

CSR Policy

1.0 Background

Cadila Pharmaceuticals Limited (“the Company” or “Company” or “CPL”) believes that Corporate Social Responsibility (CSR) is our commitment towards inclusive and sustainable growth. As a responsible Corporate Citizen, CPL undertakes a number of CSR activities in larger interest of the community, especially in the area of health, education, women empowerment, and childcare and environment protection.

2.0 Title and Applicability

1. Cadila Pharmaceuticals Limited has developed this Policy comprising the Company’s philosophy for a being a responsible corporate citizen and lays down the principles and mechanisms for undertaking various programs in accordance with Section 135 of the Companies Act 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (“the Rules”)
2. The Policy shall guide the CSR program and activities undertaken by the Company in the communities in which it operates.

3.0 CSR Vision Statement

Through sustainable measures, actively contribute to the Social, Economic and Environmental Development of the community. The tag line of the Company - “*The Care Continues...*” addresses not only to the customers and stakeholders but also to the society at large.

CPL’s CSR Policy is inspired by the words of its founder Late Shri Indravadan Ambalal Modi (Medicine Man of India) who said “True Celebration of research lies as much in inventions as in making the medicine affordable to the last man of the society”.

4.0 Validity of CSR Policy

The Board shall review the CSR policy from time to time and may amend as may be required.

5.0 CSR Program Areas & Objectives

The Company is committed to improve the quality of life of the communities in which it operates. In order to achieve this objective the company will undertake any of the following CSR activities/projects:

- 1) Eradicating hunger, poverty and malnutrition:
 - Provision of food, nutrition supplement, clothes etc. for the poor, children and other deprived sections of the society.
 - Supporting nutrition in Aanganwadi Centres and building capacities of anganwadi workers to this effect.

- Provision of shelter for homeless.
 - Promoting sanitation, making available safe drinking water.
- 2) **Promoting Health care including Preventive Health care** through awareness programs, health check-ups, provision of medicine & treatment facilities, providing pre natal & post natal healthcare facilities, prevention of female foeticide through awareness creation, program for preventing diseases and building immunity. Providing clean and better quality of water in rural areas.
- 3) **Ensuring environmental sustainability and ecological balance through :**
- Plantation drives in schools, villages, our manufacturing units & offices/business premises and other areas in general;
 - Reviving endangered plants, promoting agro-forestry;
 - Protection of flora & fauna;
 - Conservation of natural resources
 - Maintaining quality of soil, air & water.
 - Adoption of wastelands to cultivate plants;
 - Promoting biodiversity;
 - Animal welfare and veterinary services.
 - Technical support and Knowhow for improving farming and building capacities of small farmers.
 - Promoting alternate energy resources.
- 4) **Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement.**

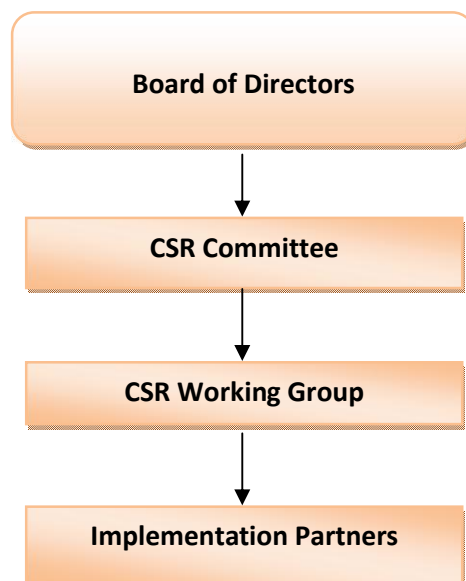
6.0 CSR Budget

1. The Board of Company shall ensure that in each financial year, the Company spends at least 2% of the average net profit made during the immediate three preceding financial years.
2. The Company may collaborate or pool resources with other organizations or companies to undertake CSR activities.
3. The surplus arising out of the CSR projects or programs or activities will be included in the CSR Corpus and shall not form part of the business profit of the company.

7.0 Implementation process

- ❖ CSR program will be undertaken by the Company within the defined ambit of CSR policy.
- ❖ The time period/duration over which a particular program will be spread, will depend on its nature, extent of coverage and the intended impact of the program.
- ❖ The Company will enter into partnerships with the government, business partners and communities to create multiplier effect of its social projects.
- ❖ The mode of implementation of CSR programs will include a combination of direct implementation and implementation through partners such as NGOs, business partners, registered trusts and societies etc. The Company will select its partners after appropriate due diligence.
- ❖ The Company may use services of expert agencies, consultancy firms etc. wherever required for carrying out surveys, guidance on project design and implementation, impact assessment surveys etc.

8.0 CSR Governance Structure



9.0 Roles and responsibilities

The Board:

The Board of Directors of the Company will be responsible for:

- ❖ approval of the CSR Policy of the Company
- ❖ ensuring that the projects included in the Policy are undertaken by the Company

- ❖ ensuring that the Company spends in every financial year, atleast 2% of the average net profits of the Company made during the three immediately preceding financial years in pursuance of the Policy.
- ❖ ensuring that the Company gives preference to the local areas around its operations for spending the amount earmarked for CSR projects
- ❖ ensuring that it specifies the reasons in its report for not spending the earmarked amount in case the Company fails to spend such amount.

CSR Committee:

1. **Composition of the the CSR committee:** The composition of the CSR Committee of the Board is as under.

S. No.	Name	Role in the committee
1	Shri Chinubhai Shah	Chairman
2	Maj Gen DN Khurana	Director
3	Mrs. Monikaben G. Modi	Director
4	Dr. Rajiv I. Modi	Director

The Board shall have the power to make any change(s) in the constitution of the Committee.

Responsibility of the CSR Committee:

- ❖ formulate and recommend the CSR Policy to the Board for approval.
- ❖ monitor the Policy from time to time and recommend changes to the board
- ❖ recommend CSR projects, which are in line with the activities specified in Schedule VII, to be undertaken by the Company
- ❖ recommend the amount of expenditure to be incurred on CSR projects
- ❖ constitute a transparent monitoring mechanism for ensuring implementation of the CSR projects undertaken by the Company
- ❖ Appoint two or more concerned and dedicated persons who can design, pursue and monitor these activities effectively for the company and these persons shall have due ground level and supervisory level experience in CSR projects.

CSR Working Group:

- 1. Composition of the the CSR Working Group:** The composition of the CSR Working Group of the Company is as under.

S. No.	Name	Designation
1	Ms. Neelam Kanwar	Head, CSR
2	Mr. Amitabha Banerjee	Chief Financial Officer
3	Mr. Vinod Jain	Vice President (Finance)

- 2. Responsibility of the CSR Working Group:**

- ❖ The CSR Working Group will be responsible for on ground assessment of the project(s), coordination with the NGOs and stakeholders
- ❖ The CSR Working Group will be responsible for timely execution and monitoring of the projects.
- ❖ The CSR Working Group will ensure all background research work and engage with stakeholders either directly or indirectly and prepare project plan for new CSR projects.
- ❖ The CSR Working Group will plan annual budgets for CSR projects in coordination with the implementing partners and make a proposal to the CSR Committee .
- ❖ The CSR Working Group will report to the CSR Committee the progress on CSR projects and status of CSR expenditure.
- ❖ The CSR Working Group will be responsible for documentation and reporting of all CSR activities of the Company in pursuit of the Companies Act and the CSR Rules.
- ❖ CSR Working Group, wherever it is necessary, shall endeavour to obtain an undertaking from the registered trust/registered society to the effect that the sum received by such registered trust/registered society shall be spent for the purpose as specified by the Company.
- ❖ CSR Working Group, wherever it is necessary, shall endeavour to obtain an undertaking from the registered trust/registered society regarding their eligibility as per Companies Act and CSR Rules.

10.0 Monitoring and Reporting Framework

Project Monitoring:

The Company will institute a well-defined monitoring and evaluation mechanism to ensure that each CSR program has:

1. clear objectives developed out of the societal needs that are determined through research.
2. clear targets, time lines and measureable parameters wherever possible
3. a progress monitoring and reporting framework that is aligned with the requirements of the section 135 of the Companies Act and the CSR Rules.

The CSR progress monitoring authorities and the frequency of review is given below.

S. No.	CSR Progress Review and Monitoring Authority	Frequency of review
1	Board of Directors	1 Time
2	CSR Committee	1 Time

The Company will ensure CSR reporting annually in the format recommended in the CSR rules as part of its annual report.

Annexure I (CSR area)

List of CSR activities undertaken by the Company:

Promoting Health care including Preventive Health care

- Kaka-Ba Hospital, established in 1985 at Hansot, Dist. - Bharuch, Gujarat is run by Kaka Ba and Kala Budh Public Charitable Trust and is the hub of CSR activities run by Cadila Pharmaceuticals Limited.
- The hospital is equipped with all the modern health facilities and has departments like medicine, general surgery, dental surgery, gynaec and fertility clinic, orthopedics, psychiatry, pediatrics, plastic surgery, neurology, radiology, pathology, ICCU, physiotherapy, dermatology, dialysis unit and many more.
- Free medical services are provided to the patients like plastic surgery, cleft lip, cleft palate, post burns contracture, organ disability correction and reconstruction, ear implants etc.
- The Hospital continues to hold regular medical camps to treat the needy patients from nearby areas.

Kaka-Ba Hospital has implemented/executed many Government and self-initiated projects like:

- Maharishi Asthavakra Scheme for the physically challenged community,
- Jaipur foot project for physically handicapped patients,
- Development of Women and Children in Rural Areas (DWACRA),
- ICDS (Integrated Child Development scheme),
- Safe Drinking Water- RO plants,
- MMR (Screening of rural community for Tuberculosis), Leprosy Eradication Project, Polio and CP camp.

Employment and livelihood enhancing vocational skills and projects

In the area of women empowerment, Kaka-Ba hospital has been running nursing attendant courses for tribal girls. After successfully completing the training, the Hospital helps them to get employment. This initiative has empowered tribal girls and made them economically self-reliant.

Ensuring environmental sustainability and ecological balance through:

- Plantation drives in schools, villages and other areas in general;
- Reviving endangered plants, promoting agro-forestry;
- Protection of flora & fauna;

- conservation of natural resources
- Maintaining quality of soil, air & water.
- Adoption of wastelands to cultivate plants;
- Promoting biodiversity;
- Animal welfare and veterinary services.
- Technical support and Knowhow for improving farming and building capacities of small farmers.
- Promoting alternate energy resources

Donations to other associations / foundations like:

- Endoscopy Research Foundation,
- Higher Education Support Trust (HEST),

Other NGOs/Trusts being supported by the Company like:

- Apang Manav Mandal,
- Sanjivani Health and Relief Committee,
- Samvedna Trust,
- Satya Sai Trust,
- Shardaben Mehta Charitable Trust,
- Menaba Charitable Trust,
- Thakershy Charitable Trust