the important issue in this time for business. The role of business worldwide and particularly in the developed economies has evolved over the last few decades from classical "profit maximizing" approach to a social responsibility approach, where organizations are dependable to its stockholders as well as to the majority of its stakeholders in a broader inclusive sense. Now in the age of information CSR reporting plays a vital role in the developing countries. This study tries to find out the CSR reporting practices of selective commercial banks in Bangladesh. The study is based on annual report of 2013 and 2014 in various CSR sectors. It is shown that most of banks maintained limited sector of CSR in their financial reports.

Keywords: Corporate Social Responsibility, Reporting, Financial Information, Bank Companies, Bangladesh.

1. Introduction

A company's sense of responsibility towards the community and environment (both ecological and social) is important in which it operates. Companies express this citizenship (1) through their waste and pollution reduction processes, (2) by contributing educational and social programs and (3) by earning adequate returns on the employed resources (Business Dictionary, 2015). The Activities which the business institutions perform to provide services to the society is Corporate Social Responsibility of the business. These activities increase the goodwill of business which helps the business to maximize its profit. It can also be said as voluntary activities of business toward society. Corporate initiative to assess and take responsibility for the company's effects on the environment and impact on the social welfare Companies need to answer to the aspects of their operations. 1. The quality of their management- both in term of people and processes 2. Company at first should concern about its employees and other staffs well-being and benefits including organizational environment, working areas, health and different allowances concerning their benefit. Second is the concentration of the company towards society. Company is greatly liable to society to perform in various aspects of society. The stakeholders from outside show great interest about the outer circle such as- about the companies nature of work whether good or bad, what kind an what quality of products the company used to provide and the impact of the service of company on the environment and society. Out of the various stakeholders, it is financial analysts who are predominantly focused- as well as past financial performance- on quality of management as an indicator of likely future performance (mallenbaker.net). Companies and organizations can bring the social and environmental concerns in their activities through this concept. It is the way through which a company balances the economic, environmental and social matters and it helps a company to satisfy the shareholders and stakeholders. CSR is not like charity or sponsorship type of activity. CSR is the strategic business concept. The purpose of business is to make money. However the profit motive is sometimes viewed as less than virtuous because it emphasizes self- interest. Nevertheless, self interest is not the same as selfishness, which emphasizes one's own interests at other's expense. Self interest is simply a concern for financial reward and is arguably necessary if society is to be maximally productive and efficiently allocate its resources (Geoffrey P., 2002).

Though profit making is the main concern behind Corporate Social Responsibility activities as it increases the popularity of business as well as the company towards the society which increases profit, but the main thing is that by CSR activities the businesses help the society to be more expressed in terms of livelihood, attitude, eructation, health etc. One of the great results of CSR activities performed by the business is that, the people of developing country can prepare themselves with the lifestyle of developed country. In Bangladesh CSR is not so known and it is a new concept here, But the people of Bangladesh are now becoming familiar with this concept. The business organizations and companies of Bangladesh also started CSR activities as their services to society, which ultimately turn in the development of life standards as well as the economy of the nation. Banking companies are maintain their CSR disclosures in annual report but it is still not enough for external users of financial reports as they need.

2. Background of the Study

The early roots of Corporate Social Responsibility can be traced back to 1978, when Henry Ford announced that the aim of Ford Motor Company is that “To do as much possible for everybody concerned, to make money and use it, give employment, and send out the car where the people can use it and identically to make money” (Lee 2008, p. 54). Eighty years later, Henry Ford’s great grandson, William Clay Ford Jr. emphasized that Ford Company valued all stakeholders interests as well as the social welfare of employees and shareholders, as he said that “we want to find ingenious new ways to delight consumers, provide superior returns to shareholders and make the world a better place for us” (Meredith 1999, p. 157). From a business practice perspective, Ford was one of those companies, who initiated social responsibility activities. From a research perspective, many scholars believe that Bowen’s Social Responsibilities of the Businessman (1953) is the first work to discuss the relationship between corporations and society (Carroll 1979,; Wartick & Cochran 1985). In this book Bowen (1953) argues that firms need to be cognizant of business ethics (Mrignan & Ferrell 2004). During the last 57 years, several findings have caught the attention of CSR practitioners and scholars. These include studies which suggested that CSR activities provide an “insurance- like” protection when negative events happen (Godfrey et al. 2009); that CSR activities not only influence sales growth, but also influence the employment and investment domains (Sen et al. 2006); and that firms with higher CSR ratings may have a sustainable competitive advantage rooted in human capital as they attract more and better employees than firms with lower CSR ratings Carmeli 2005; Turban and Greening 1997). Consequently in order to pursue sustainable development and achieve a good reputation in a fiercely competitive market, more and more companies are publishing their CSR disclosures and CSR reports.

3. Research Methodology

This study is exclusively a descriptive research on corporate social responsibility disclosure practices in financial reporting of private and government commercial banks in Bangladesh. The small sample size is ten commercial banks which are seven private and three are government. The study is purely based on secondary data sources. The data collected from annual reports of banks in the year of 2013 and 2014. For analyzing CSR disclosure by banking companies, annual reports are considered appropriate documents. Guthrie and Parker (1990); Gray, Owen and Adams (1996) argued that corporate social reporting practices using annual reports as the key sources of information.

4. Literature Review

4.1 Meaning of Corporate Social Responsibility

Corporate Social Responsibility is one kind of obligations of business towards the society. Business operates in a society. So it needs to take care of society. When a business organization or a company thinks about the development of society such as not to pollute the environment and water by reducing the nature of throwing garbage’s to the river or ponds and by planting more trees, concerning general people about safety of life, encouraging the children for education, give primary health support to the poor and unprivileged, providing necessary support to the disaster victims etc. to develop the condition of the society it’s called Corporate Social Responsibility activities of Business. By these types of activities the business organizations play key role for wealth creation in society. It is really a excellent way for the business organizations and companies to achieve a balance condition in the economy of one country. The business organizations can also satisfy the customer’s and also can fulfill the expectations of stakeholder’s and shareholders.

The Responsibility of business encompasses the economical, legal, ethical and discretionary expectations that a society has of organizations at a given point in time. (Carroll, 1979)

In words of Michael Hopkins (2012)

- Corporate Social Responsibility is concerned with treating the stakeholder’s of a company or institution ethically or in a responsible manner. ‘Ethically or responsible’ means treating key stakeholders in a manner deemed acceptable according to international norms.
- Social includes economic and environmental responsibility; stakeholders exist both within a firm and outside.
- The wider aim of Social Responsibility is to create higher and higher standards of living, while preserving the profitability of the corporation or the integrity of the institution, for peoples both within and outside these entities.
- CSR is a process to achieve sustainable development in societies.

Corporate Social Responsibility is the social bindings of the organization to provide economic, environmental, legal, ethical service and benefits to the internal employees and staffs and the society. The company must have to ensure the better environment for the people who work inside the organization, not only the work environment but also health issues that the company should concern. Company also has to ensure the accommodation and educational fees or scholarships for employee’s children. Company should treat the stakeholder’s both internal and external responsibility. Society’s economic development should be another

important concern for the organization. Maintaining and developing the environmental programs like as tree plantation, concerning people about global warming and green house effect, waste cleaning programs, health issues such as providing vaccine for child without fee, arrangement of sanitary bathroom, concerning on hand wash campaigns, say no to any kind of addiction etc. are the social obligations for the company towards the society. Educational scholarships for students who are poor but merit and sponsorship in various kinds of sports are also voluntary responsibilities of companies. Company maintains this practice for profit. But profit maximization is not only the reason but also the ethical side is considerable. If the company can help the society to develop it will ultimately turn to profit maximization of the company. Responsibilities including commercial, environmental, ethical, legal that an organization perform voluntarily for its internal as well as external stakeholder's, employees and staffs of the organization and the society as a whole are the Corporate Social Responsibilities.

4.2 Corporate Social Responsibility Practices in Bangladesh

The concept of CSR developed in the 19th century after the revolution of industries and technologies. When the business issues got momentum the organizations found new ways for development of business by increasing the rate of profit. Corporate Social Responsibility is one of them which were the amazing found for the business. This is the concept that attracts investors and customers in a technical way. Through the company uses the term or the term suit it most is voluntary responsibilities but there is a business technique behind this. Though, it is a business technique, but business is all about investors and customers. That's why the big companies emphasized on CSR activities. Reasons behind that, at one side it ensures better employment facilities, provides benefits to the stakeholders and services to the society and at other side it helps in enhancing the reputation and more importantly the profit of the organization.

The concept of CSR is still new for Bangladesh. In recent years there is noticeable change. Various agencies created pressure on the companies to act responsibly about the social, political and environmental impacts. Companies and Organizations of Bangladesh also trying to perform various social responsibilities as poverty solution programs, scholarships for poor and merit students, tree plantation. There are limited disclosures of CSR in Bangladesh. But in recent years various organizations are disclosing their CSR activities on financial statements. One of the biggest among them is the Banking sector of Bangladesh. Telecom companies also used to disclose their CSR activities

4.3 Disclosure of Corporate Social Responsibility in Bangladesh

Corporate social responsibility reporting is a part of company's strategy to create value by building trust or managing their reputation among their stakeholders. Companies increasingly disclose social and environmental information, otherwise known as Corporate Social Responsibility information. Whereas financial disclosures are highly regulated, CSR information is mostly disclosed on a voluntary basis. Firms do this for many reasons as fulfill social expectations that attract more investors and customers, providing accurate information to the stakeholders etc. That maximizes the company profit by increasing the value of the company in the stock market through making high share value.

Voluntary disclosures in general are used by managers to pursue positive economic outcomes (Helay and Palepu [2001]), and voluntary disclosures have been shown to be associated with, among other economic measures, lower cost of capital (Francis, Nnada and Olsson [2008], and higher market prices (Helay, Hutton, and Palepu (1999).

There is in Bangladesh a long history of philanthropic activities from time immemorial. These philanthropic activities included donations to different charitable organizations, poor people and religious institutions (Porag, 2015). The CSR worldwide portal concludes, in Bangladesh Civil Society, business people and politicians view CSR in terms of philanthropy, particularly in the schools and the health care sector. This focus is also rooted in the country's Islamic tradition of calling upon those with more resources to help the disadvantaged. Accordingly, Companies are expected, most of all, to engage in charitable works, for example by providing donations or in company training program. Till now, most of the businesses in Bangladesh are family owned and first generation businesses. They are involved in community development work in the form of charity without having any definite policy regarding the expenses or any concrete motive regarding financial gains in many instances. Moreover most of the SME's fall under the informal sector having low management structure and resources to address the social and environmental issues. In general, it is true that in Bangladesh, the status of labor right practices, environmental management and transparency in corporate governance is not satisfactory, largely due to poor enforcement of existing laws and inadequate pressure from civil society and interest groups like Consumer Forums. Globally, as CSR practices are gradually being integrated into international business practices and hence is becoming one of the determining factors for market accesses, it is becoming equally instrumental for local acceptability. A focus on CSR in Bangladesh would be useful, not only for improving corporate governance, labor rights, work place safety, fair treatment of workers, community development and environment management, but also for industrialization and ensuring global market access. By now, many CSR dimensions are practiced in

Bangladesh (Porag, 2015).

The issues like CSR reporting got vital attention in last few years. Most of the studies in the world about disclosure of CSR are done based on developed countries. A few studies were done in context of developing countries. In Bangladeshi context the number of studies is not enough. CSR is a new concept in Bangladesh corporate culture. The concentration of companies about CSR reporting is rapidly increasing. Because the stakeholders seek reputation and companies can increase reputation only by clear and accurate disclosures. For improvement of company's reputation, return of the stakeholder and to enhance business of the companies rapidly increasing their disclosure of CSR. The Government of Bangladesh has not imposed any requirements for disclosure of social and environmental performance. The Companies Act 1994 sets the general rules for corporate financial reporting.

However, no provisions regarding CSR exist in the Companies Act, 1994 (GoB, 1994). Until recently, there has not been a separate Bangladesh Accounting Standard (BAS) regarding social and environmental reporting (IASCF, 2003). In Bangladesh, CSR is still voluntary with the exception of disclosure of expenditures on energy usage required under the Companies Act of 1994 and the Securities and Exchange Rules of 1987, which require the total amount spent on energy to be shown as a separate expenditure in the notes to the financial statements (Belal, 2001)

Corporate Social Responsibility is voluntary in Bangladesh. A few companies report on CSR about their activities to the environment, health and society. Imam concludes that the sample listed companies tend to represent a relatively minor quantity of disclosure when compared with corporate financial disclosures. In the absence of independent verification, the credibility of information disclosed is questionable. Furthermore Hossain et al. (2006) investigated CSR by using the annual reports of 107 non-finance companies, for the financial year 2002-2003, showing that: an average 8.33% of Bangladeshi companies disclose social and environmental information in their corporate annual report. They concluded that the disclosure of social and environmental information made by the listed companies in their corporate annual reports in Bangladesh is "very disappointing" (Hossain et al. 2006 cited Azim 2011). In recent years there is considerable pressure from various agencies for companies to act responsibly and be accountable for the impacts they have on social, political and ecological environments. Companies are also expected to participate in solving social problems, such as poverty and infrastructure (A. Mohammed, 2009)

Disu and Gray (1998) made a study on 22 Multi National Corporations (MNC's) in Nigeria. They found that all of these companies made some mandatory disclosures like charitable donations, employment data, pensions, employee consultation, employment of disables, health and safety and corporate governance. Kisenyi and Gray (1998) made a short study on only 4 companies of Uganda and concluded that social and environmental disclosure in Uganda is scarce, low grade and of little importance.

From the context of Bangladesh, Chowdhury and Chowdhury(1996) concluded in their study that some progressive companies in Bangladesh voluntarily provide some information with regard to social and environmental matters. Miyan was hopeful that a number of corporations are now following an increased commitment to CSR beyond just profit making and compliance with regulation. It also found that initiatives in CSR activities in Bangladesh are pioneered by Multinational Companies. Since Bangladesh is now exposed to global standards, it can be anticipated that the CSR activities in Bangladesh will continue to be extended. Firms are now trying to uphold their image of socially responsible firms and consequently influence consumer buying decisions in favor of the goods and services marketed by them (Porag, 2015) Disclosures of voluntary performances as CSR helps to provide a clear and accurate scenario about the company towards the stakeholders internal as well as external. It makes the share price high at lower investment. In economic perspective, companies should only undertake actions that reduce costs or enhance benefits that are disclosures that reduce costs and increase revenues are desirable. Companies may have to deal with more powerful or less powerful stakeholders depends on the size of the company so they may have to bear various political, legal, social costs. By voluntarily disclosing information on their social and environmental performance, companies try to reduce these costs.

5. Data Analysis

We analyze ten private and commercial banks' annual reports. Banks are doing many types of CSR reporting in financial statements. Here the reporting of CSR activities in financial statements of government and private banks in 2013 and 2014.

Comparison of Corporate Social Responsibility Practices by the Bangladesh Bank

CSR	Education
Dutch Bangla Bank Ltd.	2013: Scholarships to 24,000 students 2014: Scholarship to 56,000 students in all level
Dhaka Bank Ltd.	2013: Donated Tk. 65 Lac. To different institutions 2014: Tk.1.2 crore to Khulna University & Rotary District Community Hospital (KURDCH)
IFIC Bank	2013: Tk. 1 Ml. 2014: Tk. 11 Lac.
PRIME Bank	2013: Prime Bank awarded scholarships to 394 students in the year of 2013

	2014: Scholarships to 2,072 students in total and 401 students in 2014
Islami Bank Bangladesh Ltd.	2013: Tk. 135.26 million 2014: Tk. 161.34 Million
CSR	Health
Dutch Bangla Bank Ltd.	2013: Spent Tk. 35,35,000 2014: Spent Tk. 29,943,000
Dhaka Bank Ltd.	2013: Tk.21,93,650 to Proyash 2014: Tk. 1.20 Cr
IFIC Bank	2013: IFIC Bank paid Tk.10.00 million to Proyash. 2014: Tk. 4Lac.
PRIME Bank	2013: Prime Bank Eye Hospital (PBEH) was established to make high quality eye care accessible to all, regardless of their financial condition. Prime Bank nursing institute 2014:
Islami Bank Bangladesh Ltd	2013: Tk.1074.76m. for 7019680 students and Tk. 71.50M. in 2013 2014: IBBL spent an amount of Tk. 1164.23 million for 7,144,761 beneficiaries from 1983-2014 for this purpose. Tk 89.47 M. in 2014
CSR	Prime minister's Relief Fund, & Blanket and disaster victims
Dutch Bangla Bank Ltd.	2013: Tk. 7.34 Cr. 2014: Tk. 5 Cr. to Relief fund and and blankets of Tk.6.40Cr.
Dhaka Bank Ltd.	2013: Tk 1 crore to Prime Minister's Relief and Welfare Fund 2014: Tk. 50 Lac & 10,000 blankets
IFIC Bank	2013: Tk. 20.00 million to Prime Minister's Relief Fund 2014: 25,000 blankets to P.M Relief Fund
PRIME Bank	2013: Distributed of 5,210 pcs of blankets among poor people 2014: Distributed 35,000 blankets among poor people.
Islami Bank Bangladesh Ltd.	2013: Tk. 43.26m. to disaster victims 2014: An amount of Tk. 721.65 million for 1,994,691 vulnerable persons was spent by IBBL from 1983-2014.
CSR	Sponsoring Sport sand Culture
Dutch Bangla Bank Ltd.	2013: 2014: Tk. 30 mil.
Dhaka Bank Ltd.	2013: Sponsoring cricket series 2014: Sponsoring cricket series and Dhaka Bank donated a Micro- Bus to Olympic Association
IFIC Bank	2013: 2014: Tk. 3 Cr.
PRIME Bank	2013: Sponsored Prime Bank Cup Golf Tournament - 2013 at Ghatail Golf Club, Sponsored Prime Bank Bangladesh Premier League 2013 2014: Prime Bank sponsored Dhaka Premier League 2014-2015
Islami Bank Bangladesh Ltd.	2013: 2014: An amount of Tk. 558.79 million was spent by IBBL from 1983-2014 for this purpose
CSR	Women Empowerment
Dutch Bangla Bank Ltd.	2013: 2014: DBBL provided assistece to women
Dhaka Bank Ltd.	2013: Not Mentioned in Annual Reports 2014: Not Mentioned in Annual Reports
IFIC Bank	2013: Not Mentioned in Annual Reports 2014: Not Mentioned in Annual Reports
PRIME Bank	2013: Not Mentioned in Annual Reports 2014: Not Mentioned in Annual Reports
Islami Bank Bangladesh Ltd.	2013: Account for 'Mudaraba Mohor' and "The Women Entrepreneurship 2014: Account for 'Mudaraba Mohor' and "The Women Entrepreneurship
CSR	Others
Dutch Bangla Bank Ltd.	2013: Tk. 69,328610 in 2013 for creating social awareness 2014: Tk. 20 m.
Dhaka Bank Ltd.	2013: 2014:
IFIC Bank	2013: The Bank provided Tk. 0.70 million to DADUS 2014: Tk. 20.5 Lac.
PRIME Bank	2013: Sponsored The Dhaka University Debating Society (DUDS) for participation in a debate competition at Singapore 2014:
Islami Bank Bangladesh Ltd.	2013: The Bank provided Tk. 3002.16 million for 10,975,878 beneficiaries was, from which Tk. 476.42 million for 950,607 beneficiaries was contributed in 2013. 2014: The Bank has established a rehabilitation centre for the distressed women namely- "Islamic Bank Distressed Women Rehabilitation Centre".
CSR	Education
Janata Bank Ltd.	2013: Tk. 79.53m. in 2013 and total 132.57m 2014: JBL spend Tk. 11.84 ML. on educational purpose in 2014
BASIC Bank Ltd.	2013: Tk. 9Lac. 2014: Tk. 9Lac.
BRAC Bank Ltd.	2013: 224 students have given scholarships in 2013

	2014: Scholarship to 208 students in total
PUBALI Bank Ltd.	2013: Donation to the research center of SUST,Asia Foundation 2014: Regular donations to different educational institutions
Arab Bangladesh Bank Ltd.	2013: 2014:
CSR	Health
Janata Bank Ltd.	2013: Tk. 114.9m. in total 2014: JBL donated Tk. 25.76 ML. to health sector in 2014
BASIC Bank Ltd.	2013: 2014:
BRAC Bank Ltd.	2013: 300 Garment workers have been and 50 nurses have been given opportunity for higher study. 2014: Scholarship to 50 medical students each year
PUBALI Bank Ltd.	2013: Pubali Bank Limited donated Tk. 2.27 Cr. in the Relief Fund. The Bank also donated Tk. 60 Lac for the welfare of the Autistic Children 2014: Pubali Bank Limited has donated Tk. 10 (ten) crore to Dhaka Ahsania Mission, Pubali Bank Limited has also donated Tk. 2 (two) Cr. to ENT.
Arab Bangladesh Bank Ltd.	2013: AB Bank joins hand with ‘Proyash’ and donated Tk. .50 million to raise fund for the autistic children. 2014: Tk.50Lac.
CSR	Prime minister’s Relief Fund, & Blanket and disaster victims
Janata Bank Ltd.	2013: Tk.128.85m. for poverty reduction and Tk.5.29m to disaster victims 2014: Tk.128.85m. for poverty reduction and Tk. 40 ML. for disaster victims
BASIC Bank Ltd.	2013: Blankets of Tk.80lac. and Tk. 200 Lac. To Rana Plaza Victims and relaxed interest for NGO’s 2014: Blankets of Tk.60lac. Tk.1 Cr. to P.M Relief fund for Rana Plaza victims
BRAC Bank Ltd.	2013: 8,000 employees have donated 1-day’s salary for Rana Plaza victims 16,800 cold-hit people have received clothes for warmer nights. 2014: Not Mentioned in Annual Reports
PUBALI Bank Ltd.	2013: Tk. 15 Lac for purchasing blankets to help the cold affected people in the Northern area of the country. 2014: For the natural calamity and national tragedy PBL always extends its hand to help and provide financial support
Arab Bangladesh Bank Ltd.	2013: AB Bank donated Tk. 4.80 Lac. For the affected family of BDR mutiny. The Bank also distributed 18,500 pieces of blankets. AB Bank also donated Tk. 2 Cr. to the Rana Plaza victims through Prime minister’s Relief Fund. 2014: 20,000 blankets to P.M Relief Fund
CSR	Sponsoring Sport sand Culture
Janata Bank Ltd.	2013: Tk. 77.69m. in total to history and culture 2014: Tk. 77.69m. in total to history and culture
BASIC Bank Ltd.	2013: Tk. 100 lac to Abahani Limited and Tk. 150 lac to Sheikh Russel Krira Chakra. The Bank also donated Tk. 15 lac to Bangladesh Olympic Association and Tk. 1 lac each year. Tk. 1 Cr. to Bangladesh Olympic Association in2010. 2014: Tk. 2cr. 34 Lac to sports and Tk. 5lac. To baishakhi fair
BRAC Bank Ltd.	2013: 4.5 million people have been inspired to read books 40,000 people have found roots in classical music. 2014: Arranged cricket series and partner of Bengal classical festivalTk. 25Lac. to Relief Fund
PUBALI Bank Ltd.	2013: Sponsoring boat rowing, Golf Tournament and Art competition 2014: sponsoring- Boat rowing etc.
Arab Bangladesh Bank Ltd.	2013: Sponsored Cricket League and Golf Tournament. Tk. 1 million Tk. 1.65 Million for the publication “Shishu Kisor Sonkolon” by Chandrabati Academy. 2014: Sponsored golf tournament
CSR	Women Empowerment
Janata Bank Ltd.	2013: Tk. 44.59m. on technology & Tk.15.32m. for miscellaneous purpose 2014: Tk. 11.11 ML. for Information Technology
BASIC Bank Ltd.	2013: Developing skills of women 2014: Developing skills of women
BRAC Bank Ltd.	2013: Not Mentioned in Annual Reports 2014: Not Mentioned in Annual Reports
PUBALI Bank Ltd.	2013: Not Mentioned in Annual Reports 2014: Not Mentioned in Annual Reports
Arab Bangladesh Bank Ltd.	2013: Not Mentioned in Annual Reports 2014: Not Mentioned in Annual Reports
CSR	Others
Janata Bank Ltd.	2013: Tk. 43.26m. for 1,101787 beneficiaries 2014: JBL spend Tk. 11.88 ML. Preservation of environment of Tk. 1.15 ML.
BASIC Bank Ltd.	2013: 26CNG stations 2014: CNG stations to reduce pollution
BRAC Bank Ltd.	2013: 10,000 Trees have been saved 149 SME Unit Offices have been solarized. 2014: Sponsored Environmental Olympiad and Women debate competition as youth leadership
PUBALI Bank Ltd.	2013: 2014:
Arab Bangladesh Bank Ltd.	2013: 2014:

5.1 Analysis of Annual Reports

DBBL rapidly increases the number of scholarships each year as their development work in education sector. In the year of 2013 the Bank has given scholarships to 24,000 students, where as in 2014 the Bank awarded scholarships to 56,000 students. DBBL spend Tk. 35,00,00,00 in 2013 and in 2014 Tk. 29,943,000 in health sector of Bangladesh. The Bank also increase the number of cleft lips and cataract operations from the year 2013 to 2014. Each year the Bank helps the disaster victims and distributes blankets and financial assistance to them through Prime Ministers Relief Fund, sponsored various sports and cultural activities and important contribution for reducing poverty. The Bank also has great contribution in protecting environment by planting trees and other programs. In the CSR disclosures part we can see that among the ten big banks of Bangladesh DBBL is one of the biggest service provider to the society.

Dhaka Bank Limited donated Tk. 65 Lac. for educational purpose in 2013 and Tk. 1.2 Cr. in 2014. In 2013, the Bank has donated Tk. 21, 93,650 in health sector. Dhaka Bank has donated Tk. 1 Cr. to disaster relief fund in 2013 and Tk. 50 Lac. in 2014. The Bank also sponsored cricket series. Dhaka Bank Limited has good contribution for the development and welfare of the society. But as one of the big and profitable bank of Bangladesh it should increase its CSR activities.

The IFIC Bank decreases provided Tk. 10 Lac for education in 2013 and Tk.11 Lac in 2014. In health sector, IFIC donated Tk. 10 Ml. to 'Proyash'. The Bank's contribution to the sports and culture is also noticeable. IFIC donated Tk. 1Cr. to "Lakho Konthe Shonar Bangla Gao", which was the memorable program for Bangladesh. In the year 2013, the Bank donated Tk. 20 million to Prime Minister's fund for the disaster victims and 25,000 blankets in 2014. IFIC Bank can improve their CSR activities in education and health.

Prime Bank increases the number of scholarships to be awarded to the students from 2013 to 2014. The Bank awarded scholarships to 394 students in 2013 and 401 students in 2014. Prime Bank Nursing Institute and the English Medium School rapidly increased their facilities and services to the students. Prime Bank has great contribution in the education sector. The Bank also contributed in the health sector by providing experienced nurses from it's developed Nursing Institute which is named as "PBNI". The Bank also established an eye hospital. Prime Bank donated 5210 pcs of blankets in 2013 and 35,000 pcs blankets in 2014. Prime Bank is increasingly contributing on the social welfare of Bangladesh.

Islami Bank Bangladesh Limited has great contribution in the economic development of Bangladesh. IBBL increased its CSR activities in education sector at a huge amount from 2013 to 2014 In health sector the Bank increased its activities of almost 18 million from the previous year. Sports women empowerment and other activities also increased. The number of beneficiaries also increased at the same time.

As a Government Bank Janata Bank Limited has a great contribution in the development of economical condition of this country. They contributed in every sector which was mentioned in above table.

BASIC Bank is the only Bank that helps the small and medium enterprises dedicatedly. BASIC Bank has also great contribution in women empowerment. BASIC Bank support the women entrepreneurs and also support and encourage the poor, less privileged and new entrepreneurs for launching business by providing loan facilities. The support is increasing day by day by the Bank. The Bank spend Tk. 9 Lac. to educational sector in 2013. To protect environment BASIC Bank has established 26 CNG stations. Though BASIC Bank dedicatedly supports the entrepreneurs, but the Bank has rare contribution for the welfare of the society.

BRAC is one of the largest NGO of Bangladesh. BRAC Bank is a concern of BRAC. BRAC itself is a NGO that helps the people of society by giving various facilities. In 2014, BRAC Bank has great contribution in education and awarded scholarships to 208 students, 50 medical students and 224 students in 2013. The Bank also sponsored cricket Tournament, sponsored the women debate competition at BRAC University. In 2013, 8000 employees have donated their salary of 1 day for the victims of natural disasters. The Bank contributed Tk. 25 Lac. to Bengal Music Festival in 2013 and sponsored Golf Tournament in 2014. BRAC Bank also sponsore the women debate competition in BRAC university in 2014. BRAC Bank has always great contribution for the development of society. The Bank can increase its CSR activities for the welfare of the people.

This Bank has small contribution for the development of society. In the year 2012 it has contributed in SUST and various educational institutions. The Bank also contributed in the various educational institution in 2013 In Health Sector it has donated a huge amount in Ahsania Mission in 2013 and 2014, the Bank also sponsored various sports like Golf Tournament and boat rowing in 2013 and 2014. Pubali Bank should increase it's social activities.

In 2013, AB Bank donated Tk. 4.80 Cr. for the victim families of BDR mutiny and donated 25,000 blankets in 2014 to the Prime Minister Relief Fund.. The Bank also contributed in the health sector and sponsored cricket tournament. AB Bank sponsored Golf Tournament in 2014 and donated Tk. 50 Lac in health sector. AB Bank is increasing their social services slowly from the previous years and Tk. 50 Ml. to 'Proyash' to support autistic children. AB Bank has low contribution to the social welfare activities. So they should increase its social activities to contribute in the economic development of the society.

5.2 Summary of Analysis

In the above Table, the CSR activities and disclosures of the years of 2013 and 2014 of 10 Banks of Bangladesh are shown. By comparing it is clear that almost each of the banks have contribution in the educational side. Banks also provides assistance to the health sector at a huge amount. But the contribution to Women Empowerment is not satisfied as only 4 banks are maintained in their annual reports. This indicates that woman empowerment is a overlook sector.

In the time of natural disasters almost every bank come forward to help the victims. Though the banks are contributing in these sectors noticeably, but still the bank can express themselves to more help in each of these sectors such as if the banks in collaboration through Bangladesh Bank donate together to establish some educational institution in district and sub- district level with good facilities it will help the people of society to be educated and it will also create great job opportunities for many, which ultimately increase the living standard and economic power of the nation. DBBL, Prime Bank, Janata Bank, IBBL have great contribution in the educational side of the country. Other banks should also contribute heavily in this sector. Also banks should think about more facilities in the health sector. The banks should donate more to this sector in collecting modern medical instruments and facilities from abroad. Banks should go forward and arrange good treatment facilities for the rural people. The rural people of Bangladesh are not so concern about health. Banks can arrange campaigns and meetings with those people to make them concern. Though DBBL has a great contribution for the treatment of cleft lips and cleft palate and also has various medical sides. Janata Bank also has great spending in the health sector. But if all the Banks come forward and perform actively and more dedicatedly then Bangladesh can be a health concern country which can make the great image of the country. Dutch Bangla Bank Limited has greatly contributed to all the side including Prime Minister Relief fund, sponsoring education, poverty alleviation and women empowerment. Janata Bank also contributed heavily for the help of disaster victims, developing the health sector, reducing environmental pollutions. IFIC Bank has great contribution in sponsoring the sports and cultural events. But IFIC should work more for women empowerment. Islami Bank Bangladesh Ltd have significant contribution in Women Empowerment. BASIC Bank Limited provided assistance to the new entrepreneurs and this Bank also have contribution to education and health sector. BASIC Bank should more concern to develop health sector. Arab Bangladesh Bank donated big amount in health sector. But AB Bank should also concern in other sectors. AB Bank have no contribution to education, women empowerment but at the other hand BRAC Bank greatly contributed to education and women empowerment. So AB Bank should express their social services for the students and for the women empowerment. Other bank in the table like Pubali Bank has no social activities in education, health, poverty alleviation. Pubali Bank should give concentration to these sectors.

After comparing all the CSR activities of the above stated Banks, we found that Banks are more interested to fund educational and Health sectors. Though the Bank have also well to contribution to other sectors.

6. Findings

The global competitiveness and demand of the CSR practices and standards are being implemented in Bangladesh (Alimullah, 2006). Because the main thing of business is people and people are now interested with facts like supporting, assistance from the organizations where they want to get services. In this paper we enclosed the CSR expenses disclosing information's of some private commercial banks as well as some Government banks of Bangladesh. After enclosing the information it is necessary to compare the expenses. The sectors in which banks are providing CSR services are as follows:

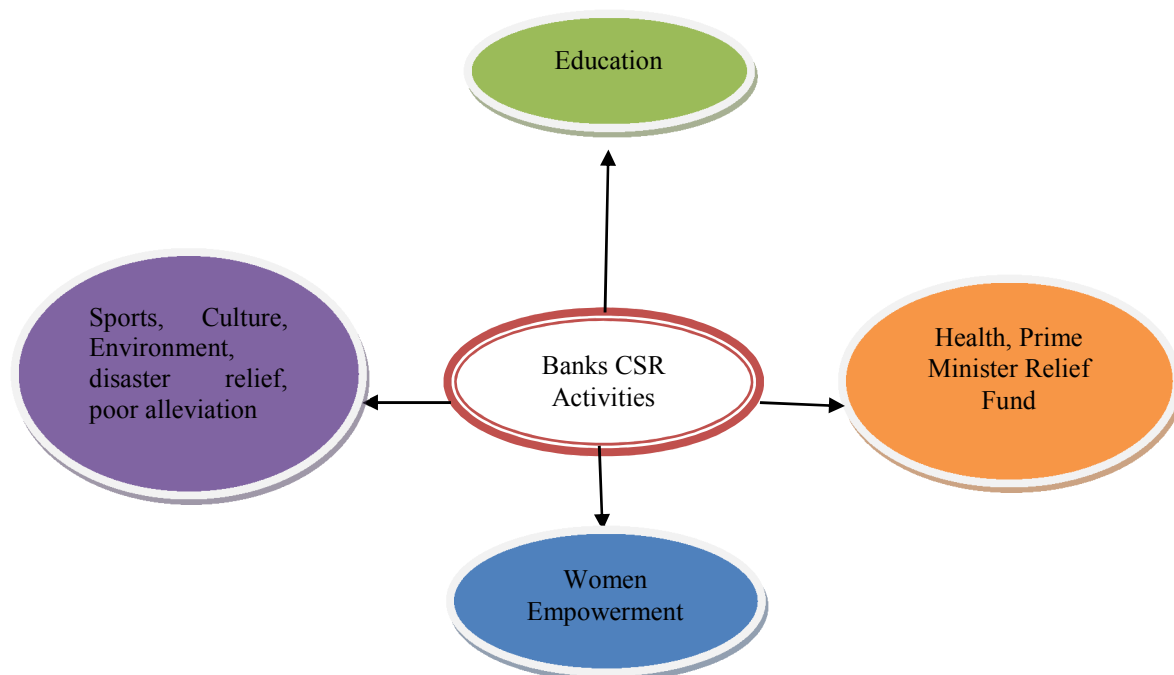


Figure: Bank's CSR service sectors

Banks are trying to maintain CSR reporting in their annual reports. But it is still poor situation in environment and women empowerment CSR disclosures. Bangladesh is situated in

7. Recommendations

Bangladesh is still far behind on the development works for society, but the Government can take necessary steps. As we stated in earlier lines that, Govt. has already taken essential steps to comfort business, but still a lot of things have to be done by the Government and for which the Private sectors should support Government. If Government and private sector work jointly for the improvement of CSR activities and if Government gives some facilities to the private sectors it will be very easy to develop the socio economic condition of the country. In this study, we have mentioned the CSR practices and disclosure by Banks of Bangladesh. Here it is clear that the Banks disclosed maximum of their social services on educational, health, culture, sports and natural disaster. The Banks as one of the biggest institution in Bangladesh can disclose the information's of their CSR activities in several ways. So far in the study we didn't found about employee and beneficiaries payment disclosure except Islami Bank Bangladesh Limited. So the Banks as should concentrate on this issue. In this study it is shown that the companies remained ethical about what they enclosed. In early years the companies of Bangladesh were not that much interested in providing social services, so as to disclose the information's of social activities. Banks are now disclosing the necessary information's for the help of their preparation of financial statements. Though Banks are disclosing the information's but many banks still not disclosing enough of the information's on their annual report as well as financial statements. Almost all the Banks in private sectors disclosing their information's appropriately. But still there is a great problem in CSR disclosing in government banks. . The Government Banks should be more concern while disclosing because the economy of the country depends greatly on the Government sectors of the country. The Bangladesh Bank can arrange awareness programs. Bangladesh Bank also should impose the policy to make effective CSR activities to the Banks. The Government Banks could arrange more social service programs. The Private Banks also could contribute more and more for the development of the Government organizations such as by providing more functions in educational side in primary educations by donating more money in the development of rural education. Private Bank in collaboration with Government Banks can help the health sector also. They can build hospitals in the name of Bank in each of the district and sub-district level. They can also develop the road and transportation facilities for the people who live in rural areas or in hills. Banks should more involve in agricultural development of this country as agriculture is one of the biggest earning sector of the Government and in which the economy of Bangladesh greatly depends. They should donate short amount of money to the farmers and fishers, so that they can get best seasonal products, by which the economy of the country ultimately get strong. The Banks can provide fund to the Government for arranging electricity lines in the areas where electricity not yet reached. Banks can also provide funds in the Government funds to build up better shelter house for the disaster victims. The Banks can also arrange more and more waste cleaning program by themselves to make this country beautiful and to protect the environment.

All the CSR activities of Bank should be disclosed in the financial statements by maintaining the policies

by Bangladesh Bank. The Government Banks also should concern about disclosing the information of social activities. The Bank should ethically more clear in time of disclosing. As CSR is a new concept for Bangladesh, the companies as well as Bank's are now rapidly becoming familiar with this type of activities so as with disclosures. Banks should have more clear and transparent in disclosing because it gives the customers a significant idea about them. So the Government and should help the Banks in disclosing the real expenses by reducing the TAX and by providing other facilities and the Banks should also disclose the appropriate expenses on the financial statements and help the Government of the country in making a strong economic condition.

8. Conclusions

The Banks of Bangladesh are now performing the CSR activities significantly. Even, the Banks are trying to create their image by this type of activities. Each year huge amount of money has been spent by the banking sector of this country to serve the society in various sides. The main fact is that there are no appropriate guidelines for the disclosure in reporting. The Banks should have enough policy to make this operation successfully and appropriately. Bangladesh has many political as well as social violence problems. The Government cannot always tackle this simulation's singly; the Business as well as the Banking sector also should contribute in the development of this situation. Banks are disclosing the actual information's to prepare a correct financial statement, from which the bank can get significant help in the time of auditing and it also remains clear in the eyes of customers. Though Banks are now practicing the CSR activities significantly but still there are some Banks which are not so much engaged in these activities. Bank's have their existence only because of their clients. Government should take to update the Company Act 1994 and the Bank Companies Act 1991 for the better CSR disclosures. We propose much research is needed to discover the implementation of CSR disclosures in financial reporting.

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