



An Analysis Of Corporate Social Responsibility Of Pharmaceutical Companies In Pune

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ABSTRACT:

Nowadays Corporate Social Responsibility (CSR) is an elemental activity of the company. It provides funds for the community and up bring the society. The main aim of CSR is to do economic, social and technological development of the society. Today the corporate world needs to give priority to bring CSR activity in the mainstream of the business. The paper aims to clear understanding of the concept of CSR, role and responsibility of discussing the CSR activity conducted in Pune. There are some challenges faced by the companies and suggestions are given to get the better of it and step up CSR activity in Pune.

Index Terms: Corporate Social Responsibility, CSR activity, CSR funds

INTRODUCTION:

Society Contributes all the types of stakeholders to the company. It also contributes to politicians and bureaucrats who design the legal framework will result in the loss or gain of the company. Those companies have different approaches towards the society like charitable activity.

All the corporations need to tie up with the NGOs and Educational Institutes. The role of corporations is not restricted up to the taking initiatives for the activity but they must complete that project and after that they must try to keep consistency in that work. Most of the multinational companies have realized the importance of social connectivity and promotion of brand. All the companies must give something in return and they do it as an obligation to the society. CSR helps the company to represent themselves as a social contributor from local to global market. CSR not only gives promotion for creativity and innovative things but is also useful to do imperishable development. Pune based companies are very sensitive about social issues and along with progress of the company. A mutually-supportive relationship is very essential for society.

Objectives

1. An understanding of concept of CSR
2. Role and responsibility of CSR activity conducted in Pune
3. To study the challenges faced by CSR in Pune
- 4.. To provide recommendation for gearing CSR initiatives in Pune

RESEARCH METHODOLOGY:

The present work is defined as the present work process is carried out in a systematic manner and includes extensive literature review. The researcher collects the data from secondary sources like internet, online books and journals.

Definition of CSR

Philip Kotler & Nancy Lee (2005) “a commitment to improve community well-being through discretionary business practices and contributions of corporate resources”.

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

BSR (Business for Social Responsibility) “achieving commercial success in ways that honor ethical values and respect people, communities, and the natural environment.”

After consideration of all the above definitions it would be concluded that all the companies are committed for the sustainable growth of the society to improve standard of living of the people.

REVIEW OF LITERATURE:

With reference to current strategies of the companies, profit maximization is not only a prime purpose of the business but welfare of the stakeholders along with socio economic changes is essential. (Tyagi 2013) Companies need to take serious efforts for the development of society. Intention of profit will be fulfilled when all the stakeholders are satisfied with the company.

More focus is required to provide on CSR communication and social connectivity. Participation of the stakeholder is very essential (Dhanesh 2015) all of the companies have a CSR strategy and more emphasis is there on communication and connectivity with the society. With the help of NGOs, Local and political representatives. People need to be convinced of the importance of the CSR activity implementation.

CSR performs a very important role in employment generation and social change. It tries to fulfill basic requirements of the society. (Hole 2019) CSR activity is related to giving back to the society and funds collected from the society can be returned not only in the form of money but in the form of social change.

Huge contradictions exist in India, even today many people are poor and children are nourished. It is the right time to convert corporate social responsibility(CSR) into mandatory corporate social responsibility(MCSR). Government and people’s participation is essential. Government has a great role to perform. They can contact and encourage and change the mindset of the corporations.

Ethical, liberal, stakeholder and static approach are the four important approaches of the CSR. Arevalo (2011) caring and moral backup must be provided to stakeholders. Intention of profit is an unavoidable objective of the company. Smart Corporates are experts in CSR Strategy making but endure in the implementation of the activity.

Corporates are having different thinking angles of CSR. It is just window dressing, used for image building and sustained for a long period of time. (Verma 2011). Clear cut motive or bonafide intention and results or benefits out of CSR activities is expected from the companies because if vision is not clear and goal is not fixed then one can’t reach the goal.

CSR Activities in Pune

Serum Institute of India

Villoo Poonawalla Charitable Foundation is working for Poonawalla group for CSR activities. Villoo Poonawalla Memorial Hospital was in Hadapsar, Pune. Welfare Medical Foundation and Serum Institute of India has constructed this hospital and provided financial support to the hospital. High quality service with minimum fees are provided to the people below poverty line.

Serum institute has provided a lack of vaccines without charging a single rupee and also with a concessional rate not only in India but abroad. One more initiative is taken by serum, they have a Leprosy Rehabilitation Center where handicapped persons get high quality service.

Lupin Limited

Lupin Limited is working on various issues like Economical issues, Social, Rural Infrastructural problem, Learn and Earn programme and Disaster Relief and Mitigation problem.

They have spent Rs 34.2 cr on CSR activities in 2019-20. Lupin Human Welfare and Research Foundation was established by lupin to deal with natural resources management, Economic, Social and infrastructural issues. Lupin contributed to the mitigation of Covid-19 pandemic and contributed to the PM Relief fund.

Cipla Limited

Cipla Limited was established in 1935. Company has spent Rs. 36.31 on CSR in 2019-20. Cipla foundation is mainly working on social, Economic and environmental issues. They have a main focus on four areas: health, skilling, education and disaster management. Foundation has a transparent mechanism of CSR activities and they are accountable to all the stakeholders of the company.

Challenges in CSR

Before 25 years most of the companies were not committed to spend their own funds for the society and they were expecting this from the government and NGOs. It is very essential to decide CSR policy after the market research and need to understand the needs of the last man of the society. Companies must search and identify which segment of the society which really requires funds. But from the last decade point of view locking towards CSR has been changing. So hereby it is concluded that CSR is not only restricted to the donation or charity but it is moving towards making society self-dependent.

1. All the companies need to create accountability and transferability in their work. All the stakeholders are expecting transparency in the case of financial data of CSR.
2. Most of the companies are not having good communication with the community.
3. Lack of support from the NGOs and social organization for CSR
4. Funds are not utilized for remote and rural areas who really need funds.
5. No social reputation and recognition is given by the government as well as society.

SUGGESTIONS

1. To do transparent CSR activity, companies must disclose audit reports to gain the trust of the people.
2. Companies need to take extra efforts to create social awareness among the people. They must increase trust of the people especially related to fundraising and utilization.

3. Need to provide training to the NGOs for innovative thinking and implementation of the activity.
4. Required highly efficient NGOs who identify the real need and work along with the company to successfully implement the project.
5. Need to promote social issues in a positive manner and need to change the mentality of the people. Involvement of media for promotion of the NGOs and CSR activities. Government initiative and involvement is required.

LIMITATIONS OF STUDY

However, some limitations should be noted that as we use the secondary data it will result in the study of already analyzed data. It does not provide any survey based facts and figures based on the primary data.

CONCLUSION

Sustainable development can be achieved with the help of involvement of all the stakeholders for the development of the society. New and innovative CDR practices are promoted by most of the companies that help the needy people. Corporates are having man money and material and all other resources.

Corporates have great potential to do drastic changes in society and improve the standard of living of the people. All the companies, government and NGOs need to have collaboration and cooperation resulting in fast track growth.

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