



Basic Drugs Private Limited

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CORPORATE SOCIAL RESPONSIBILITY POLICY OF FARMSON

1) Introduction

Farmson Basic Drugs Private Limited (FBDPL) is the leading manufacturer and exporter Of Paracetamol (Acetaminophen) for the Farmson Group, a group widely recognized for its commitment to quality and global standards.

With effect from 27 March 2024, the entire pharmaceutical manufacturing business of Farmson Pharmaceutical Gujarat Private Limited (FPGPL) was transferred to FBDPL pursuant to a Scheme of demerger. As FBDPL is now the entity responsible for the core Manufacturing operations of the Farmson Group, it continues the legacy of focusing on research, innovation, and adherence to rigorous manufacturing practices.

Alongside its strong emphasis on product excellence, FBDPL is committed to continue strengthening the Corporate Social Responsibility (CSR) ecosystem aimed at driving sustainable development and community well-being, in adherence with the Companies Act, 2013 and the Rules / directions made thereunder.

2) CSR Philosophy

We are a company that began with humble roots, the name Farmson is inspired from "Son of Farmer". From a small office decades ago, we have grown into a global leader, today producing 20% of the world's Paracetamol. Yet, despite this remarkable journey, humility and staying rooted remain at the heart of who we are.

We owe much of this legacy to our founder, **Mr K K Vithani**, whose vision, values, and unwavering commitment continue to guide us. It is with immense pride and passion that we carry his legacy forward, staying true to the values that shaped our journey.

For us, CSR is not a checklist but an important indispensable part of our duty, which is above business. We truly believe that wealth generation is not an end, but a mean to help the society.

3) Our CSR DNA

To impact the entire life-cycle from foetus to old age

4) Our CSR Goal

To impact 2.6 million people by 2030

5) Our CSR Outlook

Our CSR Outlook rests on the following guiding principles:

- **Partner in Nation Building – Viksit Bharat**
- **Impact-focused** rather than **spending-focused**
- **Data-focused** rather than **perception-driven**
- **Community-driven** rather than **corporate-driven**
- **Community Owned** rather than **Corporate-Owned**
- **Replicable and Scalable** rather than **one-off**
- **Beyond Local Areas**
 - Areas of interventions are selected based on problems and not the distance of the geography from the factories.

Be it driving one of the largest nutrition projects, creating cancer-care frameworks, or improving the incomes of India's farmers, most of our projects are custom designed. We focus on solving specific problems rather than applying generic solutions to complex challenges. And because meaningful change rarely happens overnight, patience is built into our outlook. We believe great things take time— and lasting impact is worth the wait.

6) Our Current SDG Alignment

Out of the 17 Sustainable Development Goals (SDGs), Farmson has successfully integrated **13 SDGs** into its initiatives to date. Moving forward, we aim to deepen our engagement with these existing SDGs while expanding our impact by progressively integrating the remaining goals into our sustainability journey.



7) Our Areas of Focus under CSR

Driven by “Our CSR DNA”, Our endeavour has always been to undertake CSR initiatives that contributes and fast tracks the Viksit Bharat Mission, keeping in mind Schedule VII framework, majorly covering:

- Education & Skilling
- Health
- Women and Child Development
- Rural Development
- Farmer’s Welfare
- Youth Empowerment
- Senior Citizens
- Sports
- Animal Welfare
- Environment

Apart from above areas, other areas mentioned in Schedule VII are also considered as per on ground needs.

Exclusions:

The Company’s CSR activities shall not include initiatives undertaken as part of its normal course of business, nor shall they include any direct or indirect contributions to political parties or religious groups.

8) Budget

The Board shall ensure that a minimum 2% of the average net profits of the preceding 3 FYs is spent on CSR programs. And surplus generated out of the CSR programs / activities of the Company, if any, will be used for CSR only and no where it will be utilized for any purpose other than CSR.

9) Governance

The CSR statutory committee constituted by the Board, is entrusted with the responsibility of Governing CSR to create Long Term National Value. In addition to this committee, ad hoc committees are formed to review the project progress and impact on regular intervals, which is headed by the promoter family member.

CSR Committee Details:

- Ms. Komal Patel
- Mr. Narshibhai K Patel
- Mr. Vinit Menon
- Mr. Sudesh Mishra

Roles and Responsibilities of CSR committees

Keeping in line with Section 135 of the Companies Act, 2013 and the Rules thereunder, the CSR Committee constituted by the Board of Directors of the Company is accountable to the following functions: **CSR Custodian:**

- Provide direction in building the CSR Landscape
- Stewarding the Integration of CSR into Key Business Priority List
- Stewarding the integration of CSR as a Nation Building Exercise **CSR**

Compliance Role:

- Formulate and recommend the CSR policy to the Board
- Recommend the amount of expenditure to be incurred on CSR projects
- Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy
- Regular Reviewing of the CSR Performance
- To conduct any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for the performance of its duties.

10) Mode of Implementation

The Company will engage external experts or specialized agencies, as required, to support the design, monitoring, evaluation, and optimization of its CSR initiatives. The implementation of CSR projects shall be carried out in accordance with Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

11) Policy Amendment

The Board shall have the power to amend any provision of this Policy, substitute any provision with a new provision, or replace this Policy entirely with a new Policy.