

Impact of CSR in Healthcare Industries

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Abstract: *This study based on a non - systematic review of literature of studies published in journals to highlight the vast implications brought about the legal compliances under CSR activities for different healthcare organisational practices. Hence, this study based on the office research method, using secondary data such as published paper and internet sources. The researchers found 3 main implications for healthcare industries: implication for Corporate social Responsibility (CSR) practices to relief from Pandemic like COVID-19; Implications for reducing sustainable development goals related to Health Goals through CSR; Implications of Corporate social Responsibility in development of Public Health infrastructure to provide healthcare services. This study has significant values to the researchers interested in impact of corporate social Responsibility in Healthcare Industries.*

Keywords: CSR, Healthcare Industries, COVID-19, Healthcare Infrastructure, SDG

1. Introduction

Corporate social responsibility can be defined as the voluntary contribution made by company falling under a certain category in the form of projects & programs with aim of making a better society and providing a cleaner environment to the Public. As the name suggests, the corporates have a responsibility towards the Society for sharing profits earned from the society itself in the form of projects and program for making society is a better place. The ministry of corporate affairs, GOI implemented mandatory provision of CSR under section 135 of the companies act, 2013 coming in to effect from 01 - 04 - 2014 directs eligible companies to spend 2% of their average net profits made during three immediately preceding financial years on CSR activities. In general, this research addressed the implications of CSR in healthcare Industries to develop healthcare infrastructure, achieve SDG goal and relief in COVID-19. Every business has its aim for making maximum profit and wealth but successfulness of business without contribution of workers and community support is not possible in the long run.

Legal Framework of CSR activities

Section 135 of the companies Act, 2013 provides that every eligible company has to spend the average of the profits for the proceeding's three financial years towards the CSR initiatives. Sub - section (1) of the section 135 of the company Acts provides the criteria for those companies who are having;

- 1) Net worth having 500 crores or more
- 2) Turnover of 1000 crores or more
- 3) Net profits of 5 crore or more

CSR in Healthcare

Strategic investment in healthcare can promote a more inclusive future for the marginalized in our country. Healthcare is an enormous beast to tame and it should have been tamed, like yesterday. 30 % hike on spending CSR on healthcare whereas spending on education & the

environment has been decreased by 18% & 36 % respectively. Fund spend on COVID-19 assistance are qualified for CSR activities, according to the union ministry of corporate affairs, Even PM relief fund received 112% more funding in 2022 than the previous year (Brains & Company & NGO Dasra 2022).

Governments and their representatives are one of the public health service providers. These governments operate at different levels in the polity of a country. However, they are not the sole public health service providers. Corporate entities are also involved in public health initiatives as they carry out their CSR or philanthropic activities. Hence, this creates the need for researchers to explore how businesses can use CSR to positively influence public health. In addition, the nexus between CSR and public health requires that corporate entities account for public health and report on same. It also requires that a distinction is made with respect to the nature of accounting and reporting on public health, that is, accounting for how business operations affect public health and how public health issues affect business operations. These accounting and reporting issues with respect to public health differ from the usual corporate disclosures on public health.

Major challenges before the health sector in India –

- Lack of hospitals and doctors in ratio to population.
- Lack of basic infrastructure, medicines, trained nursing staff in government hospitals.
- Health services are worse in rural areas. In many villages, no PHCs have been opened till date. Moreover, no doctor wants to go there to provide services.
- Not just the rural or remote villages and tribal areas, quality health care is not available even to a bulk of urban population living outside a few glittering cities.
- There is contrast in availability of health services due to economic disparity. Rich gets quality health services due to presence of private hospital. But in case of poor and needy, the situation is worrying.

Many leading stakeholders in health care hold the research - based pharmaceutical companies accountable for the deaths

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of millions of people living in poverty because such companies retain their prices for life - saving medicines high. These companies consider financial profits more important than human life. It is noteworthy to note that many actors are responsible for social problems, and they all share a duty to contribute to a society prospering. Duty refers to definite responsibilities' stakeholders are bound to respect and follow. Each stakeholder has a particular duty depending on its role. However, the assigned responsibility has to be limited and definite, adapted to each stakeholder's resources and role. The important responsibility of any health care organization or pharmaceutical company is to enlighten itself about its effect on society's numerous needs and objectives and to be thoughtful and responsive to the demands of stakeholders. Through this tactic, the business enterprise or organization will have a practical and defined social responsibility that is based on corporate values, resources, technical know - how, and enlightened leadership.

COVID-19 reversed years of world - wide health progress. There has been a decline in human life expectancy. Infected people are at risk of death, long - term disabilities, lung and heart damage, and antibacterial resistance as a result of the virus. Coronavirus has also disrupted ongoing health improvements such as newborn and child death prevention, non - communicable disease treatments, communicable disease detection, mental health, and equal health care. Healthcare workers are one of the most vulnerable groups physically, psychologically, and socially. A massive issue at this moment as well is the lack of COVID data and treatments.

2. Conclusion

Based on the information discussed above, the conclusions of this research are: Evaluation of CSR through the perspective of economic, legal, ethical and philanthropic. Public health is a crucial because no corporation operates in a vacuum. Hence, corporations depend on profit to continue in business. On the other hand, the population must remain healthy because the business customers are a subset of the population. There are two approaches to this 'new normal', which is accounting for and reporting on public health. The first is accounting for how corporate operations or activities affect public health. This should go beyond how a specific product of a company affects public health. The second is accounting for how public health issues affect corporate operations. At the second level, it is recommended that the public health issues affecting the operations of corporate entities should be isolated and accounted for on an individual basis.

The perspectives of the economy show that the revenue generation capabilities to health care coverage in the province of Papua are still limited. Although health organizations have attempted to provide maximum services, customer satisfaction and the creation of economic profit health are still not being met. This is caused by an inadequate health workforce, financing problems and the necessary facilities, especially in the underdeveloped areas. The evaluation of the legal and ethical responsibility shows good results because the health services of the organization refers to the rules and code of ethics.

This study presents a comprehensive CSR model and a new CSR drivers' model. Then, it highlights the advantages of CSR and SDGs. Finally, it recommends that enterprises should make use of the SDGs as a framework to enhance their CSR practices. The proposed framework benefits from both CSR and SDGs, addresses current and future needs, and offers a roadmap with more measurable outcomes.