



## **Sustainable Strategies in Pharma Industry: A Case Study on DR Reddy Laboratories**

**Gedela Rakesh Varma**

**Research Scholar,**

**Department of Commerce and Management Studies,  
Andhra University,  
Visakhapatnam-530003.**

**Prof. Jaladi Ravi**

**Professor,**

**Department of Commerce and Management Studies,  
Andhra University,  
Visakhapatnam-530003.**

### **Abstract:**

The need and significance of Pharmaceuticals Industry in today's world immense. need for medicine has become important an important part of mans life The contribution of this sector towards building GDP of the country is phenomenal. During the last decade, this industry has boomed and touched new heights. Pharmaceutical Industry has boomed world-wide due to the numerous reasons like clinical research, research and development related to various vaccines, etc sustainability is process in the community to develop techniques and systems which not only meet the requirements of its current members but also support the ability of potential future generations to maintain a healthy community. Social sustainability is a quality of our societies. It shows the nature-society relationships, mediated by work, as well as relationships within the modern society. in this paper we discuss sustainable strategies implemented by Dr Reddy labrotories.

### **Key words:**

Social sustainabilty, Society development, pharma industry.

### **Preface:**

The need and significance of Pharmaceuticals Industry in today's world immense. need for medicine has become important part of man's life The contribution of this sector towards building GDP of the country is phenomenal. During the last decade, this industry has boomed and touched new heights.

Pharmaceutical Industry has boomed all over the world due to the various reasons like clinical research, research and development related to various vaccines, etc sustainability is process in the community to develop techniques and systems which not only meet the requirements of its current members but also support the ability of future generations to maintain a healthy community. Social sustainability is a quality of our societies. It shows the nature-society relationships, mediated by work, as well as relationships within the society. Social sustainability is the practice of creating a quality and equitable society that successfully meets the basic social needs of people. Basic, however, is a broad word in this framework mainly because there are very many things we all require daily, continuously, or as-needed Social Resources such as welfare, community programs, governance, democracy, politics, justice, solidarity. Equal Opportunity such as equity, employment, income, education, housing, voting rights, labor rights. Diversity in community, pluralism, cultural education, appreciation, interaction, integration

### **Review of Literature:**

There is general agreement that the different dimensions of sustainable development (e.g. social, economic, environmental and institutional) have not been equally prioritised by policy makers within the sustainability discourse [Drakakis Smith, 1995].is is mainly because sustainable development was born out of the synergy between the emerging environmental movement of the 1960s and the 'basic need' advocates of the 1970s, but also because assessing the intangible



nature of social aspects of development presents measurement quandaries, which will be discussed later. As a result, there is limited literature that focuses on social sustainability to the extent that a comprehensive study of this concept is still missing. Indeed, Littig and Grießler (2005) argue that approaches to the social sustainability concept have not been grounded on theory but rather on a practical understanding of plausibility and current political agendas. In addition, a recent study by the OECD (2001) points out that social sustainability is currently dealt with in connection with the social implications of environmental politics rather than as an equally constitutive component of sustainable development. These fragmented approaches to social sustainability are also criticised by Metzner (2000) who contends that social sciences and social policy research have developed a plethora of social objective strategies and measurement instruments, but with little regard for the sustainability perspective. us, while there exists abundant social research studies and policy documents, these have rarely been integrated into the sustainability framework.

Even when cross-discipline approaches have been attempted, covering for example the environmental and the social dimensions of sustainable development within the 'ecological footprint' concept (Reed and Wackernagel, 1996), it can be argued that such endeavours have only been partially framed within an integrated approach to sustainability. As a result, the concept of social sustainability has been under-theorised or often oversimplified in existing theoretical constructs and there have been very few attempts to define social sustainability as an independent dimension of sustainable development. For these reasons, it can be argued that the relationships between the different dimensions of sustainable development or indeed between 'sustainabilities' are still very much unclear.

For example, Assefa and Frostell, 2007 contend that social sustainability is the finality of development whilst economic and environmental sustainabilities are both the goals of sustainable development and instruments to its achievement. Similarly, Hardoy et al (1992) dispute interpretations according to which social sustainability is defined purely as the social conditions necessary to support environmental sustainability. Furthermore, no consensus seems to exist on what criteria and perspectives should be adopted in defining social sustainability. Each author or policy maker derives their own definition according to discipline-specific criteria or study perspective, making a generalised definition difficult to achieve.. Littig and Grießler (2005: 72) emphasise the importance of both 'work', which is a traditional anchor concept in the German sustainability discourse, and 'needs' as defined by the Bruntland Commission (1987). Similarly, Biart (2002: 6) highlights the importance of social requirements for the sustainable development of societies.

Despite the confusion over the meaning of social capital, his approach emphasises the importance of 'time –frames' and 'social conditions' for the long term functioning of societal systems. However, in his analysis there is no reference to the physical environment ,allowing for the traditional criticism that sociology has often suffered from a neglect of the physical and non-social realm (Omann and Spangenberg, 2002).A more comprehensive definition of social sustainability with a special focus on urban environments is provided by Polese and Stren (2000: 15-16). emphasise the economic (development) and social (civil society, cultural diversity and social integration) dimensions of sustainability between development and social disintegration intrinsic to the concept of sustainable development. However, they also acknowledge the importance of the physical environment (e.g. housing, urban design and public spaces) within the urban sustainability debate.

Within the context of urban areas, other authors also maintain that social sustainability interpretations emphasising social equity and justice may assist cities in evolving to become 'good' places by facilitating a fairer distribution of resources and a long term vision (Ansell and composon-Fawcett,2008).Similarly, from a housing and built environment perspective, Chiu (2003) identifies three main approaches to the interpretation of social sustainability. first interpretation equates social sustainability to environmental sustainability. As a result, the social sustainability of an activity depends upon specific social relations, customs, structure and value, representing the social limits and constraints of development. second interpretation, which she labels 'environment-oriented', refers to the social preconditions required to achieve environmental sustainability.

According to this interpretation, social structure, values and norms can be changed in order to carry out human activities within the physical limits of the planet. Lastly, the third 'people-oriented', interpretation refers to improving the well-being of people and the equitable distribution of resources whilst reducing social exclusions and destructive conflict. In her study of the social sustainability if housing, Chiu (2003) adopts the second and third approach to demonstrate how social preconditions, social relations, housing quality and equitable distribution of housing resources and assets are key components of sustainable housing development.

#### **Need for the Study:**

The Dr Reddy labrotories had adopted social sustainabile policies to promote Social and ecological transformation which is must for environmental and social well-being So, this study has made an attempt to provide effectiveness and activities of social sustainability in Dr Reddy labrotories.

#### **Objective:**

The main objective of this paper is to study the social sustainability in pharma industry in .Dr Reddy laboratories.

#### **Methodology:**

This paper mainly based on secondary data. The articles which are published in the area of in social sustainability in Pharma industry have collected for the study and from website of Dr Reddy laboratories .

**Sustainability:** Has nine factors

#### **1) People**

1. Hired 2500 talented rural youth through Self Managed Team (SMT) route transforming their lives.
2. Over 100 leaders have completed the New Horizon Leadership Development Program (NHLP) since its inception in 2012
3. Over 1400 employees are engaged in higher education programs.
4. Diversity at API manufacturing increased from 7.6% to 10.3%.
5. Overall attrition reduced from 22% to 16% at API manufacturing.

#### **2) Safety**

1. Reported zero fatality for 2 consecutive years.
2. Installed aerosol fire suppression systems at formulation units for better fire and safety management.
3. Advanced sprinkler systems implemented at API manufacturing SEZ.
4. Implemented safety across value chain from R&D till product manufacturing, packaging and warehousing
5. Near miss reporting has significantly improved.at API manufacturingfrom 707 in FY 2014-15 to 3263 in FY 2015-16 at Formulations from 3674 in FY 2014-15 to 4208 in FY 2015-16.

### 3) Quality

1. In formulation plants Introduced closed loop operations
2. Minimized operational errors by introduction of recipe based systems, automated cleaning
3. Total 34 quality improvement projects implemented based on "Define, Measure, Analyse, Improve, Control" (DMAIC) methodology.
4. In API manufacturing Increased compliance through implementation of IT innovations

### 4) Availability

1. New products launched from formulations: Memantine, Pramipexole, Pantaprozole (China), Esomeprazole, Rabeprozole (Australia).
2. Global Generics Intelligent Integration project was a recipient of SAP ACE award for supply chain excellence.
3. Reduction in average inventory by 20 days.
4. Lower cost of supply chain operations by optimizing transportation, automation of planning, execution & reporting across the entire global supply chain network.

### 5) Environment

1. Fresh water consumption reduced by 6.87% overall at Dr. Reddy's.
2. 27% decline in "waste to landfill" in FY 2015-16.
3. Invested INR 213 million for advanced treatment and safe disposal of waste.
4. Nearly 3,000 TPA of potassium salt generated from evaporation processes, is disposed to authorized recyclers to produce valuable fertilizers.
5. 96.3% of the organic waste generated in API manufacturing is used as auxiliary fuel in cement plants.
6. Implemented 31 energy conservation projects & saved INR 63.54 million.

### 6) Community

1. Community investment at INR 412 million has doubled in FY 2015-16.
2. Health: Community Health Intervention Programme reached out to 145 villages, 0.2 million population.
3. Livelihood: Supported 18,000 farmers with technology through LABS for Farmers (LABS-F) program.
4. Education: benefitted more than 12,000 students in rural Telangana through the School Improvement Programme.
5. Under the aegis of Swacch Bharat, conducted sanitation assessment in 167 schools and deployed sanitation assistants in 59 schools.

### 7) Productivity

1. Standard manning number derived for all processes based on Manyard Operation Sequence Technique (MOST) to optimize human resource in Formulations
2. 368 manpower resources redeployed for productive utilization in Formulations using MOST.
3. Savings from yield improvement in Formulations- INR 240 million against a target of INR 150 million for FY 2015-16.

### 8) Continous Improvement

1. Total savings of INR 458 million from yield improvement, waste elimination, green & black belt projects in Formulations
2. INR 55.7 million savings realised from 120 improvement projects
3. Employees trained in Lean 6 Sigma at Global Manufacturing Organization - 185 Green Belts, 578 Yellow Belts, 1237 White Belts and 20 Black Belts.
4. Launched Engineering Star Caps - additional responsibility allocated to a work team member for a year in the area of Engineering, as a part of broad skilling and empowerment.



**9) Engineering Excellence**

1. Recipe management implemented in Formulations leading to avoidance of manual errors, reduced physical checks, robust data management.
2. Implemented Level 2 Integration in Formulation business unit that facilitates direct data transfer from the instrument to the operator system which eliminates manual interventions.
3. Implemented direct Data Acquisition System in API manufacturing that has led to reduced human errors and optimised time of operation. Integrated preventive and breakdown maintenance and calibration in SAP leading to increased compliance, improved productivity in Formulations.

**Conclusion:**

Dr Reddy laboratories has been focusing mainly on nine factors people, safety, quality, availability, environment, community, productivity, continuous improvement, engineering excellence. Social sustainability is a quality of our societies. It shows the nature-society relationships, mediated by work, as well as relationships within the society by practising above factors. Dr Reddy laboratories has been maintaining equilibrium in point of sustainability.

**References:**

Ancell S. and Thompson-Fawcett (2008), *Social Sustainability of Medium Density housing: A Conceptual model and Christchurch Case Study*, *Housing Studies*,(23):3, 423-442

Assefa G. and Frostell B., (2007), *Social Sustainability and Social Acceptance in technology Assessment: A Case Study of Energy Technologies*, *Technologies in Society* (29): 63-78

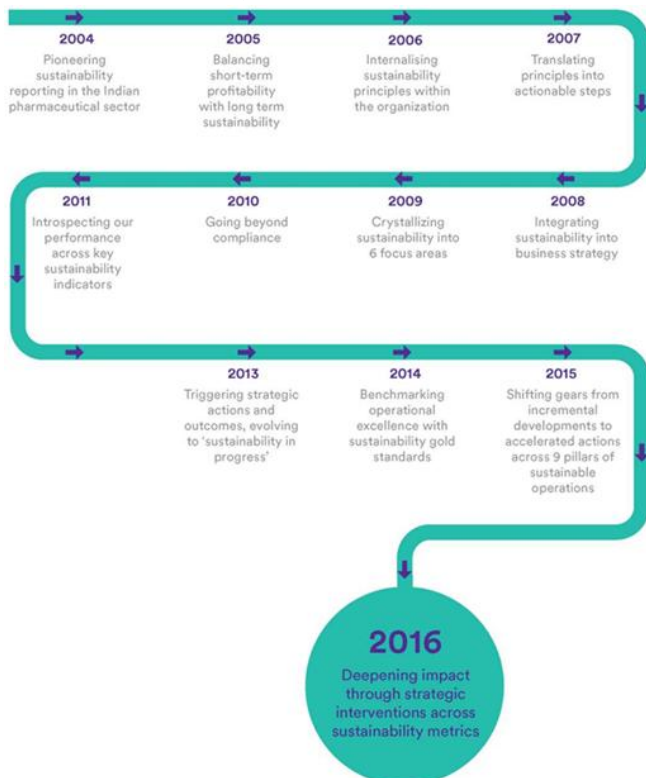
Baines J. and Morgan B., (2004), 'Sustainability Appraisal: A Social Perspective' In *Sustainability Appraisal. A Review Of International Experience And Practice*, Dalal-Clayton B And Sadler B, (Eds), First Draft of Work in Progress, International Institute for Environment and Development, London

Barrow, C. J., (2000), *Social Impact Assessment. An Introduction*, Arnold, London

Biart, M. (2002) 'Social sustainability as part of the social agenda of the European community', in Ritt, T. (Ed.): *Soziale Nachhaltigkeit: Von der Umwelt politik zur Nachhaltigkeit?* Arbeiter kammer Wien, Informationen zur Umweltpolitik 149, Wien, pp.5-10

Bramley, G., Dempsey, N., Power, S. and Brown, C., (2006) What is 'Social Sustainability' and How do our Existing Urban Forms Perform in Nurturing it?, Paper presented at the 'Sustainable Communities and Green

**Sustainable Journey**





Futures' Conference, Bartlett School of Planning,  
University College London, London.

Chiu R. L. H., (2003, Social Sustainability, Sustainable  
Development and and Housing Development: the  
Experience of Hong Kong, in Forrest R. and Lee J.  
(Eds), Housing and Social Change: East-West  
perspectives, Routledge, London

Colantonio, A., (2007) Social Sustainability: An  
Exploratory Analysis of its Definition, Assessment  
Methods, Metrics and Tools, OISD (EIB) WP No 1

Koning, J., (2001), Social Sustainability in a  
Globalizing World. Context, theory and Methodology  
Explored, paper prepared for the UNESCO/MOST  
Meeting, 22-23 November 2001, The Hague, the  
Netherlands

Pope J., (2007), Sustainability Assessment as a  
Deliberative Learning Process, presentation at  
Sustainability Conference, University of Madras,  
Chennai, India, 4-7 January

Saunders A. M. and Therivel R. (2006), Sustainability  
Integration and Assessment, Journal of Environmental  
Assessment Policy and Management Vol 8, (3): 281-  
298

Sheate W. R., Rosario do Partidario M., Byron H.,  
Bina O. and Dagg S., (2008), Sustainability  
Assessment of  
Future Scenarios: Methodology and Application to  
Mountain Areas of Europe, Environmental  
management (41): 282-299

therivel, R. (2004) Sustainable Urban Environment-  
Metrics, Models and Toolkits-Analysis of  
Sustainability/social tools, Levett-Therivel, Oxford

Dr Reddy website