



CSR Policy (Summary)

Sun Pharma Advanced Research Company
Limited

Corporate Social Responsibility Policy

The CSR policy of Sun Pharma Advanced Research Company Limited ('the Company') encompasses the Company's philosophy towards Corporate Social Responsibility and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large.

1. CSR vision and mission statement

Vision

We will leverage our people, expertise and networks to address the needs of the communities that we serve and thereby catalyze overall development."

Mission

"We will strive to bring about the holistic development of underserved communities in a sustainable and impactful manner."

2. CSR Policy Objectives

Drawing from the CSR vision and mission statement of the Company the CSR policy has been formulated with the following objectives:

- **Serving the community:** Giving back to the community and addressing their needs is a key priority for the Company. The Company believes that the progress of the local community should go hand-in-hand with the growth of the Company. The Company therefore intends to concentrate on the communities immediately around its areas of operation and support their upliftment.
- **Focus on quality:** The Company believes in delivering high quality support to meet the needs of the community.
- **Ensuring sustainability:** The Company wishes to introduce interventions in the communities that address critical needs and can become sustainable over a period of time.
- **Leveraging resources:** Leveraging the Company's internal resources such as research, marketing, financial, human resources and products to maximise impact in social initiatives.

3. Applicability

The CSR policy has been formulated in consonance with section 135 of Companies Act 2013 ('the Act') and the Companies (Corporate Social Responsibility) Rules, 2014 ('the Rules') as notified by the Ministry of Corporate Affairs.

The Policy shall apply to all CSR projects/programmes undertaken/ to be undertaken by the Company in India as per Schedule VII of the Companies Act, 2013.

4. Stakeholder Engagement

The Company has identified its community, doctors and patients, government, NGOs and social enterprises, employees, management and shareholders to be the principal stakeholders. The Company will engage its stakeholders in its CSR activities. These stakeholders may participate in the CSR initiatives as beneficiaries, participants and/or decision makers. While the CSR initiatives of the Company will focus on engaging the identified stakeholders, some of the programs may also include beneficiaries other than the stakeholders listed above.

5. Process

The salient features of the CSR policy comprises of:

- CSR philosophy of the Company
- Governance structure
- Causes that the Company plans to support over a period of time
- Specific CSR programs and strategic initiatives

5.1 CSR Philosophy

The Company intends to undertake its corporate social responsibility in a strategic manner. The Company will leverage its financial and human resources, networks and expertise to create maximum impact for its stakeholders.

5.2 Governance Structure

The Governance Structure of the Company shall comprise of its Board of Directors, CSR Committee and, as and when necessary, Corporate CSR Taskforce and other implementing partners and stakeholders.

Each of the above constituents shall have a specific role to play with clearly defined roles and responsibilities.

5.2.1. Board of Directors

The Board of Directors will, inter alia, be responsible for the following:

- Approve this policy, causes that the Company proposes to support, programs to be undertaken by the Company, modalities of operation and the budget for the activities.
- Ensure that the activities included in Corporate Social Responsibility Policy of the Company are undertaken by the Company to the extent and in the manner considered appropriate.
- Try to ensure that the Company, to the extent possible, spends, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this policy.

5.2.2. CSR Committee

The CSR Committee will consist of a mix of managing/ whole-time and independent director(s).

The CSR Committee will, inter alia, be responsible for the following:

- Formulating a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII and recommending the same to the Board for approval.
- Recommending the amount of expenditure to be incurred on the activities referred above.
- Review the Corporate Social Responsibility Policy of the Company from time to time to ensure that it is updated for any change or enhancement in scope and recommend the same to the Board for approval.
- Defining the modalities and monitoring the progress of the activities being undertaken under the policy.

5.2.3. Corporate CSR Task Force, if required

The CSR Committee may, if so required, decide the composition of the CSR Corporate Task Force and the expectations from that group. The CSR Task Force will work directly under the CSR Committee and support it to ensure full compliance of this policy and the regulations. The CSR Task Force will, inter alia, perform the following tasks -

- Be the first point of contact for the operating CSR teams for advice and guidance.
- Provide guidelines and framework for the rest of the organisation to work within.
- Recommend programs, modality of operations and monitoring mechanism.
- Ensure availability of adequate resources for undertaking the approved CSR activities.

5.3. Principal causes supported by CSR activities and Proposed Programs

The Company may take up activities such as Healthcare including preventive healthcare, Education & Livelihood for women, children and elderly, Environment protection, Water management to increase the availability of clean drinkable water and other activities like disaster relief etc. as a part of its CSR activities.

The Company may conduct a pilot for each of the selected programs, identify issues, if any and address them before scaling up to the desired level.

Most of the CSR activities of the Company aim to improve the lives of the local community and the Company shall strive to be responsive to the needs expressed by the community, either explicitly or otherwise.

6. Monitoring plan

The Company shall lay out a monitoring plan to assess the impact generated by its CSR activities by setting up a Target, implementing a monitoring program and evaluate the impact through statistical evaluation techniques.

All such impact analysis will also be reported to the CSR Committee and the Board of Directors.

7. Communication and reporting

CSR program details would be communicated in the public domain through the annual report in the reporting format as mandated by Section 135 of the Companies Act, 2013.

8. Surplus arising out of CSR projects

The programs that the Company intends to implement will not give rise to any surplus. However, in case a surplus is earned, then such surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

9. Exclusions

The CSR activities of the Company will not include the activities undertaken in pursuance of normal course of business of the Company. Any contribution directly or indirectly to any political party or any religious groups will not be considered as CSR activity.

10. Conclusion

Sun Pharma Advanced Research Company Limited is committed to ensuring the implementation of the proposed CSR programs in order to bring meaningful and sustainable development of underserved communities. The Company will leave no stone unturned in ensuring that it contributes to the society, which is an integral stakeholder for it.

The CSR Policy may be modified from time to time by the Board of Directors of the Company on the recommendation of the CSR Committee.