

Green Banking Gives Thrust on Corporate Social Responsibility

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MUMBAI: The Institute of Directors in partnership with Times Now hosted the 10th International conference on Corporate Social responsibility (CSR) at Hotel Taj Lands End, Mumbai on 5th and 6th February 2016. The theme of the conference was "Embedding CSR Mandate into Corporate Strategy". Dr. R. Seetharaman, Group CEO, Doha Bank gave the key note address on 5th February 2016.

The key dignitaries include Lt. Gen. J.S. Ahluwalia, PVSM (Retd.) President, Institute of Directors, Mr. S. Chakraborty, Chief Executive, Innovative Financial Advisors, Mrs. Rajashree Birla, Chairperson, Aditya Birla Centre for Community Initiatives and Rural Development, Aditya Birla Group, Lord Raj Loomba, founder and Chairman, The Loomba Foundation, UK and Mr Govind Swarup, IAS (retd.), Chairman – Mumbai Region, Institute of Directors.



Dr. R. Seetharaman gave insight on Corporate Social responsibility. He said "Corporate Social Responsibility (CSR) contributes to sustainable development in the areas such as economic growth, social development and environmental consideration and hence it should be inbuilt into strategy with focus on the above. Institutions should not only focus on the short term but also on long term goals as part of economic growth. Long terms goals are achievable only when they are sustainable. Institutions should contribute to social issues and climate change mitigation as part of Corporate Social responsibility."

Dr. R. Seetharaman highlighted the importance of CSR during global financial crisis. He said "Irresponsibility to both shareholders and society, as well as a lack of transparency, integrity and respect, were among the leadership shortcomings that contributed to excessive leverage in financial markets and the subsequent meltdown. Corporate structure and culture should focus on linking performance objectives with performance measures and should have a consistent design and

should be implemented across the entire organisation. Improved oversight over board compositions, improved disclosure and transparency and the effective use of audit functions are key areas which require focus. Boards are increasingly considering sustainable development aspects at the committee levels. Board excellence contributes to sustainable development."

Dr. R. Seetharaman gave insight on Green Banking as part of CSR. He said "The Global financial crisis has made me rethink on Green Banking. Banks as Socially responsible citizens should earmark capital for Green Banking apart from capital for regulatory requirements. The Banking environment operates within the global standards of lending or investing and such standards have been revised after the Global financial crisis both in terms of liquidity and capital adequacy. However in addition to this Banks as socially responsible citizens have a role to play on protecting environment and contribute to sustainable development. Hence every Bank should earmark minimum 10% of Tier 1 capital subject to a cap of 10% of risk weighted capital towards Green banking or Clean development mechanism (CDM) or any Sustainable development projects taking into consideration the carbon emissions prevailing in the economy in which the bank operates. Green Banking gives thrust on CSR."

Dr. R. Seetharaman highlighted how women can contribute to CSR. He said "Companies with more women at the top may be better practitioners of corporate social responsibility. Studies have shown that women leaders may bring diverse perspectives on fairness and the distribution of resources to donation decisions, which may in turn broaden a company's commitment to CSR and increase its levels of charitable giving."

Dr. R. Seetharaman gave insight on areas where Global Governance in relation to CSR and initiatives of Doha Bank. He said "The Global Governance gives focus on economic trends such as global economic growth, financial stability and fiscal monitor. It also gives emphasis on attaining inclusive growth and improving basic services which remains a challenge for countries with growing middle classes. The Global Governance have adopted sustainable development goals (SDGs) which have come into effect from beginning of this year and covers areas such as food security and climate change. Doha Bank advocates green banking initiatives and some of the initiatives include, Paperless Banking, Internet Banking, SMS Banking, Phone Banking, ATM Banking as well as online channels such as Doha Souq, E-Remittances and Online Bill Payments. Green Banking is one of the core business philosophies that would support the sustainability into the future." Doha Bank regularly hosts numerous knowledge sharing sessions across various countries on climate change and mitigation."