

## **PharmaZell (India) Private Limited**

### **CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

#### **PREAMBLE**

The concept of Corporate Social Responsibility has gained prominence from all avenues. Organizations have realized that Govt. alone will not be able to get success in its endeavor to uplift the downtrodden of Society. With the rapidly changing corporate environment, more functional autonomy, operational freedom etc. **PharmaZell (India) Private Limited** located at Plot No 115, Ramky City (India) Ltd SEZ, Visakhapatnam, Andhra Pradesh – 531019 adopted CSR as a strategic tool for sustainable growth.

For **PharmaZell (India) Private Limited**, CSR means not only investment of funds for social activity and relief to the under-privileged sections of the society but also integration of Business processes with social processes.

#### **CSR AND SUSTAINABILITY**

Sustainability (corporate sustainability) is derived from the concept of sustainable development which is defined by the Brundtland Commission as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs".

Corporate sustainability essentially refers to the role that companies can play in meeting the agenda of sustainable development and entails a balanced approach to economic progress, social progress and environmental stewardship.

#### **AVENUES | AREAS FOR WHICH FUNDS CAN BE DEPLOYED FOR CSR ACTIVITIES**

As the Registered Office of the Company is situated in Chennai, the Company's policy on Corporate Social Responsibility is framed taking into account the following measures in accordance with the provisions of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014: -

- Preference to local area and areas around the Company i.e., within and around Visakhapatnam and places as recommended by the Committee.
- The Company shall contribute towards one or more of any of the following activities / projects as listed under Schedule VII to the Companies Act, 2013 towards Corporate Social Responsibility subject to recommendation of the CSR Committee and approval of the Board of Directors.
  - ❖ eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;
  - ❖ promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;



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- ❖ promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- ❖ ensuring environmental sustainability, ecological balance , protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- ❖ protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts:
- ❖ measures for the benefit of armed forces veterans, war widows and their dependents;
- ❖ training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- ❖ contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Caste the Scheduled Tribes, other backward classes, minorities and women;
- ❖ contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- ❖ rural development projects.
- ❖ Any other contributions that are notified under Company law from time to time.

### **OBJECTIVE**

The main objective of CSR policy is to lay down guidelines to make CSR a key business process for sustainable development for the Society. It aims at supplementing the role of the Govt. in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities

All activities under the CSR activities should be environment friendly and socially acceptable to the local people and Society and above all, it shall be specified in the Schedule VII of the Companies Act, 2013 and amendments thereof from time to time.

### **AREAS TO BE COVERED**

The poor and needy Section of the Society living in and around Visakhapatnam and any other place that are permitted under law shall also be covered. It may also include the place where the production or manufacturing work is being undertaken by the company.



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## **IMPLEMENTATION**

The Company shall implement its CSR activities through any of the following methods subject to recommendation of the CSR Committee and approval of the Board of Directors;

- ❖ Directly on its own by creating a separate administrative machinery and staff of its own to perform the CSR activities. However, the expenditure for doing CSR shall not exceed five percent of total CSR amount to be spent on each financial year.
- ❖ Through its own non-profit foundation set-up so as to facilitate this initiative.
- ❖ Through independently registered non-profit organizations that have a record of at least three years in similar such related activities. However, the expenditure for doing CSR shall not exceed five percent of total CSR amount to be spent on each financial year, and prevailing company law.
- ❖ Hiring agencies / Non-governmental Organizations which in turn carry out the activities / projects for the Company and the Company bears the cost.
- ❖ Collaborating or pooling their resources with other companies. However, the CSR committee of the respective company shall be in a position to report separately on such projects or programs of CSR activities.

## **CSR COMMITTEE**

Company shall forthwith constitute a CSR Committee consists of three directors.

## **UPKEEP AND MAINTENANCE OF ASSETS CREATED:**

The Company shall take adequate measures for maintenance and upkeep of Assets created under CSR. Appropriate safeguard mechanisms and procedures shall be put in place to protect the interest of Company or stakeholders.

## **ROLE OF CSR COMMITTEE**

- a. Identify the projects or programs that are planned to undertake are within the purview of the objects mentioned above.
- b. Monitoring the process of such projects or programs and reviews the same from time to time in a transparent manner.

## **ALLOCATION OF EXPENDITURE**

The Company shall spend in every financial year at least 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. If not, it shall be accumulate and to be spent in the henceforth years. But the Directors' Report shall specify the reasons for not spending the amount in that year.



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The CSR Project upon implementation should be consistently reviewed, monitored and the performance / progress of the activities shall be assessed periodically by the CSR Committee and the status of progress / developments thereon be reported to the Board of Directors at their meetings.

### **RECORDS**

The Company shall maintain proper records of CSR expenditure and update them periodically.

### **CSR REPORTING**

The Board's Report of a company shall include an annual report on CSR containing particulars specified in the Annexure provided under Schedule VII of CSR Rules 2014 and amendment thereof from time to time.

### **CONCLUSION**

The above guidelines would form the framework around which the CSR activities would be undertaken.

PharmaZell (India) Private Limited shall review the Policy from time to time based on changing needs and aspirations of the target beneficiaries and make suitable modifications, as may be necessary.

These represent the Corporate Social Responsibility Policy (CSR Policy) of PharmaZell (India) Private Limited

However, the undermentioned things would not come under CSR activities of the company:-

- a. the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company .
- b. If the company contributes any amount to any political party.
- c. The CSR projects or activities that benefit the employees and their families exclusively, those activities will not be considered as CSR activity.

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**FOR AND ON BEHALF OF THE BOARD**

*Barbadikar*

**ANANT DATTATRAY BARBADIKAR  
CHAIRMAN**

