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## **Original Research Paper**

### **SITUATIONAL ANALYSIS OF CORPORATE SOCIAL RESPONSIBILITY IN PHARMACEUTICAL COMPANIES OF INDIA**

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#### **ABSTRACT**

The organizations with varied ventures indulge themselves into ethical concerns in the form of being actively involved in services that are related with the masses. The practice of carrying out the responsibility for the general population not only enhances the governance of the company in the industry but also eases out attraction and retention of employees. The diversity, thus created gets the organization the much demanded recognition and sustainability. Pharmaceutical companies in India have adopted this consciousness and it is termed as ‘Corporate Social Responsibility’ (CSR). Many companies in the pharmaceutical sector are into this practice and have also been awarded for their credentials in the sphere of social responsibility. This paper highlights the importance of CSR, its role in the pharmaceutical sector and the social initiatives taken up by some of the pharmaceutical companies in varied dimensions. It has come to the fore that the pharmaceutical companies are making considerable contribution to the society in varied spheres, in particular, environment. Other areas of corporate social responsibility are health, education, community care, livelihood & skill development, etc.

**Keywords:** Corporate Social Responsibility, Corporate Governance, Pharmaceutical companies, Social Initiative.

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#### **INTRODUCTION**

##### **CSR in Pharmaceutical Sector**

Over the past century, business organizations have emerged as major actors of social change. They are politically potent, important economically and are therefore, key agents of experimenting and establishing demonstration models for development. Thus, all pharmaceutical companies which are basically dealing in health sector have a responsibility to a wider environment of which they are a part and in which they have an influence in the rate and direction of change. The changes that occur may both be good or bad. If organizations have the power to effect changes of huge proportions, then what are the mechanisms by which control is achieved? Who monitors and checks corporate progress? Who decides? Regulation laws and standards all play their part, of course, but recently there has been a move to alerting managers of all types of organizations to the idea of corporate social responsibility (CSR). There is no unanimity on the definition of what constitutes Corporate Social Responsibility (CSR). Most definitions describe CSR as a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. CSR may referred to be as a commitment

by managers to a wider range of responsibilities than to shareholders and to corporate and labour laws (Carroll, 1981; Jones, 1980). The term 'corporate social responsibility' is being recognized by various other terms such as corporate conscience, corporate citizenship, social performance, etc. This concept came into being in the late 1960s and 1970s. This concept is not new in India as the companies ranging from small to the giant ones are into serving the community. The basic objective behind this is to maximize the company's overall impact on the society and stakeholders. It also contributes in enhancing business competitiveness. The companies have very planned and systematic approach, policies, strategies and goals to take up the task. There is a separate specialized staff for the purpose and have budget allocated for this activity. The CSR programme of various companies differs. There is diversity in the areas of CSR ranging from social, environmental, health and other company related elements such as employees, value chain, governance, risk management, etc. CSR is largely concerned with organization's responses to longer-term issues.

The basic objective of CSR these days is to maximize the company's overall impact on the society and stakeholders. Like other industries, pharmaceutical industry is viewing CSR as a comprehensive set of policies, practices and programmes that are integrated throughout the business operations, processes that are supported and rewarded by the top management. The pharmaceutical companies strive to adapt to the evolving needs of the society and contribute to the overall health and wellness of the world. The companies work in the direction to improve their efforts to lessen their impact on environment as they believe it to be hindered as a result of their research and development programmes. The social responsibility initiatives taken by pharmaceutical companies are not confined merely to environment but they are also spreading their name by taking other initiatives in fields such as education, women and child health, adolescents, community health etc.

### **Importance of CSR**

Business organisations are economic organisations to be run with the objective of earning profits. They arrange and acquire various resources and mobilize and utilize them for their economic pursuit. So if they earn profits out of it, the question arises whether they should feel obliged to and accept their obligations towards society. As a socio-economic entity, they are obligated to make both economic as well as social contributions towards society. In particular, CSR focuses on an organization's ethical and discretionary responsibilities. Ethical responsibilities include fairness to customers and employees, honesty and integrity in all dealings, and a responsibility to ensure that the general public is kept informed about corporate issues and developments. Discretionary responsibilities include providing monies for charities (often marks and scars), supporting training programmes for the long-term unemployed, as well as protecting degradation of the natural environment and helping in its renewal.

### **MATERIALS AND METHODS**

This study is purely based on secondary data. The information contained in this paper has been gathered through company website, web and by referring different books.

### **DISCUSSION**

#### **Ranbaxy**

At Ranbaxy, corporate social responsibility and environment health and safety are viewed as essentials of corporate DNA. The company works towards a sustainable future. It was in the year 1978 when thought of serving the underprivileged of society having little or no access to basic healthcare emerged. As a result of conscious decision to contribute towards the national objective "Health for all", the Ranbaxy Rural Development Trust was set up and first well equipped mobile healthcare van was introduced in certain underserved areas of Punjab. Gradually an independent body, the Ranbaxy Community Healthcare Society (RCHS) was created and to work for health of the underprivileged. Today, over 2 lakh people are

being served by Ranbaxy's well equipped mobile healthcare vans in various districts. The approach of preventive, promotive and curative services has touched essential issues such as maternal child health, family planning, reproductive health, adolescent health, health education including AIDS awareness. During the year 2009, the RCHS intervention and immunization displayed encouraging results. RCHS continued to work actively on critical issues related to HIV/AIDS, tuberculosis, malaria, polio, non communicable chronic diseases and female foeticide. The areas of corporate social responsibility have been displayed in Figure 1 and are discussed as follows.

#### *Environment, Health & Safety (EHS)*

Ranbaxy makes sure to be in the process of continual improvement in EHS performance aimed at minimizing risks. The company has also employed Environment, Health and Safety Management System (EHSMS) as a global framework to standardize the EHS processes and practices. All the equipments and infrastructure for environmental management are in conformity with regulatory standards. Multi Effect Evaporators and Agitated Thin Film Driers have been installed. A number of Innovative 'Green Technologies' like the Heat Pump, the Refrigeration Chiller (with total Heat Recovery System), Variable Refrigerant Volume (VRV) System, were deployed in recent projects at our Baddi Dosage Form (DF) site, in Himachal Pradesh. These have also been instrumental in reducing the load on the Effluent Treatment Plant.

#### *Occupational Health and Safety*

Ranbaxy also works in the direction of prevention of workplace illnesses and injuries. The employees are taught about positive road behaviour so that road accidents/ injuries can be avoided. Emergency preparedness at Ranbaxy is ensured through regular table top and mock drills exercises, at all manufacturing sites as well as at R&D. Ranbaxy's abiding concern for society extends beyond its business. The company remains committed to the communities they serve and amongst whom, they operate, with the desire to bring about long term well being.

#### **Glaxo SmithKline**

Glaxo SmithKline is a research based pharmaceutical company which works on the rationale of being closely linked with the communities in which they operate locally, nationally and globally. The stated mission statement of the company is to lend a helping hand to the underserved in the society. The company invests into health and education so as to bring about sustainable development in the underserved areas. This is done by supporting social projects in partnership with not for profit organizations both in rural and urban areas. The company's initiatives are primarily focused towards women, children and the aged and are directed in the areas of Health, Education and Livelihood. GSK believes that if there is proper education, one will eventually learn to be hygienic, and if one is hygienic, will one remain healthy. Therefore, the organization facilitates in educating masses on good practices of healthy living. At GlaxoSmithKline India, the activities towards community development are taken care by Corporate Social Responsibility Cell attached to the Corporate Communications Department. Since 1970, the Company has been implementing various social activities in the field apart from statutory ones. Various initiatives are being carried through the company's Corporate Social Responsibility cell in the rural and urban domain (Figure 2) which are discussed as follows.

#### *Rural Projects*

##### *Tribal welfare projects in Peth Taluka, Nashik, Maharashtra*

GSK India undertakes a number of Rural Development initiatives through its trust GRAMIN AAROGYA VIKAS SANSTHA (GAVS), a Rural Health Development Organization. GAVS is a registered public charitable trust established and promoted by the heritage company Glaxo India in April 1997. Tribals are socio-economically disadvantaged and marginalized groups. Most tribes are concentrated in heavily forested areas that combine inaccessibility with limited political or economic significance. Social

development for Tribal population, health is a major component in it. These tribal people live in remote villages in hilly, forest or desert areas. There are no formal education systems, no health care centres and no proper road and means of transportation. Malnutrition is prominent and there is no access to safe drinking water and sanitation. Thus having diseases is inevitable and women and children being the most vulnerable suffer the most. For the welfare of the tribal population, the researches are conducted and data regarding their status of health and education is collected. On the basis of data analysis, the health care requirements of the tribal population are identified. The project runs on an objective of providing primary level curative and preventive health services in the tribal area. Project also lays emphasis on health seeking behaviour in the areas of Tobacco de-addiction, Nutrition, common illnesses with a special emphasis on different types of fevers and diseases of joints, HIV/AIDS infections, skin diseases, Tuberculosis, water-borne diseases and Respiratory Tract Infections, etc. Multi-specialty health camps are also organized to cater to special needs like cataract operations, administering Tetanus injections, gynaecology related issues, haemoglobin check- up camps etc. Training and awareness sessions are conducted in villages to mobilize people towards health and hygiene.

*Yuva Parivartan - GSK Livelihood Training Centres: Peth Taluka, Nashik, Maharashtra*

The project is undertaken with a long term objective of imparting specialized skills and making the unemployed youths more employable / self-reliant. Training are provided in the areas of computer literacy, tailoring, beauty, wireman/ electrician, agriculture productivity, motor training, nursing assistance, etc. Nearly 2500 youths have been trained and a number of them are currently gainfully employed. This initiative to a certain extent has helped in curtailing the seasonal migration in the region.

*Shelter home for children-Behraich, Uttar Pradesh*

In 2008, GSK India in collaboration with Pratham, a Non Government Organization, started a Shelter home for children under the age of 16. The program aims at preventing migration of children for work in bigger in cities and increasing access to quality primary education for children. This project supports 50 children by way of providing them education, food and shelter in addition to psycho-social support. "School Chalo Abhiyan" was organized to enroll these out of school children and around 470 were enrolled into the formal educational system. Besides this activity, child rights sessions were conducted in the schools. A District Child Welfare Committee has also been established. With active participation of Government officials, Childline 1098 and Child helpline 1077 were also initiated to protect child exploitation in any form.

*Healthcare project, Institute for Indian Mother and Child, Kolkata*

In 2009, GSK India extended its support to The Institute for Indian Mother & Child (IIMC) a non-governmental voluntary organization, committed to promote child & maternal health and literacy. IIMC runs Outdoor, Indoor & Maternity centers in remote and most backward areas of West Bengal where people do not have access to basic healthcare and medical facilities. This project was started with an objective of providing primary health care services to the villagers and to support prenatal, neonatal and postnatal care for mother and child of the rural areas as they are most vulnerable to reproductive and child health care problems. Deformities, Premature babies, malnutrition like Kwashiorkor and Marasmus were the common phenomena prior to the project. The project helps to provide supplementary nutrition mixed diet to all pregnant, lactating and weaning mothers along with their newborns. Create awareness amongst mothers through education and programs. It also tries to reduce maternal mortality rate by training Traditional Birth Attendant (TBA) for safe child birth. Through this project IIMC has been able to cover 950 villages while catering to 300 mothers and 26000 malnourished children.

*Community College Program: Haryana*

The Company backed one more long-term unique project to set up a community college at Naya Gaon, Gurgaon to empower rural youths. This project was initiated in 2010 in partnership with Navjyoti India Foundation (NIF) founded by Dr. Kiran Bedi. The objective of this community college is to provide

transformative, personal and skill based education to the marginalized and disadvantaged thereby enhancing employability and self reliance. Through this Community College the beneficiaries are registered to various need based as well as skill based academic programmes of IGNOU. GSK India supports the Community College project by providing education to 1000 rural youths to acquire specific knowledge or skills to make them self reliant.

*Residential shelter home for boys in Jodhpur, Rajasthan*

Following the success of the residential shelter home in Behraich, the Company decided to support another programme on similar lines in association with its NGO partner, Pratham in Jodhpur in the year 2010. Jodhpur is home to a large number of street children trying to earn a living on railway stations or by begging at tourist places. These children live in dire conditions and are often addicted to solvents. Most of them are from Jodhpur or come from nearby states lured by the tourist city's promise. Pratham has been working with children in the slums of Jodhpur since 2006. The program began with 10 contact centers in Jodhpur, which reached out to the working and out-of-school children. In a year's time all the children were mainstreamed in formal schools and that led to the establishment of credibility among the various Government departments. The idea of setting up of a residential shelter for boys in Jodhpur is one part of an intervention in the undeserved community.

*Project for early detection of Cancer with Bhakti Vedanta Hospital: Mira Road, Mumbai*

As part of its effort to reach out to the needy communities, GSK supported a new project embarked by Sri Chaitanya Welfare Trust's Bhaktivedanta Hospital in 2010. This project envisages supporting patients at the grass root level in the area of early detection and prevention of cancer. The area of focus is primarily those where services of cancer surgeons / oncology specialists are not available. Primary prevention, identification / treatment and education are seen as the most cost effective program, since it aims to reduce the incidence of cancer by risk factor modification (like anti-tobacco campaign, etc). Through this project camps are held in remote areas of Maharashtra and Uttar Pradesh.

**Urban Projects**

*Primary Healthcare Centre in garbage dumping ground-Deonar, Mumbai*

This project is implemented in collaboration with Niramaya Health Foundation. The company runs a centre in Deonar dumping ground in Mumbai. The centre aims at providing primary healthcare facilities and quality health education to the garbage/ rag pickers and their families. It was found that along with the basic unhygienic environment, people residing in that area are more exposed to harmful waste substances like used needles, syringes, medical equipments, un-segregated garbage, etc. These conditions often result into injuries, skin diseases and various infections. This led the company to initiate this project. The company took responsibility of providing better primary healthcare services, supplementary nutrition to curtail anemia/ nutritional deficiencies. A cadre of peer educators has been created to conduct health sessions and awareness programmes. With GSK's support for 3 years now, there is an overall improvement in their health status in the given unhygienic environment. With the total beneficiaries being around 15000 the services have been of great help to these otherwise neglected communities in Mumbai. Additionally, regular camps for immunization, eye camps, HB estimation camps are conducted.

*Rehabilitation of Paraplegic patients Mumbai*

Glaxo SmithKline also extends support towards rehabilitation and self sustenance of paraplegic patients. This project provides a "Half Way Home" for paraplegic patients discharged from hospitals but requires need based centre for total rehabilitation through physical treatment, medicines and protein rich meals. Stay arrangements are done for both patient and their relative. The project facilitates the patient's acceptance by his family and aims at boosting his morale to face life with self-confidence. A holistic approach in treatment and rehabilitation through spiritual, cultural and sports activities are used to build patients self-confidence, physical and mental development. They are given professional medical help and treatment which include physiotherapy, acupressure, acupuncture, andrological treatment, occupational

therapy. Training in vocational skills are also provided under this project for patients after total health rehabilitation is done.

#### *Rehabilitation of cancer patients: Mumbai*

In 2011, GSK India extended its support to Indian Cancer Society's rehabilitation of cancer patient's project. The project aims at building a sense of dignity of the patients suffering with cancer. The rehabilitation programme takes into account the needs of a patient from the beginning of treatment until he returns home. It offers a source of livelihood along with occupational therapy and counselling to the cancer patients encouraging them to believe that life after cancer is normal as it can be. Training is provided to cancer patients undergoing treatment as well to cancer survivors in various vocational skills so as to help them lead a dignified, independent and useful life without being a burden to their family or society. Medical aid and assistance and nutritional supplements are also provided for regaining good health.

#### *Palliative care for critically ill cancer patients: Bangalore*

The project aims at providing care to those cancer patients who are deprived from proper treatment because of insufficient resources as this disease demands treatment through surgery, chemotherapy, radiotherapy or a combination of all. In India, severely ill patients do not take proper treatment because of ignorance, poverty or lack of services. GSK holds that more than 80 percent of the patients approach for treatment when the disease has reached regional nodes or beyond. Various conditions make the patients reach the stage when the disease has worsened. In some ways, this stage in the life of the patient is the most critical because he is no longer under active medical (curative) care and has been discharged from a hospital and sent home where no facilities are available to the patient. It is against this background GSK backed, Bangalore Hospice Trust project to provide palliative care for critically ill cancer patients to make a positive difference in their lives in their last days.

#### *Mid-day Meal project: Mumbai*

GSK India has been supporting the Mid-day meal program implemented by ISKCON Food Relief Foundation for Municipal school students since 2005. The mid-day meal program is an initiative run by the Government of India with the dual objective of not only enhancing levels of attendance in these schools, but also providing them with nutritious meals. The program has been successful in terms of attendance and health standards of number of school going children.

#### *Mentally challenged children: Delhi*

GSK India also lends support to the mentally challenged children in Delhi through Aashirwad School.

### **Orchid Pharma**

Other than contributing in the health sector, Orchid pharma presents itself in the domain of social initiatives. The company personnel take active part in various local projects. The key initiatives taken up by the company are: (Figure 3)

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#### *Education*

The Orchid trust works towards formulation of a society with strong educational base embedded with noble humanistic values. The company carries out many activities enabling children to turn up as generators. Children from poor households are especially targeted in the drive to create educated tomorrow.

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#### *Healthcare*

The company also targets those individuals of the society who are deprived of basic medical facilities due to either insufficient financial resources or residing in far flung areas. Health awareness and medical facilities are provided to such segments. Orchid helps to meet the “unmet health needs” of the community.

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#### *Youth Empowerment*

There are a number of problems related to the youth in the present times. The problems range from general to severe threats to health of adolescents. The main problems are unemployment, drug addiction, alcoholism, frustration and anger. Orchid understands the need to tackle with these problems at an early stage and evolve strategies to ensure employment of the youth so that they can contribute back to the society and build a stronger nation.

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#### *Women Empowerment*

Based on the belief that women are the primary agents of family and community development, Orchid lays substantial emphasis towards the empowerment of women. As women take charge of all domestic finances and invest their entire income in the house, they should exert control over it. To incorporate this, periodic meetings of Self Help Groups (SHGs) are organized in order to stimulate and motivate them. The trust has adopted 140 women self help groups having more than 1800 SHG members in 25 villages to improve their economic condition through income generation programmes.

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#### *Community Asset Creation*

Significant money has been invested in the area of community asset creation by evoking public participation. Infrastructure like school buildings, community halls, tuition centres, primary health centres, streetlights, drinking water wells, water coolers etc. have been provided by the Trust.

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#### **Lupin**

The Lupin Human Welfare & Research Foundation (LHWRF) was established more than two decades ago with a mission to assist those less fortunate in India. LHWRF has been successful in creating and undertaking a series of well-planned, sustainable and integrated rural development initiatives. Founded in 1988, we started with a few small rural development projects covering around 35 villages in Bharatpur District, Rajasthan. Since then, LHWRF has evolved as one of the largest NGOs and social development initiatives ever undertaken by a corporate in South Asia, touching the lives of over a million people across 2,200 villages in the states of Rajasthan, Madhya Pradesh, Maharashtra and Uttarakhand. The Foundation continues its work on revitalizing, repositioning and recreating lives of the poorest of India's citizens. The main objective is to uplift families falling below the poverty line with a special focus on woman empowerment and education by creating sustainable and replicable social, economic and political development programs (Figure 4).

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#### *Economic Development*

##### **Agriculture**

##### *Beekeeping*

The Foundation imparted Training Program on Beekeeping and subsequently, provided microfinance loan to the tune of Rs.21.48 mn and 18,035 boxes with colonies to start beekeeping activity. Bharatpur is currently known as one of the largest honey producing districts touching 1200 tons of honey per year and employing more than 3250 youth and farmers. This is an outcome of the Beekeeping initiative rolled out by LHWRF in early 1980's.

##### *Soil Reclamation*

The Soil Reclamation Program in Bharatpur district is another significant program introduced by the Foundation. This program has changed 5987 hectares of unproductive land to productive through 5000 MT gypsum treatment.

##### **Animal Husbandry**

##### *Fisheries/Aquaculture*

There are 3157 panchayat ponds in Bharatpur district villages. The program of desilting of ponds has helped in water conservation and digging of new ponds. At present about 200 tons of fish is being produced providing an income of Rs.70 lakh, which is likely to be increased to Rs.10 mn in the next two years.

### *Breed Improvement*

A loan of about Rs.19 Cr was disbursed to the farmers to purchase 11494 buffaloes for breed improvement. To improve the breed, 19 Artificial Insemination centers were opened and 230 murrha bulls were provided to BPL families costing around Rs.40 lakh. Animal husbandry program was replicated on a larger scale by the Government of Rajasthan by preparing and submitting a pilot project with a total outlay of Rs.12.5 Cr to the Central Government for alleviating poverty of 13,000 BPL families. Government of India has sanctioned the project.

### *Milk Marketing*

Besides providing milk production enhancement methods LHWRP also created new channels of marketing for the community in order to bring out the desired impact. The Foundation established 220 milk collection centers. This initiative helped in proper milk marketing channels, which helped the village women to sell milk in their own villages, and also paved way to set up 6 milk chilling plants of 2000 litre capacity in partnership with Mother Dairy.

### **Rural Industries & Microfinance**

#### *Skill Upgradation & Vocational Training*

The Foundation has identified 98 vocational trades, of which 23 trades were identified as potential trades for employment and imparted training to 17221 youth.

#### *Micro Finance*

In order to provide the rural people with an alternate credit arrangement, a loan of Rs.776 lakhs from SIDBI and RMK helped 2406 youth in starting their own enterprise for setting up 9949 units thereby providing employment to 14,675 people.

#### *Rural Industrialization Programme*

Through a single project "Rural Industrialization Project" supported by SIDBI in two phases, an amount of Rs. 68.4 mn was mobilized, which helped providing employment to 2655 youth by establishing 885 units in Bharatpur and Karauli districts.

#### *Technology Infusion*

The noteworthy initiative of technology infusion resulted in considerable reduction in fuel consumption by 30% and income raised to 20%. Life expectancy of the artisans has also increased from 40 years to normal and new generation is coming forward to take up this artisanship. Due to this intervention, life expectancy of artisans engaged in bangle making increased from 40 years to normal and new generation has come forward to take up various artisanship, which is on the verge of extinction.

### **Social Development**

#### **Health**

##### *Mobile Surgical Camps*

Due to health and medical services provided by the Foundation at the door step of the villagers, about 58,398 patients received treatment and 10,867 surgical operations have been conducted. Foundation has also forged collaboration with international organizations and organized two medical camps exclusively for women and children.

##### *Eradication of Tuberculosis*

Till date, 10,600 persons were diagnosed for TB by carrying out sputum test, x-ray etc. The identified TB patients were provided medicines from Lupin along with other support. To have regular follow up and to cover more and more patients, 76 persons were given training to work as DOT volunteers, who are at present actively working in the rural area.

##### *HIV/ AIDS Target Intervention*



The Foundation has been entrusted the task of working amongst 5 High Risk Groups, viz., Migrant Labour, Male having Sex with Male (MSM), Truckers, Intravenous Drug Users (IDU) and Female Sex Workers (FSW) sanctioned by NACO through Rajasthan State Aids Control Society. Under this project, 314 patients have been subjected to HIV tests, of which 18 cases of HIV +ve have been detected. Their treatment, support and counselling is being carried out regularly.

#### *Integrated Child Development Scheme*

The Foundation has been successfully and effectively implementing the ICDS project since 1994 in 100 villages of Kumher block of Bharatpur by setting up 171 Anganwadi Centres. The annual project outlay of ICDS is Rs.90 lakh. Over a span of 14 years, about 180,000 children in the age group of 0-6 years, 21,500 pregnant women, 27,400 lactating mothers and 11,700 adolescent girls have benefited from this program. The significant achievement of the program has been the reduction in Infant Mortality Rate (IMR) to 24 per 1000 live births and Maternal Mortality Rate (MMR) to 40 per 100,000 deliveries.

#### **Education**

##### *Child Labour Schools*

To educate child labours, who are deprived of education, 8 schools are operating in Bharatpur district, where 400 students are receiving education. The project is being run in collaboration with State and Central Government.

##### *Lok Jumbish*

To provide elementary education to the most vulnerable sections of the Society, Lok Jumbish scheme was implemented in 58 villages of Mewat areas under Kaman block of Bharatpur district, under which 7143 students received elementary education making them capable for reading and writing.

##### *Samudayik Janshala*

25 full-time Janshala schools were opened for the benefit of 3065 children from the slum areas, where no schools were available in and around Bharatpur. As a result of the success of this programme, the Government of Rajasthan converted all the 25 schools into Government primary schools.

##### *Career Counselling*

More than 630 students Class X, XI and XII benefit from the career counselling.

##### *Social Security*

The Foundation has also initiated an innovative idea of covering all the heads of families, who are the bread-earners from poor and BPL families under social security/insurance schemes. As a result, 40,311 poor persons have been covered under various insurance schemes in the area of operation of four states.

#### **Women Empowerment**

##### *Self Help Group (SHG) Promotion*

Total 4000 Self Help Groups (SHG) were formed with a membership of around 50,000 women. In Sindhudurg, Mahila Mahasangh was formed with 40 SHGs and 480 members, under which Lupin Swayampurna Gramin Mahila Project was established.

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##### *Self-Employment to Women*

More than 19,000 women were provided loan to establish their own small enterprises for income generation.

#### **Infrastructure Development**

##### *Village Link & Internal Roads*

The Foundation has constructed 60 kms link roads with a cost of Rs.100 lakh in order to bridge the missing links in the villages. Village Internal Road of 38,575 running meter of village internal roads constructed in 104 villages with a cost of Rs.300 lakhs. This has improved connectivity between villages thereby increasing the income through sale of agricultural products.

##### *Physical Facilities in Schools*

Physical facilities such as; rooms, toilet, boundary wall etc. have been constructed in 432 schools.

### *Low Cost Houses*

Total 507 low cost houses have been constructed in the districts of Bharatpur, Bhopal, and Rishikesh.

### *Major Watershed Projects*

In a major initiative, the Foundation's Bhopal Center has successfully completed various watershed projects in Madhya Pradesh, viz., (1) Barna Milli Watershed project in 9080 hectares of land costing Rs. 2.42 cr (2) Jamner Watershed Project in 3960 hectares of land costing Rs.0.23 cr, (3) Rajgarh District Watershed project in 3820 hectares costing Rs. 1.14 cr. In 16 villages from Rajgarh and Thanagazi blocks of Alwar district, the Foundation has implemented four micro watershed projects under Employment Assurance Scheme of Government of Rajasthan covering 2120 hectares with a project cost of Rs. 85 lakh.

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### **Dr. Reddy's Laboratories**

The corporate social responsibility at Dr. Reddy's laboratories is about enhancing healthcare, imparting education, developing skills, providing opportunities, and unlocking the doors of progress. They believe it an investment for their collective future and not an expense. The company's focus is on three primary areas viz. patient care, education and livelihood. Dr. Reddy's Foundation (DRF) addresses health education needs and patient care activities through Dr. Reddy's Foundation for Health Education (DRFHE) and creates positive impact on communities through Corporate Social Responsibility (CSR) teams in each location (Figure 5).

#### *Dr. Reddy's Foundation*

Its activities span two broad areas of social intervention.

*Livelihoods:* Create, implement and disseminate sustainable and replicable livelihood models through partnerships through the livelihood Advancement Business School (LABS) program

*Education:* Provide learning opportunities for those who have never been to school, or are dropouts, while improving quality of education across schools.

#### *Dr. Reddy's Foundation for Health Education*

The foundation aims to create professionals (health educators) who would work with the medical fraternity to offer an integrated, multi-disciplinary approach to good health. The programs also aim at building the necessary soft skill capabilities with an objective of strengthening the healthcare delivery system for better patient care.

#### *Community Care*

The company injects business efficiency into community care and invest professional resources, talent and technical expertise in it. They approach community interventions as they do successful product launches. They research community needs, develop and pilot new projects, scale them up, and once proven, collaborate with the government and various Non-Governmental Organizations (NGOs) to roll them out.

#### *Rural Livelihoods*

Two pilot Rural Livelihoods projects have been initiated in Daund Thesil (Pune District, Maharashtra) and in ten villages in Sadshivpet Mandal (Medak District, Andhra Pradesh). The project encompasses three approaches for livelihood promotion, namely (a) wage employment, (b) self employment and (c) improving farm based livelihoods.

In the self employment based livelihoods promotion activities, DRF is creating new livelihoods by promoting enterprises such as poultry farms, home based dairy farming, rabbit farming and shops (retail and services such as automobile repair and tailoring). DRF provides handholding support to the entrepreneurs, apart from helping them developing their business plans and liaisoning with banks.

As a part of farm based livelihoods promotion activities, DRF mobilized and motivated farmers to establish Farmers' Clubs with an objective to provide a platform for farmers to work collectively on

common issues such as credit mobilization, liaisoning with irrigation department, and mobilization of new technical knowledge to enhance productivity.

#### *Special LABS centre for persons with disability*

In July 2007, a special batch was organized in Kurnool for 77 youth with disabilities, under 'Urban Program for Advancement of Household Income' (UPADHI) LABS. The project was implemented in partnership with Andhra Pradesh Urban Services for the Poor (APUSP).

#### *Quality Education and Skills Training (QUEST)*

The QUEST Alliance is a multi-stakeholder partnership working across India to promote the effective and responsible use of educational technologies in order to enhance the quality and relevance of school education and employability training programs. It provides a vehicle for businesses, donors, NGOs and governments to optimize their collective resources around a social commitment to improve education and employability among India's disadvantaged youth.

#### *SHG LABS*

To assist rural Self Help Groups (SHGs) in West Bengal in marketing their products effectively, the State Government and DRF have come together to give them requisite skills training in entrepreneurship, rural retailing, packaging & branding, customer management, life skills, computer basics and Communicative English. The West Bengal State Rural Development Agency (WBSRDA) assists in the identification and mobilization of the beneficiaries under the project. After undergoing a 60-day training program, the SHGs are also assisted in obtaining necessary market linkages and technical knowhow.

#### *Tata Telecom Academy*

To address the challenge of unemployment among the Indian Youth, DRF and Tata Communications have jointly set up a 'Telecom Training Academy' at Mumbai, which trains financially disadvantaged youth from Class C / D towns in skill sets specific to the telecom sector. The beneficiaries are selected from engineering colleges, polytechnics and ITIs (in the Computer Science, IT and Electronics & Telecommunication streams). The total duration of the training programme is two years. The trainees are oriented to the sector, introduced to basic technical aspects, and given basic IT skills and soft skills.

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## **CONCLUSION & RECOMMENDATIONS**

It has been figured out that pharmaceutical companies are actively involved in social activities or responsibilities other than profit making. The companies are rendering their hand for aid in different areas for the upliftment of society and sustainable development. Environment telecom, health and education are prime areas wherein the companies are displaying their concern. Along with taking action to minimize the harms caused by them to the environment, the companies are also preparing the society people covering all age groups to generate employment. Vocational training sessions are imparted in order to make them self reliant and enable them to earn their livelihood. Programmes are also being run for the health and development of women and children. Some of the initiatives have been taken in collaboration with Government and various programmes are being run by forming association with NGOs working in a particular domain. Although, the efforts are being made yet, much needs to be achieved.

### **Recommendations**

- The adoption of a limited geographical area in a particular state by each company would enable the focus to be drawn on a manageable targeted population. The social responsibility exerted in such manner would ensure the revolution in the particular geographical region as the approach would be feasible and controllable. The work so done can also be measured and quality checked and corrective measures may be taken, in case any gap/ deviation is found.
- Industrialization results into severe environmental threats because of the waste generated by the industrial functioning. To resolve these environmental threats, the pharmaceutical companies should follow the 'Greening of Management' approach. The recycling of water and other wastes

would nullify the damages that are likely to be caused to the environment and then to nearby residents. The waste water may be recycled to be used to water saplings around, for development of greener surroundings.

- Adolescents/ youth have always been one of the prime focal areas. Though, there are a lot of issues concerning this segment of population, health has always gained priority. Approximately 70 percent of the adolescent girls suffer from anemia. Apart from girls, adolescent boys are also being diagnosed with anemia these days. Other than that, the lifestyle and non-communicable diseases have also not left the youth untouched. Measures can be taken by emphasizing on particular health issues to cope up with the vulnerability and to develop healthy nation.
- The formulation of holistic development models would also be a major source of societal change. In addition, larger systematic programmes still need to be incorporated on the part of pharmaceutical companies in order to bring about prominent change around.

The pharmaceutical companies, thus, should continue their contribution in social responsibility and enhance their approach by carrying out all operations in an ethical manner following essential values. These strategies would certainly assist in the company’s governance in the industry.

**Table 1: Initiatives taken by Pharmaceutical Companies**

Sr. No	Domain	Company				
		Ranbaxy	Glaxo SmithKline	Orchid	Lupin	Dr. Reddy’s Laboratory
1	Environment					
2	Health					
3	Mother & Child Care					
4	Education					
5	Vocational Training/ Employment					
6	Adolescents/ Youth					
7	Community Welfare/ Rural Development/ Infrastructure					
8	Shelter Home/ Rehabilitation					
9	Mid Day Meal					
10	Livelihood					
11	Agriculture/ Animal Husbandry					
12	Women Empowerment					

Source: Information provided about CSR on Company Website

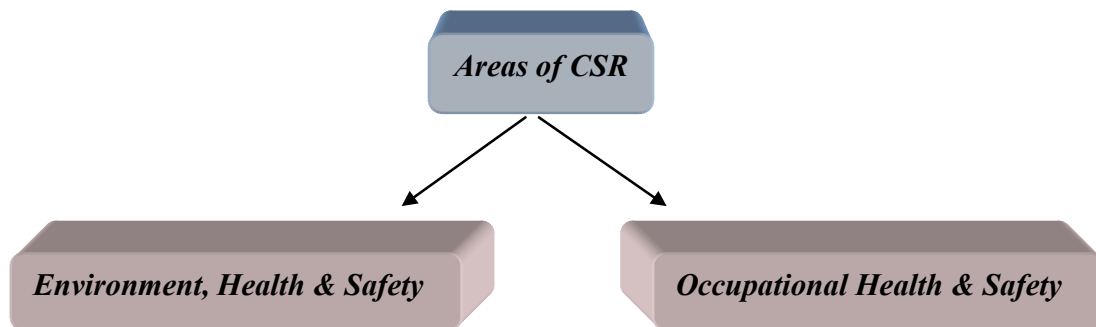


Figure 1

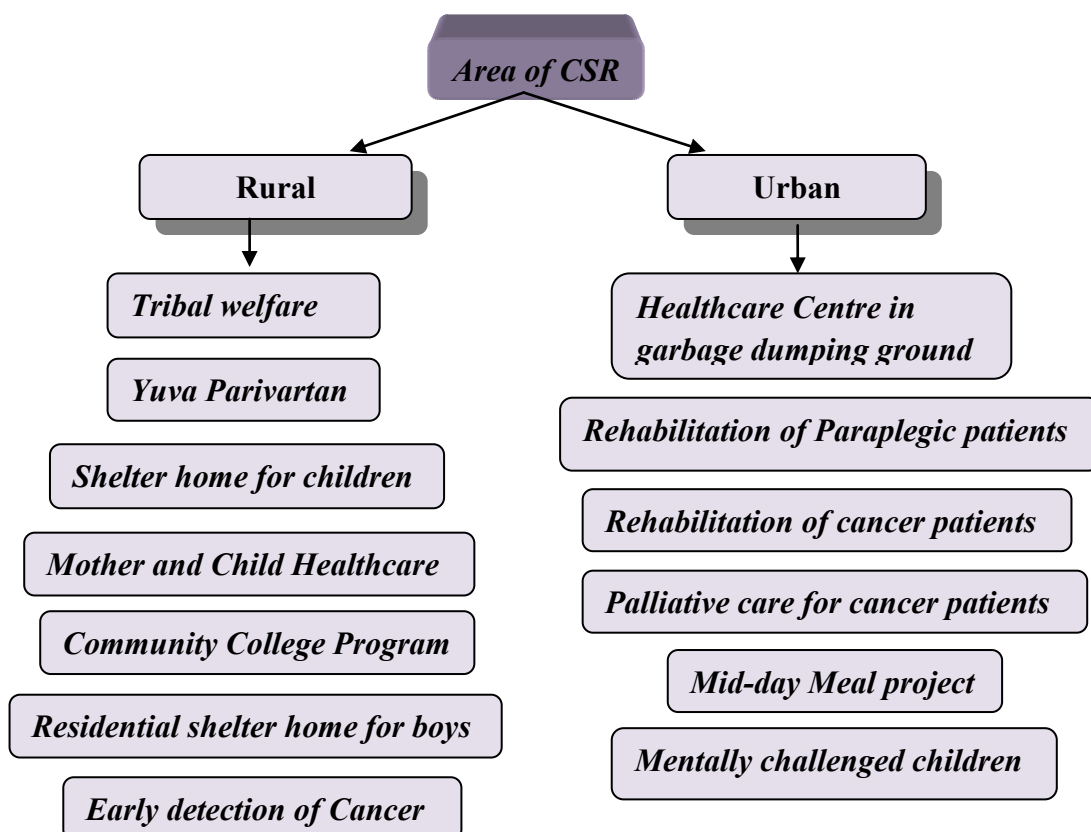


Figure 2

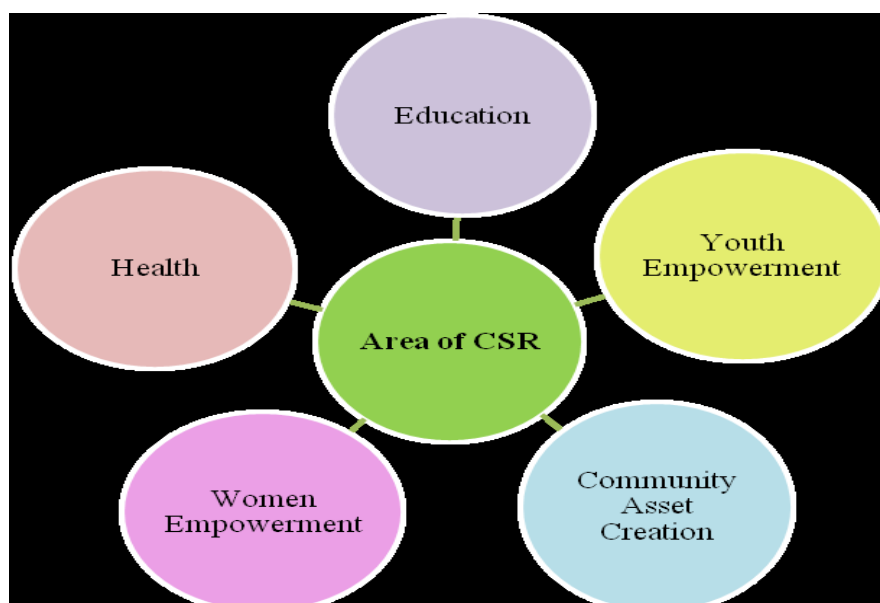


Figure 3

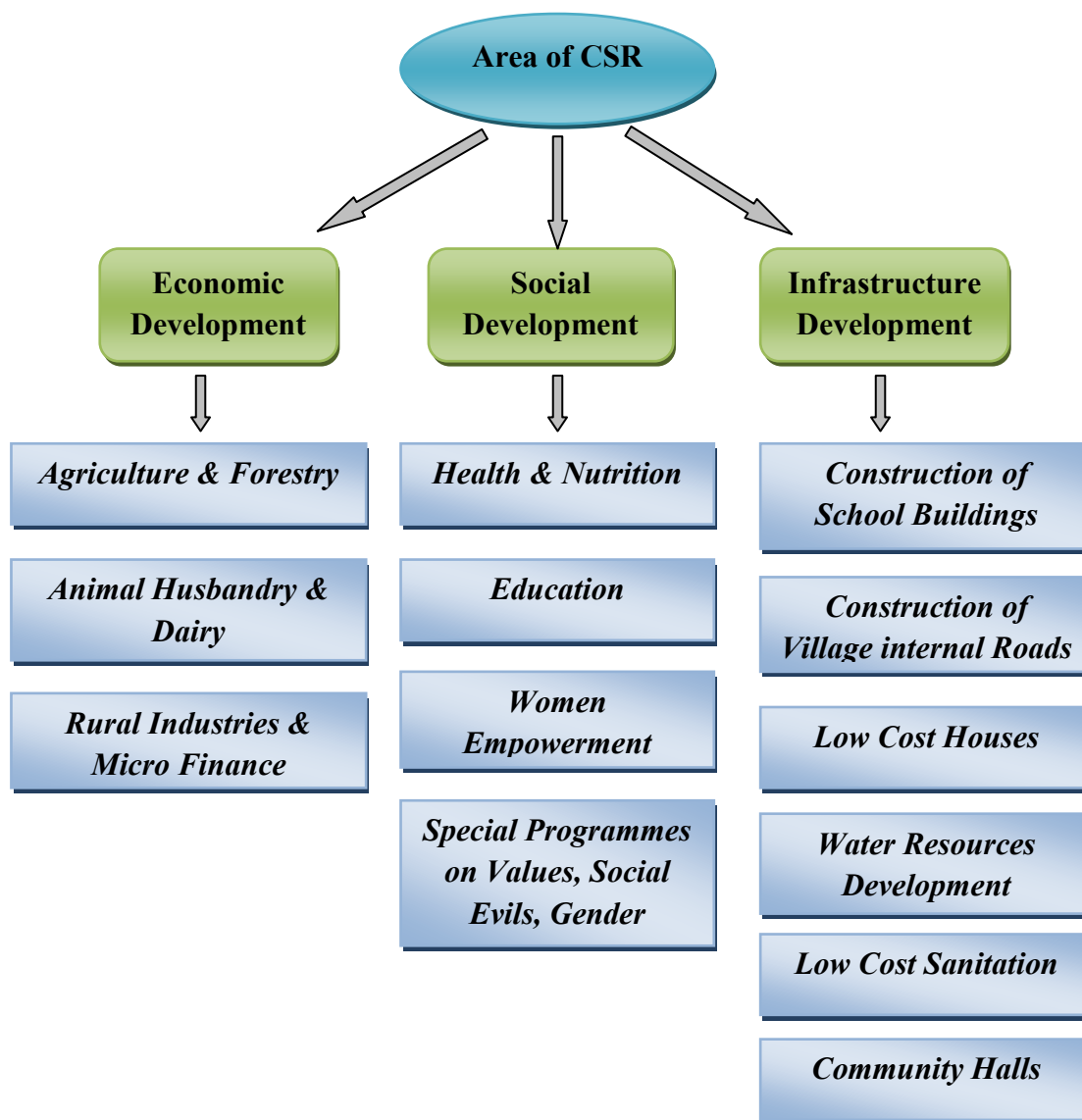


Figure 4

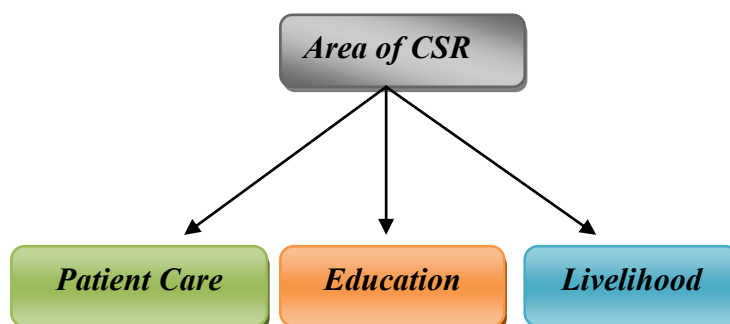


Figure 5

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