Corporate Social Responsibility of Select Pharma Companies in India: An Exploratory Study

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Abstract
CSR is that any relationship that the company has any group will be dynamic as will the social, political, economic and legal environment in which it operates. Today the common goal of the domestic and international business community is to bring forth wealth in a socially and environmentally responsible way. This study has focused on the implementation of corporate social responsibility, in the Pharma industry companies, This study has focus on more qualitative approach rather than quantitative. This comparative approach was selected because the way the companies operate has lot of similarities but also small differences in unique ways. When it comes to social responsibility of Pharma companies, the Pharma companies need to move beyond a narrow definition of CSR and look at some of the ways to alleviate poverty and Rural Development. As per the new companies law, CSR activities would have to be within India. They would apply to companies having at least Rs 5 crore net profit, or Rs 1,000 crore turnover or Rs 500 crore net worth. Such companies will need to spend 2 per cent of their three-year average annual net profit on CSR activities in each financial year, beginning 2014-15 fiscal. The companies will take more initiatives towards CSR activities.

Keywords: Corporate social responsibility, Sustainability Reporting, Philanthropy,

Introduction
The pharmaceutical industry in India is among the most highly organized sectors. This industry plays an important role in promoting and sustaining development in the field of global medicine. Due to the presence of low cost manufacturing facilities, educated and skilled manpower and cheap labor force among others, the industry is set to scale new heights in the fields of production, development, manufacturing and research.

In 2008, the domestic pharma market in India was expected to be US$ 10.76 billion and this is likely to increase at a compound annual growth rate of 9.9 per cent until 2010 and subsequently at 9.5 per cent till the year 2015.

Industrial growth brings, in its wake, various social problems and it is the moral and social duty of the corporate sector to address them. A developing nation like ours cannot depend on Government’s efforts or funding from global agencies. It needs corporate intervention for sustainable development. Business depends on society for their existence and it is in their interest to take care of society. Therefore, commercial corporations must fulfill their duty of providing care to society.

This study has focused on the implementation of corporate social responsibility, in the Pharma industry companies, how it is realized and reported. This study has focus on more qualitative approach rather than quantitative. This comparative approach was selected because the way the companies operate has lot of similarities but also small differences in unique ways. Corporate social responsibility appears in many forms and in many fields, and therefore cannot be measured as existing or non-existing.

When it comes to social responsibility of Pharma companies, the Pharma companies need to move beyond a narrow definition of CSR and look at some of the ways to alleviate poverty. CSR is a concept whereby Pharmaceutical companies not only consider their profitability and growth, but also the interests of society and the environment by taking responsibility for the impact of their activities on stakeholders, employees, shareholders, customers, suppliers, and civil society represented by NGOs. The present paper has made an attempt to study the CSR practices carried out by the selected Pharma companies.

Need of Corporate Social Responsibility
In today’s globalize economy corporate play a major role in shaping the quality of life of the society as a whole. According to Nobel Laureate Amartya Sen, “Market forces alone are not sufficient for equitable distribution, and some sort of intervention is required, be it political or from business houses, towards society.” In recent times corporate social responsibility has assumed lot of importance not only among the corporate but also among the policy-makers. It is but natural that corporate are responsible to the society for their activities and owe to the environment in which they operate.

CSR in India has yet to realise its full potential. Individual and collaborative initiatives continue to be dominated by self assertion rather than accountability. There is certainly no lack of CSR programmes and Projects in India, what is absent, however are clear metrics for evaluating their actual impact in improving social conditions. There is a felt need for companies to graduate to strategic interventions in CSR which at present in many cases remain ad hoc.

A majority of Pharma companies in India do not have formal written CSR policies or a certified management system for CSR. Also there is hardly any resource commitment in most companies, as CSR is undertaken in the absence of
systematic approaches. Hence, the deployment and monitoring of investments made in CSR comes under the shadow of uncertainty. However, there are some that do follow a procedure when it comes to deploying and monitoring CSR.

**Literature Review**

Uwalomwa (2011) this study shows a positive relationship between the size of firms and the level of CSR variables. So, simply implies that the larger the size of a firm, the more they will be willing to invest on resources and corporate environmental technologies that are environmentally friendly.

Saeed [2010] depicts that CSR initiatives in India are context of employee governance with a purpose is to now taken by many corporate firms. Especially for the evaluate critically the ethics of “mainstream” human FMCG companies, where the major challenge is reduction resource management (HRM) and to propose an of packaging materials, these companies are doing work alternative stakeholder systems model of human resource in the field of Environment care, Health care, Education, management. Community welfare, Women’s empowerment and Girl Child Companies like Hindustan Unilever started work on conceptual framework as a basis to develop a company’s CO2 reduction also. Banerjee. [2003], suggests that CSR strategy. . It also ways to contribute to the communities they operate in suggests that conceptual framework enables a process to Chopra [2006].

Study by Chaudhri and Wang [2007] examines CSR the importance of company’s age viz. with respect to the communication undertaken by the top 100 information Corporate Social Responsibility initiatives undertaken by technology (IT) companies in India on their corporate the firm. Here CSR age means CSR leaders, CSR initiators Web sites, with an analytical focus on the dimensions of and CSR newcomers. And identify the corporate social prominence of communication, extent of information and responsibility practices with reference to health, style of presentation. The findings indicate that the education and environment for large firms of North-West number of companies with CSR information on their Web region of India.

Porter and Kramer (2006) stated that strategically external corporate social responsibility (CSR) can become source of tremendous social progress, as the business applies its considerable resources, expertise and insight to the institutionalizing corporate social responsibility policy, activities that benefit society, surveys shows that Companies should operate in ways that secure long-term economic performance by avoiding short-term behavior that is socially detrimental or environmentally wasteful.

**Research Problem**

A Company that works for society, rather than for a small group of Shareholders, stands a better chance of survival in a world “An Evaluation of social responsibility practices of selected corporate units.” The same can be expressed in the following questions.

What practice adopted by selected Pharma companies for social responsibility?

**Top 10 Pharmaceutical Companies in India (2013):**
- Ranbaxy
- Dr. Reddy’s Laboratories
- Cipla
- Sun Pharma Industries
- Lupin Labs
- Aurobindo Pharma
- GlaxoSmithKline Pharma
- Cadila Healthcare
- Aventis Pharma
- IPCA Laboratories

Sample size: Top Five leading Pharma companies have been selected for this study, and they are: Ranbaxy, Dr. Reddy’s Laboratories, Cipla, , Lupin Labs, GlaxoSmithKline Pharma

**Objective of the Study**

*To know the innovative measures adopted by companies towards institutionalization of CSR*

1) To study the CSR practices carried by select Pharma companies
2) To study and understand the CSR initiatives being taken by select Pharma companies Towards Education, Health and Rural Development.
3) 3) To Know the Expenditure made towards CSR Activities by Select Companies.

**Research Methodology**

The data for the present paper was gathered mainly from secondary sources. Secondary sources like annual reports, news papers, publications of the companies, research reports of various organizations. To have a detailed idea about the CSR activities relevant information was gathered from different sources, including the websites of companies.

The future CSR Company will require every policy, practice, operation, activity, member of staff, every decision to be measured against CSR criteria. Many companies will be redefining business purpose to optimize profits, that is, making profits responsibly and developing business principles consistent with this.

The following are the activities undertaken by the select Pharma companies in India
Table No. 1: Showing CSR activities done by Glaxosmithkline Pharmaceuticals Ltd.

<table>
<thead>
<tr>
<th>Philanthropy</th>
<th>Corporate Social Responsibility</th>
<th>Children</th>
<th>Disability</th>
<th>Child-Health</th>
<th>Elderly</th>
<th>Education</th>
<th>Health</th>
<th>Nutrition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Committed to developing new and effective healthcare solutions</td>
<td>A valuable contribution to society by developing and marketing medicines which improve people’s lives</td>
<td>Niradhar Swavlamban Samiti School: Support was provided to upgrade the school infrastructure and for supporting 450 children with the school stationery.</td>
<td>Aashirwad school for mentally challenged children. DelhiGSK India also supports Aashirwad school for mentally challenged children at Delhi by way of cash donation to run its day to day activities.</td>
<td>Institute of Child Health, Kolkata: but an institution with integrated services, which includes preventive and curative care for children and also a centre for teaching and research.</td>
<td>The company initiated a long term project for supporting annually a 24 X 7 Helpline for senior citizens in Mumbai, run by Dignity Foundation.</td>
<td>Operates a Balwadi (pre-school) for under five age group children of rag-pickers’ community in a slum pocket called Amrapali in Nashik. Besides inculcating good civic norms, these techniques train and educate their minds with impact.</td>
<td>Medical check-up and treatment offered at Trust’s Mobile Van Ongoing Health camps and Health awareness programs Innovative programs that accurately address a current issue or Health related need</td>
<td>Mid-day Meal projectGSK India has been supporting the Mid-day meal program implemented by ISKCON Food Relief Foundation for Municipal school students</td>
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<tr>
<td>Offers a range of vaccines, for the prevention of hepatitis A, hepatitis B, invasive disease caused by H. influenzae, chickenpox, diphtheria,</td>
<td>Proactive in improving the environment Participating and contributing actively for tribal welfare</td>
<td>St. Jude India Childcare Centre: The non-profit organisation, started with an idea to provide a safe and clean environment for children to recuperate following the treatment for serious chronic diseases,</td>
<td>The Karnataka Welfare Association for the Blind:The Company supported the not for profit organisation by way of donation towards buying educational materials and development equipments.</td>
<td>Around 62000 patients including new and old patients are treated annually</td>
<td>The Helpline provides immediate and emergency support, rescue and relief to elderly people calling at the Helpline.</td>
<td>Supports girl students in Janata High School every year by the way of supporting their education</td>
<td>Primary Healthcare Centre centre provides Primary healthcare facilities and quality health education to the children who are rag pickers and their families who work in</td>
<td>This is an on-going project which currently supports three schools and around 3000 students in Mumbai. This pro-</td>
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<td>Pertussis, tetanus, rotavirus, cervical cancer and others</td>
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<td>and around the dumping ground</td>
<td>and around the dumping ground</td>
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<td>Company's initiatives are primarily focused towards women &amp; children and are directed in the areas of Health and Education</td>
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<td></td>
<td>Providing medical support to the aged in the remote and underdeveloped Khurda district of Orissa. The project envisages support to about 14,000 underserved villagers suffering from debilitating diseases, especially orthopaedic conditions and helping in their rehabilitation</td>
<td>Project includes improved life expectancy of the children and women rag pickers in the dumping ground with better healthcare, while reducing the rate of anaemia and other nutritional deficiencies and general ailments in the community.</td>
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<td>GSK also supports organizations like Aakanksha by way of donating space for running a learning centre for around 100 less privileged children from slums in around Worli.</td>
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| The organization facilitates in educating masses on good practices of healthy living. | GSK supports ISKCON Foundation’s Mid-Day Meal project in Mumbai for less privileged children by way of Cash Donation | GRAMIN AAROGYA VIKAS SANSTHA The Trusts’ Mobile Clinic covers a distance of 160 kms each day and visits a cluster of five villages in rotation, covering 20000 Tribal people are benefited by this healthcare initiative. It supported Institute of Child Health, a charitable organisation, by providing a donation to set up a technically sound NICU step down Unit for its 150 bedded hospital. | Upgradation of Laboratory and Educational support for three schools in Nashik It supported Laboratory at Municipal school: A school science laboratory at Mankhurd, Mumbai, run by Children’s Aid Society An annual financial support was provided to the organization to run it’s ongoing medical |
was lent financial support for upgrading its infrastructure and equipments. Currently, the school provides education to around 1600 students from under privileged, marginalized families including students from the Government demand home programs benefiting over 1 lakh poor people.

<table>
<thead>
<tr>
<th>Rural Development</th>
<th>Vocational Training Centres</th>
<th>HIV/AIDS Helpline, Mumbai</th>
<th>Conservation of Energy</th>
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</thead>
<tbody>
<tr>
<td>Rural projectsTribal welfare projects in Peth Taluka, Nashik, Maharashtra GSK India undertakes a number of Rural Development initiatives through its trust GRAMIN AROGYA VIKAS SANSTHA (GAVS), a Rural Health Development Organization.</td>
<td>GAVS have also launched three Vocational Training Centres The project is undertaken with a long term objective of imparting specialized skills and making the unemployed youths more employable in the areas of computer literacy, tailoring, beauty training, wireman/ electrician training, increased agriculture productivity, Motor training, nursing assistance training etc</td>
<td>GSK launched a 24-hour Helpline a unique and innovative initiative for counseling and dissemination of information on HIV/AIDS.</td>
<td>identifying and implementing Energy Conservation measures. In support of the initiative on Climate Change, the focus is to reduce the Energy Consumption at the sites by using non-conventional Energy sources e.g. Solar heating system and by adopting new Technologies e.g. Variable speed Drive.</td>
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<tr>
<td>GAVS originally worked in 15 predominately Tribal villages in Peth Taluka, Nashik District. Currently the Trusts' Mobile Clinic covers a distance of 160 kms each day and visits a cluster of 35 villages in rotation, covering over 80 villages.</td>
<td>Over 700 youths have been trained and a number of them are currently gainfully employed</td>
<td>The Helpline provides not only information on the disease but also emotional support to callers misconceptions and inhibitions on HIV/AIDS are cleared</td>
<td>monitoring of noise levels and re-cycling of waste were carried out. Gaseous emission from boiler chimney was monitored and controlled by ensuring proper combustion efficiency of the equipment.</td>
</tr>
</tbody>
</table>
Table No. 2: Showing CSR activities done by Lupin Ltd.

<table>
<thead>
<tr>
<th>Philanthropy</th>
<th>Corporate Social Responsibility</th>
<th>Rural Development</th>
<th>Poverty Reduction</th>
<th>Civil &amp; Infrastructure Work</th>
</tr>
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<tbody>
<tr>
<td>Lupin Limited today is an innovation led transnational pharmaceutical company producing a wide range of quality, affordable generic and branded formulations and APIs for the developed and developing markets of the world</td>
<td>Lupin is committed to the challenging task of becoming a proactive partner in nation building through the Lupin Human Welfare &amp; Research Foundation (LHWRF).</td>
<td>Economic upgrading of BPL families: 55,708 families economically upgraded through agriculture, animal husbandry &amp; rural industry activities of organizations operational area.</td>
<td>Lupin Foundation has selected entire Bharatpur district for holistic Rural Development. In 1988 when we started our program the incidence of poverty was 34%.</td>
<td></td>
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<tr>
<td>Vision and dream to fight life threatening infectious diseases and manufacture drugs of highest national priority</td>
<td>Initiating the program of Rural Development within a small number of 35 villages, LHWRF has now succeeded in revitalizing, revamping and recreating life in 2,200 villages</td>
<td>LHWRF has now succeeded in revitalizing, revamping and recreating life in 2200 villages in Rajasthan, the multifaceted activities of economic and social development were under taken in close collaboration with District and State Government departments. At present, the incidence of poverty is around 12%. We hope to bring it down to nearly 6% by 2015.</td>
<td>Government has announced a policy intervention in the name of Apna Gaon Apna Kam</td>
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<tr>
<td>Engaged in manufacture of over-the-counter drugs, prescription drugs and bulk drugs.</td>
<td>The Foundation has been successful in making a big difference in the development of poverty-ridden villages, and especially in the life of the poorest of the poor and empowerment of large number of women in these areas.</td>
<td>Local level institution in the name of Lupin Gram Vikas Panchayat (LGVP) (Village Development Committee) have been formed. LGVP consists of representatives from different village communities, who are dedicated to the cause of service and village development.</td>
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<tr>
<td>LHWRF is also entitled to take foreign funding through its FCRA account. LHWRF has staff of 65 permanent employees along with the 700 project based employees. CSR staff of LHWRF is engaged fully &amp; singularly for CSR activities</td>
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</table>

-Villagers were motivated to contribute certain percentage of estimated cost of the work, rest of the money come from Lupin and Government.

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Table No. 3: Showing CSR activities done by Ranbaxy Laboratories Ltd.

<table>
<thead>
<tr>
<th>Philanthropy</th>
<th>Corporate Social Responsibility</th>
<th>Health</th>
<th>Environment, Health and Safety</th>
<th>Anti HIV/AIDS</th>
<th>Ranbaxy Science Foundation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ranbaxy Laboratories Limited (Ranbaxy), India's largest pharmaceutical company, is an integrated, research based, international pharmaceutical company, producing a wide range of quality, affordable generic medicines, trusted by healthcare professionals and patients across geographies.</td>
<td>Serious efforts have been directed towards making a meaningful contribution in uplifting and transforming the lives of the underprivileged.</td>
<td>Maternal &amp; Child health Antenatal Care Immunization – (Tuberculosis, Diphtheria, Polio, Whooping Cough, Tetanus &amp; Measles)</td>
<td>Ranbaxy is fully committed to achieve Environment, Health &amp; Safety (EHS) excellence and conduct its activities in the most responsible manner.</td>
<td>Ranbaxy comprehensive anti-HIV portfolio comprises Bio-Equivalent Anti-Retrovirals (ARVs) and Anti-Infectives for Opportunistic infections</td>
<td>Ranbaxy Science Foundation and registered under the Societies Act in May 1994. with an implicit mission of giving impetus to research activity and help in reviving India’s great scientific tradition</td>
</tr>
<tr>
<td>The Company has a global footprint in 46 countries, world-class manufacturing facilities in 7 countries and serves customers in over 125 countries.</td>
<td>The Company is also extremely conscious of its duty and responsibility towards the environment.</td>
<td>Safe Motherhood Post natal care Family Planning Sterilization (Referral and follow up)</td>
<td>EHS has been stressed and extensively promoted as a corporate culture within Ranbaxy. It is also clearly reflected and well defined into Ranbaxy’s value statements of “Managing our operations with high concern for safety and environment” and “Be a responsible corporate citizen”.</td>
<td>Ranbaxy's quality FDCs reduce pill burden and improve patient compliance</td>
<td>The Foundation instituted Ranbaxy Research Awards to recognize original outstanding contributions in the fields of Medical and Pharmaceutical Sciences.</td>
</tr>
<tr>
<td>Sincere efforts to promote good health, social development and better environment, through various Company programs that contribute to sustainable, all round growth.</td>
<td>Sincere efforts to promote good health, social development and better environment, through various Company programs that contribute to sustainable, all round growth.</td>
<td>Prevention and Treatment of Sexually Transmitted Diseases &amp; Reproductive Tract Infections Health Education including AIDS awareness</td>
<td>Ranbaxy has adopted a top down approach and embraced the principles and codes of best EHS practices into its redefined world class EHS Management System.</td>
<td>Ranbaxy offers a complete basket of pharmaceuticals for several first line HAART regimes. The current portfolio is the largest range of bio-equivalent generic ARVs available from a single company. These products are manufactured at Ranbaxy's WHO prequalified and US-FDA approved facilities.</td>
<td>Every year the Foundation invites nominations for 4 awards – 3 Awards for Rs. 1,00,000/- each in the fields of Medical Sciences in Basic, Applied and Clinical and 1 Awards of Rs. 1,00,000/- in the field of Pharmaceutical Sciences. So far 104 scientists have been honoured by the Foundation.</td>
</tr>
<tr>
<td>The company has earned this position among the pharmaceutical companies in India</td>
<td>Ranbaxy realised the urgency to reach out to the underprivileged sections of</td>
<td>RCHS continues to work actively on critical issues related</td>
<td>The Company takes numerous initiatives to enhance workplace safety including</td>
<td>Ranbaxy provides pre &amp; post sales support to institutions, NGOs, and Ministries of</td>
<td>The Foundation conducts Round Table Conferences on topics concerning public</td>
</tr>
</tbody>
</table>

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due to their large portfolio and cost-effective medicines that are relied by medical professionals all over the globe.

<table>
<thead>
<tr>
<th>Company</th>
<th>Description</th>
<th>Programs</th>
<th>Health and symposia on topics at the cutting edge of research in medical sciences to explore the latest in the selected area of specialty and its potential application for the benefit of mankind.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ranbaxy Rural Development Trust</td>
<td>The first well equipped mobile healthcare van was introduced, in certain underserved areas.</td>
<td>The company has entered into a Public Private Partnership (PPP) with the Punjab State Government, to deliver healthcare services in identified districts of Punjab.</td>
<td>The Foundation has also initiated “Research Scholarship Awards for the Young Scientists” with an aim to stimulate their interest in research.</td>
</tr>
<tr>
<td>Multiple well equipped mobile healthcare vans and an urban family welfare centre, run by Ranbaxy,</td>
<td>Maternal &amp; Child health Antenatal Care Immunization (Tuberculosis, Diphtheria, Polio, Whooping Cough, Tetanus &amp; Measles) Growth Monitoring Safe Motherhood Post natal care Family Planning Sterilization (Referral and follow up) Provision of Family Planning Methods (Copper T, Oral Pills, Condoms)</td>
<td>Prevention and Treatment of Sexually Transmitted Diseases &amp; Reproductive Tract Infections Health Education including AIDS awareness</td>
<td></td>
</tr>
</tbody>
</table>

The programme is based on an integrated approach of preventive, promotive and curative services, spanning areas of maternal child health, family planning, reproductive health, adolescent health, health education and prevention.
### Table No. 4: Showing CSR activities done by Cipla Ltd.

<table>
<thead>
<tr>
<th>Philanthropy</th>
<th>Corporate Social Responsibility</th>
<th>Health</th>
</tr>
</thead>
<tbody>
<tr>
<td>Found a novel approach to fulfill its corporate social responsibility obligations by offering to sell a cocktail of three anti-HIV drugs, Stavudine, Lamivudine and Nevirapine, to the Nobel Prize-winning voluntary agency Medicine Sans Frontieres (MSF) at a rate of $350, and at $600 per patient per year to other NGOs over the world.</td>
<td>Decrease in the prices of these drugs worldwide increasing the accessibility of these drugs especially in the developing countries.</td>
<td>Cipla took a lead in announcing a triple drug therapy for HIV/AIDS at a price of USD $ 350 per patient per year as compared to the price in access of USD $ 10000 to USD $ 15000 charged by western manufacturer.</td>
</tr>
<tr>
<td>Ethical conduct All directors and senior management employees shall deal on behalf of the Company with professionalism, honesty, integrity as well as high moral and ethical standards</td>
<td>The Company helped treat over 1.2 million poor aged patients in slums and villages through Helpage India. The Company has continued to support the promotion of education and community welfare, both directly and through its charitable trusts. Its medicines are helping to treat over 2,00,000 HIV-positive patients.</td>
<td>The Company has offered to provide antiretroviral drugs, free of charge for a two-year period to the National AIDS Control Organisation in India to help prevent mother-to-child transmission of HIV. Cipla provided substantial quantities of essential drugs free of cost to the earthquake-hit state of Gujarat.</td>
</tr>
<tr>
<td>Transparency All directors and senior management employees of the Company shall ensure that their actions in the conduct of business are totally transparent except where the needs of business security dictate otherwise.</td>
<td>The Company regularly undertakes various innovative measures to conserve energy, reduce wastage and optimize consumption.</td>
<td>The Company has taken the initiative to support a new research facility in Pune. The Chest Research Foundation is dedicated to research in asthma, COPD, allergic airways diseases and other respiratory ailments.</td>
</tr>
<tr>
<td>Legal compliance All directors and senior management employees of the Company shall at all times ensure compliance with all the relevant laws and regulations affecting operations of the Company</td>
<td>The Company continues to support several community welfare, health and educational activities, essentially in communities surrounding the Company’s factories both directly and through its charitable trusts, by providing healthcare education, improvement of community infrastructure, scholarships, etc.</td>
<td>Cipla has also joined hands with the Clinton Foundation to support its worldwide paediatric HIV/AIDS initiative. This programme covers more than 45,000 infected children. The Company has provided subsidised drugs, estimated to be worth USD 3 million.</td>
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<tr>
<td>Cost consciousness All the directors and senior management employees of the Company should strive for optimum utilization of available resources. They shall exercise care to ensure that costs are reasonable and there is no wastage. It shall be their duty to avoid ostentation in Company expenditure.</td>
<td>Cipla also provides medicines to treat over a million poor, aged patients in slums and villages through Helpage India, the Umeed Foundation, etc. These initiatives are part of Cipla’s endeavour to fulfill its corporate social responsibility.</td>
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Table No. 5: Showing CSR activities done by Dr Reddy’s Laboratory Ltd.

<table>
<thead>
<tr>
<th>Philanthropy</th>
<th>Csr activities</th>
<th>Livelihoods</th>
<th>Education</th>
<th>Health</th>
<th>Children</th>
<th>Rural Development</th>
<th>Disaster Relief</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Reddy’s Laboratories (NYSE: RDY) is an emerging global pharmaceutical company. As a fully integrated pharmaceutical company, purpose is to provide affordable and innovative medicines through our three core businesses: Pharmaceutical Services and Active Ingredients, comprising our Active Pharmaceuticals and Custom Pharmaceuticals businesses;</td>
<td>focus has primarily been on three life-altering areas: Patient Care, Education and Livelihood. Bringing dropouts and working children into the mainstream education system. Career counseling and job-related training.</td>
<td>Livelihood Advancement Business School (LABS) A total of 46,473 livelihoods were generated by LABS</td>
<td>Yuva Youth Learning Centers Community-based adolescent youth learning centers established in various urban slum areas</td>
<td>Dr Reddy’s Foundation for Health Education (DRFHE) was initiated in 2002 with the aim of providing long-term value-added benefits to our customers in terms of meeting unfulfilled needs in the area of health education</td>
<td>Naandi has initiated a number of other projects that seek to positively impact the lives of the underprivileged</td>
<td>Two pilot rural initiatives were launched in 2014. Non-farm micro-enterprises identified several on-farm activities and arranged skill training as well as bank linkages for potential beneficiaries.</td>
<td>Dr. Reddy's played an active part in providing relief to the flood victims of Andhra Pradesh, India</td>
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<tr>
<td>Livelihoods Create, implement and disseminate sustainable and replicable livelihood models through partnerships.</td>
<td>Raining in Medical Transcription, Call Center and Accountancy packages, in addition to Communicative English, soft skills and basic IT skills.</td>
<td>The Center for Social Initiative and Management (CSIM) is a learning center that discovers and moulds Social Entrepreneurs who can generate radical, path-breaking solutions to social divides, who can take reasonable risks and who can persistently work towards creating a lasting social impact.</td>
<td>Altius, the Advancement School Altius helps graduates and diploma holders access various career advancement opportunities by providing them requisite employability skills.</td>
<td>Forayed into the field of Health education with a vision to become a globally admired provider for Healthcare Education.</td>
<td>Dr. Reddy’s, automated Midday Meal kitchens for government schools, promotion of micro-entrepreneurship in the agricultural sector, bringing safe drinking water to Indian villages and a number of other projects in the areas of health, education and rural development.</td>
<td>Farmers’ clubs have been set up to enable members to address common problems. Development funds have been formed for members to avail short-term loans for new technology adoption and micro-enterprise development.</td>
<td>The Company also made a contribution of INR 10 million to the Chief Minister’s Relief Fund. Employees based in India contributed a day’s basic salary towards the cause.</td>
</tr>
<tr>
<td>Education</td>
<td>English medium education from marginalized / lower income communities</td>
<td>Pudami Neighbourhood Schools to bring quality education to all children in the neighborhood</td>
<td>The Naandi Foundation is an autonomous, public trust that works together with governments, corporate houses and the society to improve the lives of the underprivileged.</td>
<td>Two rural LABS centers were set up, with each center training about 60 youth in two domains. Exploring New Livelihood Options</td>
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<td>CSIM also supports the process of social entrepreneurship in small and medium NGOs, and provides a volunteer constituency that these NGOs and social entrepreneurs can draw from.</td>
<td>New development breakthroughs in the areas of health, education and livelihood that are being replicated by governments across the country to impact millions of men, women and children in the country.</td>
<td>Through Dr. Reddy's Foundation, support innovative education and livelihood creation programs for underprivileged youth. As good neighbors, further undertake health, education and development programs in communities near plants.</td>
<td>Health camps were organised to provide immediate health services to the needy</td>
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<td>Through Dr. Reddy's Foundation, in-house Education Resource Center in curriculum design, academic monitoring mechanism and preparation of training material for the teachers. CSIM provides opportunities for compassionate individuals to make a significant difference through concrete actions; both through its numerous educational and training programs that include a post-graduate diploma in Social Initiative and Management, as well as through its short-term, action oriented volunteer initiatives.</td>
<td>Through Dr. Reddy's Foundation, support innovative education and livelihood creation programs for underprivileged youth. As good neighbors, further undertake health, education and development programs in communities near plants.</td>
<td>The Power of 10™ is an innovation devised by Naandi to enable individuals and corporates to change lives for the better. This is a mechanism that allows everyone to do their bit for society by donating Rs 10 every month towards a cause.</td>
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<td>Pudami English Primaries To make quality English-medium education accessible to urban children from lower income groups.</td>
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<td>Retailing: Aspects specific to organized retailing, which is rapidly expanding all over India, opening up a wide array of job opportunities for youth. The aspirants can become counter / floor sales executives. Telecom Sales: Caters to the need for a large trained workforce in this sector, which is making very quick inroads into rural India as well. The aspirants can become communication advisors, customer relations executives, etc. Rural Marketing: Assists SHGs in enhancing their communication skills, sales techniques, entrepreneurial competencies, customer handling and computer basics.</td>
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<td>Efforts to reduce Carbon Footprint</td>
<td>Bakery &amp; Confectionery: Elements like bakery ingredients, preparation of various types of breads / pastries / cookies / cakes, cake frosting / icing, etc. The Communicative English module for LABS aspirants has been revised to become learnercentric. IT modules for non-IT courses have also been updated. Various capacity building programs were held for staff at all levels to ensure efficient administration of the LABS program across the country.</td>
<td>Naandi into its education project, popularly known as the 'Support Our Schools' program, aimed at improving the quality of education in over 2000 government schools.</td>
<td>Close to 5,800 patients from over 30,000 families were treated in 38 villages and 21 urban slums.</td>
<td>Direct Selling: Emphasizes direct selling techniques, negotiation skills and objection handling methods specific to direct selling; it enables aspirants to become direct / channel sales executives. Banking, Financial Services &amp; Insurance: Skills required in marketing financial services, as well as good product knowledge. The aspirants can become relationship officers, data entry operators, etc. Housekeeping: Various functions of corporate housekeeping, organization of the housekeeping sector, competencies required in housekeeping personnel, etc. The course equips the aspirants for various positions in the housekeeping sector. Security Services: Various types of security situations (emergency / fire / bomb threat), evacuation, security documentation, etc. The aspirants can become security / escort / residential guards</td>
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A Zero Liquid Discharge Plant was commissioned in Biologics development centre bringing number of treatment plants to five. The entire effluent generated is treated and is recycled to be reused as make-up in cooling towers or as feed water in boilers. The ZLD combines Multiple Effect Evaporators, Reverse Osmosis Units, Membrane Filtration, Agitated thin-film drier and Biological treatment.
The expenditure made by select Pharma Companies in India are as follows:

Table No 6: Showing the Expenditure made by select Pharma Companies towards CSR activities

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Average Market Capitalisation</th>
<th>Net Profit 2009-10</th>
<th>Net Profit 2010-11</th>
<th>Net Profit 2011-12</th>
<th>CSR Committments</th>
<th>CSR Spending in FY 12-13 Rs. Crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Reddy's Laboratories</td>
<td>28,372.00</td>
<td>846</td>
<td>893</td>
<td>912</td>
<td>17.67</td>
<td>16.82</td>
</tr>
<tr>
<td>Cipla</td>
<td>26,679.80</td>
<td>1,081</td>
<td>960</td>
<td>1,124</td>
<td>21.1</td>
<td>7.65</td>
</tr>
<tr>
<td>Lupin</td>
<td>24,937.70</td>
<td>649</td>
<td>810</td>
<td>804</td>
<td>15.09</td>
<td>9.32</td>
</tr>
<tr>
<td>Ranbaxy Laboratories</td>
<td>21,412.60</td>
<td>572</td>
<td>1,149</td>
<td>-3,052</td>
<td>0</td>
<td>4.26</td>
</tr>
<tr>
<td>Glaxosmithkline Pharmaceuticals</td>
<td>17,624.30</td>
<td>512</td>
<td>564</td>
<td>431</td>
<td>10.05</td>
<td>3.69</td>
</tr>
</tbody>
</table>

From the above table it is seen that Dr. Reddy’s Laboratories has spent more amount towards CSR activities as compared to other companies. It is also seen that Dr. Reddy's Laboratories has spent near to 2% of average profit of the preceding 3 years as compared to other companies. Ranbaxy Laboratories decides suffering loss in 2011-12 has spent towards CSR activities.
Conclusion

CSR holds a very important place in the development scenario of the world today and can pose as an alternative tool for sustainable development. As companies have shown great concerns for their immediate community and the stakeholders, it can be safely concluded that much of the fate of society lies in the hands of the corporate. A successfully implemented CSR strategy calls for aligning these initiatives with business objectives and corporate responsibility across the business principles to make CSR sharper, smarter, and focused on what really matters.

Most of the companies, viewed CSR activities as an “expense” but as a partnership with the community, a benefit to the environment and a way to enhance the value of your business. As per the new companies law, CSR activities would have to be within India. They would apply to companies having at least Rs 5 crore net profit, or Rs 1,000 crore turnover or Rs 500 crore net worth. Such companies will need to spend 2 per cent of their three-year average annual net profit on CSR activities in each financial year, beginning 2014-15 fiscal. The companies will take more initiatives towards CSR activities.

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