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CSR Initiatives Of Selected Company In India: HPCL

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Abstract

Companies voluntarily accepted the CSR effort to improve the living conditions of underprivileged communities and address climate change. Under the Companies Act of 2013, companies with a net worth of 500 crores or more, a turnover of 1000 crores or more, or a net profit of 500 crores or more must spend 2% of their average net profits from the previous three years on Corporate Social Responsibility. Hindustan Petroleum Corporate Limited in India adopt Corporate Social Responsibility (CSR) to fulfill their societal responsibilities. In recent years, Hindustan Petroleum Corporate Limited have begun to take responsibility for the society in which they operate and belong. This study attempts to assess the current CSR activities of Hindustan Petroleum Corporate Limited in India. The report provides an overview of CSR in India and examines how Hindustan Petroleum Corporate Limited views and implements CSR practices in their business. Data on Hindustan Petroleum Corporate Limited in India was obtained via annual reports, sustainability reports, and corporate social responsibility (or business responsibility) reports. While Hindustan Petroleum Corporate Limited has made significant progress in CSR programs, there is still a long way to go before all Indian corporations adopt CSR as a cultural norm.

Keywords: Corporate Social Responsibility (CSR), multinational company, Practices.

1. INTRODUCTION:

Corporate Social Responsibility (CSR) activities are self-regulated initiatives that a company can do to improve its social accountability to stakeholders and the general public. Taking CSR activities seriously means that a corporation is acting in ways that benefit society and the environment as a whole, rather than engaging in harmful behaviors and acts. Social responsibility contradicts the traditional assumption that a business should prioritize profit over all else; yet, companies engaged in CSR activities have taken the initiative to ensure that the environment and society as a whole come first when making choices.

This has a long-term benefit for their enterprises. This report examines CSR activities implemented by major Hindustan Petroleum Corporate Limited in India. HPCL's CSR initiatives benefit society by reducing environmental degradation, eradicating poverty and hunger, promoting education for all, raising awareness about diseases, conducting counseling sessions, organizing educational camps, and assisting underprivileged individuals. Globalization has increased pressure on corporations to differentiate themselves and project a positive public image. Companies are more inclined to engage in CSR efforts to improve their public image

and attract new consumers. Companies with a positive reputation for CSR activities and sound business practices are more likely to attract talent and the general public.

According to section 135 of the Companies Act, 2013, companies with a net worth of 500 crores or more, a turnover of 1000 crores or more, or a net profit of 500 crores or more must allocate 2% of their average net profits from the previous three years to their Corporate Social Responsibility policy. (Holme and Watts, 1999). The act applies to all companies, including their holdings or subsidiaries, as well as foreign companies with branches or offices in India. To guarantee full compliance with the act, each company must organize a three-member CSR committee. If a corporation fails to satisfy its CSR obligations, it must disclose the reasons for noncompliance in its business responsibility report. To compete and maintain a positive image in today's changing business environment, firms must adopt and apply global CSR policies.

2. LITERATURE REVIEW

1. This Study done by Kishore Kumar & Archana yadav and both are examined that, the study demonstrates that the notion of CSR is not new in our country, with origins dating back to ancient times. The report examines CSR initiatives implemented by five large international firms in India. Multinational firms prioritize energy security, environmental responsibility, health care, education, employment, and skill development in their corporate social responsibility activities. Multinational corporations are helping to develop a responsible business climate, contributing to nation-building efforts.

2. As a responsible corporate entrepreneur, it is important to consider the social environment in which a business operates. Sharma & Kiran (2012).

3. According to Hongwei and Harris (2021): The discussion focused on how the outbreak affected customer decision-making. The analysis concluded with a list of potential research subjects and avenues for the organization. They also discussed the pandemic's impact on client decision-making. The analysis identified key research issues and directions for the firm.

4. Anupam Sharma and Ravi Kiran from Thapar University, Patiala, India (2012)- Corporate social responsibility initiatives of major Indian companies with a focus on health, education, and the environment. In India, corporations have implemented CSR strategies to address societal issues. This study aims to assess the development and initiatives of significant Indian corporations in developing and implementing CSR policies. India has made significant progress in CSR programs, but much more work still to be done.

5. Hurratul Maleka Taj, MBA, Narsee Monjee Institute of Management Studies, Mumbai (2011)- Corporate Social Responsibility and Sustainable Development: Performance Measures and Indicators This study article aims to better comprehend the symbiotic relationship between economic and social performance. The article discusses both the obstacles and rewards of corporate social responsibility (CSR) and sustainable development initiatives.

6. Padhiyar (2018) state that, the study focused on corporate social responsibility, which refers to a company's ethical and moral obligations to the community and the environment. Corporate social responsibility (CSR) is a company's responsibility to help society and promote people's well-being through its operations.

7. Chetna Rath and Asit Tripathy (2024) explained that, This might be a case study for a company management course, with a focus on sustainability, corporate social responsibility, and strategic decision-making. It could be used for undergraduate and graduate courses in business administration, sustainability management, corporate strategy, environmental management, and stakeholder engagement. The case could be used to examine the challenges and opportunities that corporations like HPCL faces when balancing profitability and sustainability, building effective sustainability plans, including ESG factors, and managing stakeholder expectations.

8. RichaGautam et al. (2010) analyzed CSR practices of Indian corporations and compared them to GRI criteria. They employed content analysis to establish that all CSR efforts are primarily philanthropic in nature.

3. HISTORY OF HPCL

PHASE I -1952-1979

HPCL was established on July 5, 1952, as Standard Vacuum Refining Company of India Limited. In 1974, it changed its name with the takeover and merging of the former Esso Standard and Lube India Limited by the Esso (Acquisition of Undertakings in India) Act 1974. Caltex Oil Refining (India) Ltd. (CORIL) was acquired by the Government of India in 1976 and amalgamated with HPCL in 1978 under the CORIL-HPCL Amalgamation Order 1978. The Kosan Gas Company implemented by Hindustan Petroleum Corporate Limited in India.

PHASE II-1980-2003

Following a challenge by the Centre for Public Interest Litigation (CPIL), the Supreme Court of India ruled in 2003 that the federal government could not privatize Hindustan Petroleum and Bharat Petroleum without Parliament's assent. RajinderSachar and PrashantBhushan, attorneys for the CPIL, stated that the only option to disinvest in the enterprises was to repeal or amend the Acts that nationalized them in the 1970s. As a result, the government would require a majority of both houses to push through any privatization.

PHASE III-2003-2022

HPCL has grown steadily over the years. The refining capacity has expanded from 5.5 million metric tonnes (MMT) in 1984-85 to 14.80 million metric tonnes as of March 2013. The net income from sales and operations increased from ₹2,687 crores in 1984-1985 to ₹2,06,529crores in the 2012-13 fiscal year. In 2013-14, the company reported a net profit of ₹1,740 crores. Following the COVID-19 epidemic, HPCL reported a profit of ₹6,383 crore and revenue of ₹3,72,642crore, its biggest ever (increased by 38%).

In India, the evolution of corporate social responsibility (CSR) refers to the shifts in cultural norms and business practices over time. Create beneficial influence on communities, cultures, societies, and the environment in which enterprises operate. During India's Independence Movement, CSR operations focused on empowering women and developing rural communities. CSR activities can help India construct a more equitable nation by addressing disparities in income, literacy, social position, gender, and poverty. In recent years, the Government of India has encouraged corporations to engage in CSR efforts that address social and environmental concerns, rather than solely focusing on profits.

4. AIM OF THE STUDY:

1. The paper aims to provide a brief outline and history of Corporate Social Responsibility in India.
2. This paper reviews Hindustan Petroleum Corporate Limited's CSR operations in India and identifies their priority areas of initiative in the different area.

5. SOURCE:

Data for this study was gathered from the company's annual reports and corporate social responsibility reports (business responsibility reports). Sustainability reports and prior research in this field. This report analyzes CSR practices of HPCL companies across various sectors. These firms were chosen from Forbes India's 2013 list of India's Best firms for CSR and The Economic Times' 2014 report. Reports from the 2013-14 fiscal year are being studied and analyzed.

6.1 MAJOR CSR INITIATIVES BY COMPANIES IN INDIA

S. No	Name of The Company	Type	Focus Areas	Major Initiatives
1	Hindustan Petroleum Corporate Limited	Oil and Gas	<ul style="list-style-type: none"> • Childcare, • Education, • Health Care, • Skill Development • Community <p>And development</p> <ul style="list-style-type: none"> • Sports • Environment 	<ul style="list-style-type: none"> • PROJECT CHILDLINE is a rehabilitation and development effort for children at risk. • PROJECT ADAPT offers education and medical care to children with exceptional needs. This project aims to promote inclusive growth. Teaching students with impairments self-reliance benefits society as a whole. • PROJECT SANKALP: An initiative to build a safety-related competency development program for non-management staff. • PROJECT DIL WITHOUT BILL:The project aims to save the lives of heart patients by delivering free procedures. • PROJECT NANHI KALI aims to provide education to economically disadvantaged girls. • PROJECT SURAKSHA aims to raise awareness, prevent HIV, and improve treatment for HIV+ patients through Khushi clinics. • MID-DAY MEAL PROGRAM: The initiative aims to address the nutritional needs of children in government schools and prevent dropouts. • UNNATI AIMS to equip students with computer skills and promote computer literacy. • THE REMOTE HEALTH PROGRAM uses mobile health care vans to provide medical services to remote communities through the "Reach-in" campaign. • PROJECT SWAVALAMBAN offers vocational training for unemployed youths (HPCL, 2015). • PROJECT AGASTYA aims to

				<p>foster a scientific mindset among young learners from underserved communities through practical science teaching.</p> <ul style="list-style-type: none"> • PROJECT DHANWANTARI aims to provide basic medical care to those living in remote areas and urban slums with Mobile Medical Vans (MMV) that can reach their doorsteps. • HPCL SUPPORTS THE PRADHAN MANTRI UJJWALA YOJANA (PMUY), which aims to supply clean cooking fuel to underprivileged women. • SWACHH BHARAT ABHIYAN: HPCL has contributed to the national cause of Swachh Bharat Abhiyan by creating sanitation infrastructure at numerous public areas and sensitizing communities about the need of cleanliness.
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6.2 MAJOR CSR ACTIVITIES ADOPTED BY HINDUSTAN PETROLEUM CORPORATE LIMITED

COMPANIES MAJOR FOCUS AREAS	HINDUSTAN PETROLEUM CORPORATE LIMITED
Health	YES
Education	YES
Employability/ Skill Development	YES
Environmental Responsibility	YES
Childcare	YES
Product stewardship	YES
Community Development	YES
Energy Security	NO

Occupational Health and Safety	YES
Sport	YES

The table shows that Hindustan Petroleum Corporate Limited in India prioritizes CSR practices such as health, education, employability, environmental responsibility, and community development. Multinational firms engage in many CSR activities, such as childcare, product stewardship, energy security, and occupational health and safety.

5. CONCLUSION AND DISCUSSION

Companies must prioritize CSR in today's dynamic environment, especially with globalization and liberalization. Hindustan Petroleum Corporate Limited recognizes the significance of corporate social responsibility (CSR) and its impact on stakeholders and society. According to the report, firms are recognizing the need of giving back to society by raising individuals from impoverished backgrounds.

According to the study, the concept of corporate social responsibility (CSR) has ancient origins in our country. The report examines CSR initiatives implemented by Hindustan Petroleum Corporate Limited firms in India. Hindustan Petroleum Corporate Limited's key CSR programs prioritize energy security, environmental responsibility, health care, education, employability, and skill development. Multinational corporations are helping to develop a responsible business climate, contributing to nation-building efforts.

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