



## Corporate Social Responsibility Practices by Paradeep Phosphates Limited (PPL): An Analysis

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Article History	Abstract
Received: 06 June 2023 Revised: 05 Sept 2023 Accepted: 31 Oct 2023	<p><b>Purpose:</b> Corporate Social Responsibility (CSR) is an integral part of a corporate sector. It means Commitment of the business undertaking for equitable growth and sustainable development of society. CSR is a business strategy act as driver for a corporate sector to contribute some things return to the society. This research paper is a careful attempt to analyse and evaluate the CSR practices of Paradeep phosphates limited (PPL) in Odisha.</p> <p><b>Design/Methodology:</b> For the research purpose PPL is one of the largest private sector fertilizer companies in odisha is selected. It's simple reason is that PPL is the friend of farmers. Farmers development would mean nations development. Doubling the farmer's Income is the national goal of Country which is to be achieved with the support of PPL directly or indirectly. Data in this research has been Collected from annual Reports, SDGS reports, web site, director's Reports, CSR reports of Paradeep phosphates limited. Appropriate Statistical tools &amp; technique (mean, SD, Correlation Charts &amp; Graphs etc) have been used. <b>Findings:</b> The outcomes of this research study Provides an insight about the CSR Practices and CSR fund allocation and CSR fund utilization as percentage of average profit of PPL. <b>Research, practical and social implication:</b> The study of CSR practice is a vibrant issue in India since many years back for Sustainable development of the society. The present research is of Value to the researcher and Practitioner of Corporate Social Responsibility. The research study I hope immensely helpful in guiding, regulating, and conducting in CSR Practices of all sectors of companies as well as researchers in national and international level. <b>Research limitation:</b> The Present research study is based on one Private sector manufacturing undertaking namely Paradeep Phosphates Limited (PPL) <b>Originality/value:</b> The research article is based on secondary data. Researcher tries to Collect all these information and analyse these observations with using appropriate tools to make its reality in mind of Practitioner, thinkers, policymakers and users of sustainable development of society.</p>
CC License CC-BY-NC-SA 4.0	<b>Keywords:</b> Corporate Social Responsibility, PPL, Private Sector, Profitability, Fund utilized

### 1. Introduction

Corporate Social Responsibility (CSR) is also known as corporate conscience, corporate citizenship, sustainable business practice or responsible business. Corporate Social Responsibility means responsibility of a corporate sector whether private or public towards society for its well-being. It is the accountability of a business entity to return back something to the society. Business units uses resources of society as inputs and have simultaneously consideration to take care of society so as to make balance between economic, social and environmental issues of the country. CSR is not a new concept in India. CSR was charity or philanthropic function before introduction of new Companies Act, India is the first nation in the world has made CSR practices mandatory for the corporate sectors. After new economic policy of the country, Government of India has shifted the responsibilities of social welfare on the shoulder of corporate sectors. All companies in India with annual turnover of Rs. 1000 Crores or more,

net worth of Rs. 500 crores or more and net profit of Rs. 5 crores or more would have to spend at 2% of three-year average profit every year on CSR activities.

Private sector undertakings play a significant role in the development of the nation socially, economically as well as technologically. Indian private sector undertakings are continuously concerned with business practices ethically and morally keeping in the mind of social development. There are number of private sector companies involving CSR practices at national as well as international level. PPL is one of the largest phosphoric fertilizer manufacturing companies in India. It plays crucial role in production, distribution and marketing of fertilizers domestically and globally. The basic objective of this enterprise is to improve the farm productivity and committed to inclusive growth and sustainable development.

The present research is an attempt to analyse and evaluate the CSR practices by Paradeep Phosphates Limited (PPL) particularly operating commercial operation in Odisha State.

### **Corporate Social Responsibility (CSR): The Global Concept**

The concept of corporate social responsibility is described as ethical practice of corporate entities across the globe. CSR practices is now converted from philanthropic to legal practices because of social, environmental and ethical point of view. Corporate sectors are the key driver of CSR Practices in all over the countries because these organisations are the main consumers of social resources. Due to globalisation, every corporate sectors should think about CSR moment to make the society sustainable. There are different ways that CSR defined and described by different organisations, across the globe to clarify the concept of CSR.

“CSR is the continuing commitment by business ethically and contribute to economic development while empowering the quality of life of the workforce and their families as well as of the local community and society at large”

[World Business Council for Sustainable Development]

“Corporate Social Responsibility is defined as the way companies integrate social, environmental and economic concerns into their values and operations in a transparent and accountable manner”

[Foreign Affairs and International Trade (Canada)]

CSR is integral aspect to the business growth and development and it also plays an important role in promoting value creation and contributing to the sustainable development of communities.

“The Corporate Social Responsibility approach means that the company takes responsibility for the effect of the business activities on people and the environment.”

[www.MVONederland.nl]

From the above definition, every corporate sector while exercising CSR practices must emphasises on triple bottom line balance (people, planet and profit). The success of an organisation socially, environmentally and economically depends on balance between triple bottom line elements.

“Corporate Social Responsibility (CSR) is the commitment of business to contribute to sustainable economic development, working with employees, the local community and society at large to improve quality of life, in way that are both good for business and good for development.”

[International Organisation- World Bank]

### **Corporate Social Responsibility (CSR): The Indian Context**

India has a remarkable history of CSR initiatives for the socio-economic development of the country. In India CSR is known from ancient time as social duty or charity, which through different ages is changing its nature, in broader aspect, now generally known as CSR. From the origin of businesses, which leads towards excess wealth, social and environmental issues have deep roots in the history of business. India has the richest tradition of CSR Practices in Philanthropic model of business. In Nineteenth Century, Business Practices could be termed as socially responsible in formed different shape, Philanthropic donations to charity, service to the community, enhancing employee welfare and promoting religious conduct. Corporations may contribute funds to charitable or educational institutions and may argue for them as great humanitarian deeds, when in fact they are simply trying to buy community goodwill. The ideology of CSR in the 1950s was primarily based on an assumption of the obligation of business to society.

## Philosophy of CSR Practices in India:

Period	Model	Focus/ Nature	Chairpersons
1930-1950	Ethical	CSR activities mostly involved in charities and philanthropies.	M.K. Gandhi
1950-1970	Statist	PSUs determine and implementing CSR activities in line with country's development.	Jawaharlal Nehru
1970-1990	Liberal	CSR limited to Private owners (shareholders)	Milton Fridmen
1990-2013	Stakeholder	CSR practices meant for brand value creating and customer satisfaction	R. Edward Freeman
2013-present	Sustainable	CSR made statutory responsiveness due to customer and community awareness and transparency.	Ministry of Corporate Affairs (GOI)

**Figure-1:** History of CSR in modern India

CSR activities in the country are governed by the section 135 of Companies Act, 2013 which encourages eligible companies to spend specified percentage of net profit on CSR activities. As per Schedule VII of the companies act, every company having net worth of 500 crore or more or turnover of 1000 crore or more or a net profit of 5 crore or more during any financial year will have to spend, in every financial year regularly at least 2 percent of the average net profits of the company made during the three immediately preceding years on CSR activities.

### Corporate Social Responsibility (CSR): The Odisha Perspective

Odisha is one of the eastern coastal states in India. It is agrarian state in which two-third people live in rural area and balance belong to various socially marginalized communities. The state consists of two regions- coastal and inland districts. Out of 30 districts, 10 districts obtained CSR benefits and rest are debarred for the Socio-economic development. According to **Make in Odisha** Conclave report. (FYs 2014-2018) out of 12 thematic area, state has been concentrated only 4 categories as CSR activities namely Education & Skill Development, Healthcare, Swachh Bharat and Rural Development. As Odisha possess disparity in industrial establishment, CSR spending is unequal. For example, Angul district obtained highest CSR spending followed by Keonjhar and Sundargarh, whereas Boudh, Nuapada and Deogarh received negligible CSR funds. As a result, there is a widespread disparity in the geographical spread of CSR spending and CSR initiatives are concentrated only in a few districts in Odisha. In order to overcome the practical difficulties of CSR activities undertaken by the corporates in Odisha, the state has developed a first-of-its kind interactive portal called Govt. of Odisha- CSR Administration and Responsive Engagement (GOCARE).

### Paradeep Phosphates Limited (PPL): An Overview

Paradeep Phosphates Limited (PPL) was established in 1981. It is a leading fertilizer manufacturing company of India and engaged in production and marketing of complex phosphatic fertilizers. PPL was initially commissioned as a Joint Venture between Government of India and Republic of Nauru. In the year 1993 it was converted into a Public Sector Undertaking of GOI. PPL is the largest integrated DAP plant located in the port town of Paradeep in the district of Jagatsinghpur in Odisha. PPL produces intermediary products and marketed under the popular brand name NAVARATNA. Paradeep Phosphate Limited act as friend of farmers in Odisha as well as other parts of the country. PPL aims to create value for farmers and stakeholders by providing integrated agri-solution to all farm requirements.

### Structural Abstract of PPL

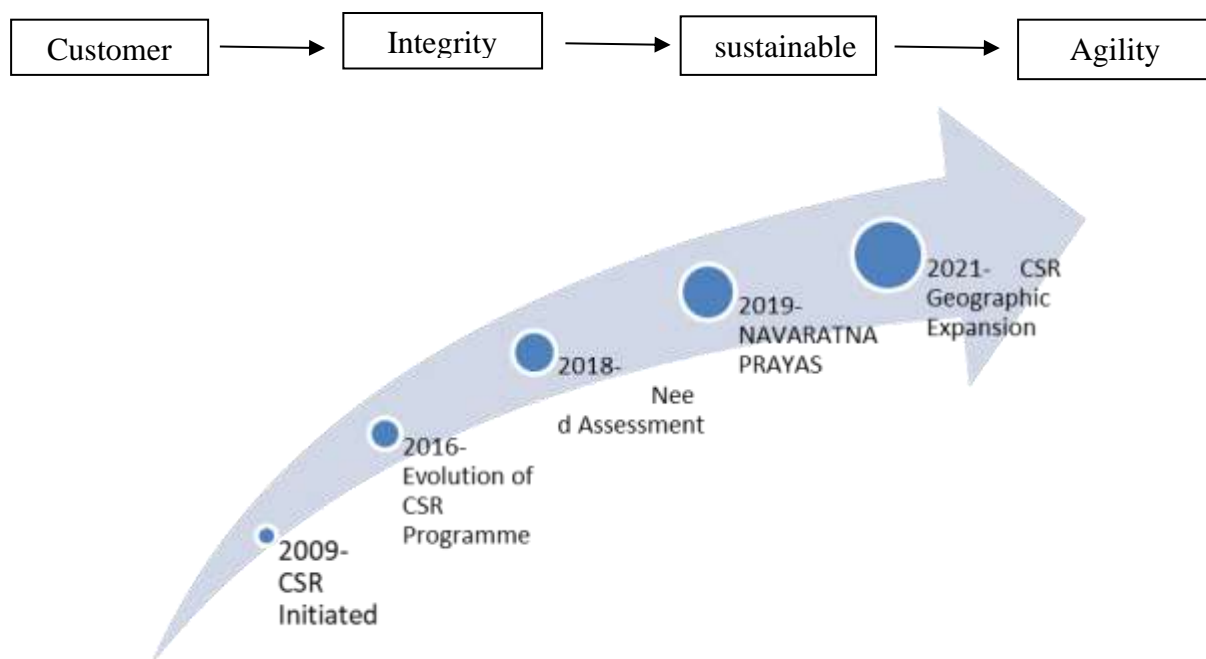
1.	<b>CIN of PPL:</b>	<b>L241290R1981PLC001020</b>
2.	Incorporation:	24 December 1981
3.	Scope:	Manufacturing, Marketing and Distribution
4.	Industry:	Manufacturer (Chemical & Fertilizers)
5.	Deals of Industrial products:	Gypsum, Zypmite, HFSA, Sulphuric Acid, Ammonia
6.	Status:	Active
7.	Age:	42 Years
8.	Type:	Listed Public Company
9.	Category:	Company limited by shares
10.	Sub-category:	Non Govt. Company

11.	Authorised Capital:	100000 Lakhs
12.	Paid-up Capital:	81473.9453 Lakhs
13.	Registered State & Number:	Odisha, 1020
14.	Business Group:	Adventz Group.
15.	ISIN Code:	INE088F01024
16.	% of turnover of the entity:	100%
17.	Number of Plant:	2 (one: Odisha, other: Goa)
18.	Number of Offices:	21
19.	Registered Office:	5 <sup>th</sup> floor, Bayan Bhavan, P J N Marg Bhubaneswar, Odisha, India
20.	Website:	<a href="https://www.paradeepphosphates.com">https://www.paradeepphosphates.com</a>

### CSR Policy of PPL & Thematic Areas

CSR practice is an integral part of Paradeep Phosphates limited. Company formulated its own CSR policy to meet the requirement of sustainable development of society. The policy has been designed to create future value for the corporate stakeholders particularly in which company operates. PPL has been consistently supporting to the social and economical development of the communities in which it area of operation under takes. The philosophy of paradeep phosphates limited towards CSR as

- To be a good corporate citizen.
- To make CSR a key business process for sustainable development.
- To facilitate, strengthen, sustain and improve the quality of the communities
- To create value and strength of social capital.
- To create value for the stake holders and obligation towards inclusive grow



**Figure-2:** CSR Trend of Paradeep Phosphates Limited

PPL makes own plans to undertake CRS iniatives under the preview of schedule VII of the companies act as under.

- Enhancing agricultural productivity and farmers income though agricultural research, knowledge sharing, farmers education and training and demonstration of innovative techniques.
- Promoting preventive health care, sanitation and making available drinking water.
- Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly the differently abled and livelihood enhancement projects.

- Promoting gender equality, empowering women, measures for reducing inequalities faced by socially and economically backward groups.
- Promoting environmental sustainability, ecological balance, protection of flora and fauna agro forestry, conservation of natural resources and maintaining quality of soil, air and water.
- Promoting rural sports and nationally recognised sports.
- Contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio-economic development and relief.
- Rural development projects.
- Slum area development.
- Contributing to public funded universities (IITs/ DAE/DRDO/ICAR/ICMR/CSIR ETC.) engaged in conducting research for promoting sustainable development goals (SDGs).
- Contributing fund for disaster management.
- Contributing funds to technology incubators located within academic institutions which are approved by the central govt.

### **CSR Practies By Paradeep Phosphates Limited (PPL)**

PPL is one of the largest private sectors undertaking in India in manufacturing of phosphatic fertilizer. PPL brand `jai kisan` and `Navratna` are two symbols of product fostering and creating relationship with communities particularly in farmers group. PPL accumulate social capital with conducting CSR practices as business strategy, PPL is always cognizant over CSR initiatives to protect and empower people society and environment. The CSR activities conducted by PPL are classified into six categories which are as under,

#### **(A)Livelihood and Skill Development:**

PPL aims to increase farm productivity and doubling the farmers income through the livelihood programme in periphery villages. PPL contributing direct input and technical support to farmers group ensuring a sustainable livelihood for the farm families. PPL livelihood initiatives includes solar-powered irrigation facilities, establishment of tool banks, creation of poly house nurseries, established vermi-compost pits, women-led enterprise (SHG) community halls, SHG training and other activities relating to livelihood and skill- development of female groups. PPL helps to develop socio-entrepreneurship skill among female groups in area of terracotta craft, mushroom production, manufacturing of sanitary pad, manufacturing of increase stick, phenyl etc. towards livelihood sustainability of communities where PPL operates.

#### **(B) Promotion of Quality Education:**

Education is a powerful weapon to drive change in the society. PPL is one of the enterprises play significant role in providing quality education and learning opportunities for all underserved children in rural area. PPL partnered with `Mo School` initiative of govt. of odisha to upgrade smart school within the plant location. Besides these PPL also contributed to the development of smart school in projected area. Where E-LIBRARY, smart class rooms, toilets and school infrastructures are development and provided to the community. PPL also sponsoring to the DAV school located within the PPL plant premises. PPL accumulates lots of pride in contributing to the cause of education for the local community.

#### **(C) Health, Water Sanitation and Hygiene:**

Health, sanitation and hygiene are the fundamental human right, PPL undertake these three activities consciously through the women measures of the SHGs and the youth. PPL also have direct intervention in availability of safe drinking water, and sanitation in school, anganwadi centres, communities. PPL conducted behavioural aspect of safe sanitation and hygiene programme through with women, adolescent girls and school children. PPL organised many trainings programme and events addressing the need of water management and sanitation care. PPL also play initiative role in RO installation, health check-up camp. Say no to single use plastic programme, centre for safe drinking health and nutrition programme etc. For the sustainable development of community.

#### **(D) Environmental And Bio-Diversity:**

Environmental changes are a gigantic global issue. Climatic change issue is now headache between all the nations within the world. Corporate entities is one of the determinant of climatic change or environmental change. PPL undertakes various environmental and bio-diversity protection through plantation, pond cleaning, installation of solar and LED streetlights at various village nearby plant location. PPL also conducting periodically a programme "swachhata hi sewa campaign ` on reducing



usage of single use plastic (SUP). PPL participate towards makers sustainable village and communities through developing rural park with facilities like sitting bench, land seeping, walking track, play equipment, open gymnasium equipment, plantation across the boundary etc. Hence PPL act as driver of sustainable ecosystem for the communities.

**(E) Self Defence Programme:**

PPL undertakes the activities of judo training programme for adolescent girls from underserved commotion in plant location. it is a CSR practise to promote and foster gender equality. This programme beneficial for slum area girls to become self-sufficient to face any type of challenges. PPL involved in this area of activity with the JUDO association of jagatsinghpur for importing self-defence initiative to the girls in the community.

**(F) Rural Development:**

Rural development is a wider term but it means a plan of action for the development of rural areas. it is generally relief to the way of enhancing the quality of life and financial well-being of individual, specially living in remote areas. PPL has contributed drinking water supply, menstrual hygiene practice toilet and bathrooms etc. PPL has under taken rural development programme to cater to the basic need of the community nearby plant location.

**(G) Contribution To Rural Sports:**

CSR contribution to rural sports includes training to promote rural sports, nationally recognised sports, Paralympics sports and Olympic sports. It also includes construction, renovation maintenance of stadiums, gymnasiums and sports science support including rehabilitation centre. PPL undertakes CSR practices towards sports development by contributing financial support in rural areas.

**(H) Contribution to Natural Calamities:**

Natural calamities are the vital issue particularly in coastal region of this state. Odisha faces natural calamities like flood, cyclone, covid-19 etc. PPL has been undertaken CSR initiatives in form of financial and physical supports to the communities PPL also contributed dry ration support and covid control kits at block level.

**Statement Of Problems:**

In present era of cut throat competition, every corporate entity is busy in achieving business targets, making profit and shoulder competitive pressure in the market that they actually forget they have social obligation towards the community. CSR practices in India has glorious history in long years back that business families, who were concerned about the welfare of employees, they families, donators, charity and other social welfare activities. After introduction of new company act, India is the first country in world makes CSR provision mandatory both public and private sector undertaking.

The prescribed limit of CSR funds has not been fully utilized by most of the companies. The companies are not paying attention to different areas of activities as laid down schedule VI section 135 the company act 2013. Companies are only careful in CSR practise within the area of business operation but they are not involving where CSR activities are essential for the society. PPL is committed to improving agricultural productivity and for the betterment of the farming communities. Paradeep phosphates limited is a leading fertilizer manufacture company and cognizant of its social responsibility towards sustainable development of society.

**2. Literature Review**

Pal Deepmala, Singh Pravakar and Siddiqui M.U (2022) in their research paper entitled “A comparative study of CSR in NTPC and reliance industry Ltd”. They observed that there is no substantial difference in the CSR practices in between public and private sectors in India. They concluded that there is no correlation between the firms CSR policies and their profit abilities.

Gioffre A., Tampieri A. & Villanacci. A (2021) in their research paper entitled private versus public companies with strategic CSR. They analysed the effect of CSR practices between company owned by consumers and company owned by entrepreneurs. Their study concluded that consumer owned enterprises are more involved in CSR practices towards welfare of society over private sector companies.

Mitra Sarbani and Molla H. Zakir (2020) in their research study entitled “Corporate social responsibility and socio-economic impact; a case study in India. The aim of research is to critically assess on CSR

fund allocation towards CSR practices. The study revealed that CSR activities of the corporate sector leads to well development of society at grass root level and improves socio-economic conditions of society.

Mahapatra Manosmita (2019) in her research paper study entitled CSR practices among public and private sector companies: A community development approach in India context. The study revealed that CSR practices of both sectors companies are more or less in following with the guidelines of companies act (2013). Companies Act framed various CSR activities but concentrate mostly with priority area; Health, Education, Women Sustainability, Livelihood.

Mohd Taqi and Mohd Ajmal (2018) In their study entitled Corporate social responsibilities practices by Mineral and Metals Trading Corporation (MMTC) ltd. The study is based on evaluation of CSR practices by MMTC in light of CSR policy of govt. They analysed the relationship between company CSR fund allocation with company profitability. They concluded that MMTC is continuing involved in CSR practices in different area of the country for the wellbeing of society.

G.Silpa , Ramana D.V & Reddy T. Narayana (2017) in their research article entitled “Corporate social responsibility of Indian IT companies :- A study on CSR activities of selected companies. The research study particularly focuses on the actual theoretical Frame work of CSR activities of IT companies in India. They concluded that all the IT Sector companies giving importance towards area of environment and least or few companies are involved in community development.

Rath A.K (2016) Studied the corporate social responsibility activities of public sector undertakings in India and their financial implications. The study points towards the minimum requirement as prescribed by the govt. of India. The study was done by taking four maharatna and three navratna companies and discusses their CSR practices in different areas of weaker section of the society along with their financial implications.

Bhunia A. & Das L. (2015) has been conducted research on the impact of corporate social responsibility on firms’ profitability – A case study on maharatna companies in India. The research study is based on relationship between CSR practices and corporate profitability. The concluding results of their study indicate that CSR affect the corporate profitability positively as well as negatively.

Loura Jitendra (2014) in his research article corporate social responsibility – A case study of select PSUs role in rural development examined about CSR practices of three PSUs AAI, SAIL & NTPC. The end remark of this study is that education takes the top priority of the PSUs survey, followed by health and livelihood. CSR initiatives being implemented by the Indian PSUs for rural development have a positive impact on the overall development of the society.

Madhubala (2013) has exploring initiatives and practices of CSR in the context of selected Indian companies. The research paper reveals that corporate sector understood that CSR as a business strategy to grab the profit and contribute towards welfare of people in the society.

### **Research Gap:**

After extensive study of available literature observed that there are number of researches have been conducted by the researcher on CSR practices by companies nationally and internationally. Further, a number of research studies have been done on CSR practices by Indian Public and Private sector companies, but available literature revealed that there is no study available on CSR practices by any Indian Private sector company especially fertilizer sector. Hence, keeping the above reason in mind, researcher has decided to discuss and analyse the CSR practices of a leading private sector fertilizer company of India i.e., Paradeep Phosphates Limited (PPL).

### **Objectives of the study:**

- To discuss the concept of CSR
- To examine the CSR initiatives undertaken by PPL
- To examine the co-variance between CSR practices and profitability performance of PPL
- To access the CSR activities of PPL followed as per the VII schedule of Indian Companies Act, 2013.

### **Hypothesis of the Study:**

H<sub>01</sub>: there is no significant variation between CSR activities as per Indian companies act 2013 and followed by PPL.

H<sub>02</sub>: there is no significant variation between CSR fund utilized and net profit by PPL.

### 3. Materials And Methods

I. Sample of the study: The present research study is conducted by taking the CSR practices of Paradeep Phosphates Limited (PPL) as a sample design.

II. Nature and Sources of Data: The data used for the research is secondary in character taken from published annual report, CSR reports, SDG reports of PPL. Other relevant information has been collected from the Journal, Magazines, Newspaper and Internet Sources.

III. Period of the Study: The present research study based on 10 years data ranging from 2013-14 to 2022-23.

IV. Tools and techniques used in the Study: In order to analyse the data, researcher have been used following statistical tools i.e., correlation, regression, charts and graphical presentation for the purpose of better understanding of CSR Practices of PPL.

V. Budgeted Allocation of CSR Activities by PPL: PPL is a presently private sector company which highly involves in CSR practices for the sustainable development of society and environment. The board of director ensures that PPL spends in every financial year, atleast two percent of the average net profit of the company made during the three immediately preceding financial years. CSR expenditure budget is calculated in accordance with the provision of section 198 of the Companies Act, 2013. If PPL fails to spend earmarked amount, the board specifies the reasons for not spending the said amount in its report and CSR budget will not be invalid.

**Table-1** CSR Activities Projected Plan of PPL (FY- 2023-24)

Project No	CSR Programmes	Thematic Area	Category under Schedule VII of Companies Act section 135	Geographical Area	Amount Allocated	Duration	% of Exp.
1	A. Livelihood and Community Empowerment i. Farmer Empowerment	Provide skill training on modern farm technology, collective farming and empower them to become self-sufficient with appropriate skill, agri-inputs and supported knowledge	(i) (iii)	Jagatsinghpur and Raygada District in Odisha	50 Lakhs	1 Year	
	ii. Women Empowerment	Provide skill training and market linkage to women from marginalized community on farm sector and non-farm sector and empower them to become self-sufficient with skill and knowledge related to entrepreneurship.			30 Lakhs	1 Year	
	iii. Youth Empowerment	Provide training to economically disadvantaged youth on job oriented training/IT/ITES future skills along with soft	(ii)(iii)	Jagatsinghpur	90 Lakhs	1 Year	



		skill & Financial Literacy		and Raygada District in Odisha and Goa			
	iv. Inclusive Empowerment (PWD)	To train PWD on IT/ITES and vocational skills along with soft skill.			15 Lakhs	1 Year	
				Subtotal (A)	185 Lakhs		21%
	B. Health care and WASH. v. Safe Drinking Water	Supply safe drinking water through water projects including water infrastructure and other solar drinking water facilities.	(i)(iii)	Jagatsinghpur and Raygada District in Odisha and Goa	90 Lakhs	1 Year	
	vi. Preventive Health Care MHU Service Elderly care Palliative care Navaratna Drishti	Provide preventive health care to rural and tribal community. Provide primary healthcare to marginalized elderly and rural communities. Supply food, cloth, medicines to the elderly people. Conduct screening camp, eye camp to the under privileged people.	(i)(iii)	Jagatsinghpur and Raygada District in Odisha and Goa	121 Lakhs	1 Year	
				Subtotal (B)	211 Lakhs		24%
	C. Education: vii. NAVARATNA BALYAGRUHA  viii. School Transformation Literacy Enhancement	Provide early child care and education To teach stem subjects computers at govt./ aided schools. Provide special education and scholarship and infrastructure upgradation in backward area.	(i)(ii)	Jagatsinghpur and Raygada District in Odisha and Goa	60 Lakhs  122 Lakhs	1 year  1 year	
				Subtotal (C)	182 Lakhs		21%
	D. Environment ix. Tree Plantation/ biodiversity/mangroves/renewable energy water conservation	Adopt tree plantation, biodiversity conservation, mangroves conservation, water conservation.	(iv)	Jagatsinghpur and Raygada District in Odisha	100 Lakhs	1 Year	

				Subtotal (D)	100 Lakhs		11%
	E. Rural Development x. Rural Infrastructure Development	Community asset and rural infrastructure development including climate resilient infrastructure	(x)	Jagatsi nghpur and Raygada District in Odisha	75 Lakhs	1 Year	
				Subtotal (E)	75 Lakhs		8%
	F. Rural Sports xi. Sports Promotion	Promotion of community and grassroots sports development	(vii)	Jagatsi nghpur District in Odisha	20 Lakhs	1 Year	
				Subtotal (F)	20 Lakhs		2%
	G. Contribution towards Natural Calamities	To support hospitals and rahabitation during natural calamities	(i)(xii)	PAN India	70 Lakhs		
				Subtotal (G)	70 Lakhs		8%
			Grand Total		883 Lakhs		
			Administrative OH		42 Lakhs		5%
			Total Budget Outlay		885 Lakhs		100%

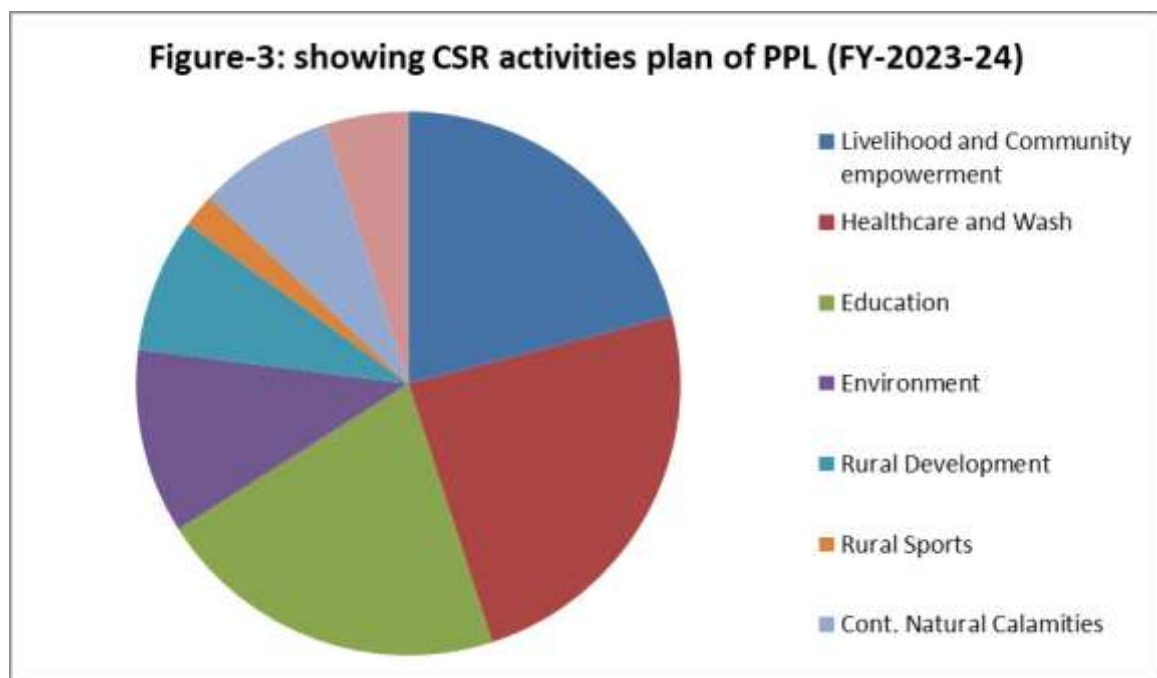


Table 1 Reveals the Projects of PPL under CSR Practices as per provision of 135 section schedule VII of Indian Companies Act, 2013. The company focuses on specific problems of the society and covers the major area where the basic facilities are required for sustainable growth and development of society, particularly in Odisha region and Goa. PPL Undertakes Major CSR programs i.e., livelihood and community development, healthcare and wash, Education, Environment, Rural development, Rural sports and contribution to natural calamities in Odisha. Company spent highest amount 211 Lakhs (24%) on Healthcare and Wash which is followed livelihood and community development and education (21%). Rural development Sector is important dimension of CSR activities while PPL allocated very insignificant amount (8%) under this head. It has been also observed that Paradeep Phosphates Limited is exercising CSR practice as per new provision of companies act for the sustainable development of the Odisha state. The null hypothesis which is set by researcher is accepted.

**Table-2:** Financial Performance of PPL towards CSR Practices in Lakhs

Year	Net Profit (Average)	CSR Fund Allocated 2%	CSR Fund Utilized	CSR Fund Utilized as % of Net Profit
2013-14	10360	207	207	1.99
2014-15	(-12589)	-	-	-
2015-16	4333	87	85	1.96
2016-17	7730	155	115	2.0
2017-18	2720	54	54	1.98
2018-19	13815	276	200	1.45
2019-20	20206	480	448	2.22
2020-21	23543	470	470	2.00
2021-22	39784	566	566	1.42
2022-23	37716	754	669	1.77

Source: Annual report of Paradeep Phosphates Limited.

Table 2 reveals the net profit, fund allocated, CSR fund utilized and CSR fund utilized as a percentage of net profit of Paradeep Phosphates Limited from the financial year 2013-14 to 2022-23. The net profit of PPL during the study period shows fluctuating trend from 2013-14 to 2022-23. In 2014-15 company incurred losses amounting 12589 Lakhs, meanwhile CSR activities was suspended in this year. The overall performance of CSR practices of Company PPL satisfactory during the period of study.

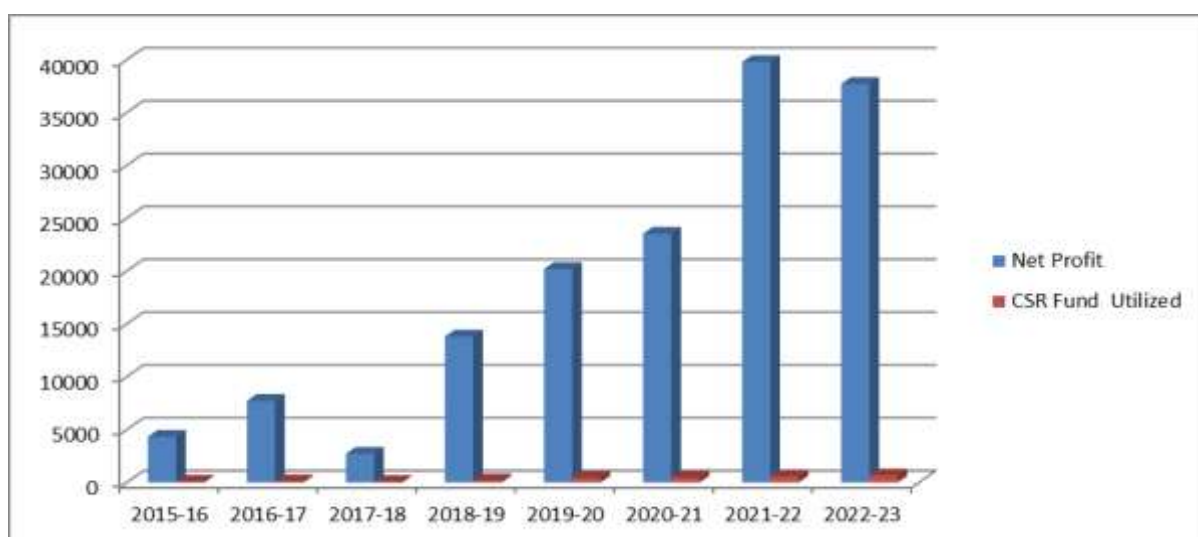
**Figure- 4:** Average Net Profit and CSR Fund Utilized of PPL (2015-16 to 2023-23)

Figure 4 shows the relationship between average net profit and CSR fund utilized of PPL from 2015-16 to 2022-23 which reveals the fluctuating trend during the whole study period. In 2021-22 it was 39784 lakh profit maximum and in 2017-18 it was declined 2720 lakh which is minimum. In 2014-15 company suffered losses amounting 12589 lakhs during the period of study.

### 3. Results and Discussion

The study of research particularly undertaken for evaluation of CSR practices of Paradeep Phosphates Limited. The company engaged in CSR activities area i.e. livelihood and community empowerment, healthcare, education, environment, rural development, rural sports promotion, support to natural calamities particularly in Odisha region as well as Goa state. It has been observed that CSR Programme by Paradeep Phosphates Limited have no resembled with CSR areas contained in VII Schedule, 135 Section of Indian Companies Act. Hence, the first null hypothesis has been accepted.

**Table-3:** Descriptive Statistics

Variables	Mean	Standard Deviation	N
Net Profit	14761.8	13693.6089	10
Fund Utilized	285.4	228.005	10

Source: Annual reports of PPL from 2013-14 to 2022-23

The above table reveals that the statistical description of net profit and fund utilization of PPL from 2013-14 to 2022-23. The company makes average net profit 14761.8 lakhs and its standard deviation 13693.6089 during the 10 years of study. The company has been utilized averagely 285.4 lakhs as CSR

expenditure during the period of study. It indicates that a company has utilized very insignificant amount on CSR practices as compared with its average net profit during the period of study.

**Table-4:** Co-variance between average net profit and fund utilization

		Average Net Profit	Fund Utilized
Pearson Correlation	NP	0.154	1.000
	FU	1.000	0.154
Sig.(1-tailed)	NP	0.327	0.327
	FU		
N	NP	10	10
	FU	10	10

Source: Annual reports of PPL from 2013-14 to 2022-23

The table-4 represents the co-variance of average net profit and funds utilization of PPL during the study period. It has been observed that there is low covariance between two variables (0.154) which indicate that there is no positive association between net profit and fund utilization of Paradeep Phosphates Limited. The significant value of association between these two variables is 0.327 which is more than 0.05. It indicates that there is no significant association between net profit and funds utilized of PPL. Hence the null hypothesis has been accepted.

#### 4. Conclusion

The present research article is corporate social responsibility practices by the Paradeep Phosphates Limited (PPL) which is largest private sector fertilizer manufacturing company in India. The research study reveals that PPL is earmarking continuous CSR practices towards achievement of sustainable development growth (SDGs) of the country. PPL undertaking is engaged mainly CSR activities like education, livelihood, healthcare, environment and rural development for the upliftment of below poverty line people of the society. The result of the study represents that there is no significant association between CSR fund utilization and profitability of the concern during the tenure of the study. The company is always keeping constant focuses on socio-economic development of society. It is suggested that sample company should give equal importance on important areas of CSR practice as laid down by Companies Act towards sustainable development of society.

#### Acknowledgement

*“The continuing commitment by business to behave ethically and contribute to sustainable economic development while improving the quality of life of the workforce and their families as well as the local communities and society”* [World Business Council for Sustainable Development].

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