

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE CODE:

Cadila Healthcare Limited ("the **Company**") believes in continuous good corporate governance and always strives to improve performance at all levels by adhering to corporate governance practices, such as managing its affairs with diligence, transparency, responsibility and accountability. We have, therefore, designed our systems and action plans to enhance performance and stakeholders' value in the long run. To create a culture of good governance, your Company has adopted practices that comprise of performance accountability, effective management control, constitution of Board Committees as a part of the internal control system, fair representation of professionally qualified, non-executive and independent Directors on the Board of Directors ("the **Board**"), adequate and timely compliance, disclosure of information on performance, ownership and governance of the Company and payment of statutory dues. The Compliance Report on Corporate Governance herein signifies compliance of all mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("the **Listing Regulations**").

1. GOVERNANCE STRUCTURE:

Governance structure of the Company comprises of the Board and the Committees of the Board at the top level and the internal governance structure at the operational level. The responsibility of the Board is to determine the overall corporate objectives and give direction and freedom to the management to achieve those objectives within a given framework. The organizational governance structure enables an environment for value creation through sustainable and profitable growth.

The governance structure is based on the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibilities.

The primary role of the Board is to protect the interest and enhance the value for all the stakeholders. It conducts the overall strategic supervision and control by setting policies, reporting mechanism and accountability and decision making process to be followed.

The Chairman and the Managing Director are in overall control and responsible for the overall working of the Company. They give strategic directions, lay down the policy guidelines and ensure the implementation of the decisions of the Board and its Committees. The Managing Director is responsible for leading and directing the Company's overall operations.

The governance system encourages the entrepreneurship, risk taking and growth orientation with an objective to lead full accountability enabled by appropriate empowerment.

2. BOARD OF DIRECTORS:

The Board have the ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. The Managing Director and the Executive Director look after the day-to-day business affairs of the Company. The Board reviews the overall business operations at least once in a quarter based on updates on the Company's performance provided by the Managing Director, the Chief Financial Officer and other senior executives of the Company.

A. Composition of the Board:

The Composition of the Board, with reference to the number of Executive and Non-Executive Directors, meets the requirements of the Code of Corporate Governance. The Board is headed by Non-Executive Chairman, Mr. Pankaj R. Patel, who is also the promoter Director. As on March 31, 2021, your Company's Board comprised of 8 (eight) Directors; which include 2 (two) Executive Directors and 6 (six) (i.e. 75%) Non-Executive Directors, including 4 (four) (i.e. 50%) Independent Directors ("**IDs**"), who have considerable experience in their respective fields. As required under the provisions of section 149(1) of the Companies Act, 2013 ("the **Act**") and Rules made thereunder and regulation 17 of the Listing Regulations, the constitution of Board meets with the requirements stated therein. Non-Executive and IDs have expert knowledge in the fields of finance, taxation, legal and industry. Thus, the Board represents a balanced mix of entrepreneurs and professionals, who bring the benefits of their knowledge and expertise and enables the Board to discharge its responsibilities and provide effective leadership to the business.

IDs are non-executive directors as defined under regulation 16(1)(b) of the Listing Regulations read with section 149(6) of the Act along with rules made thereunder. In terms of regulation 25(8) of the Listing Regulations, the IDs have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impact or impair their ability to discharge their duties. Based on the declarations received from the IDs, the Board has confirmed that they meet the criteria of independence as mentioned under regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

The Managing Director and the Executive Director are not serving as an ID in any listed company.

The Board has identified the below mentioned core skills / expertise / competencies in the context of the business and the sector in which the Company is operating, for the Company to function effectively:

- Knowledge and/or expertise in one or more of areas like pharmaceuticals (including medical, pharmacology and research), manufacturing, accounts, finance, taxation, banking, HR, IT, marketing, law, business and management.

The above core skills / expertise / competencies identified by the Company are also actually available with the Board as under:

Sr. No.	Name of the Director	Skills actually available with the Directors
1.	Mr. Pankaj R. Patel	Knowledge and expertise in pharmaceuticals (including medical, pharmacology and research), manufacturing and marketing, business and management
2.	Dr. Sharvil P. Patel	
3.	Mr. Mukesh M. Patel	Knowledge and expertise in taxation
4.	Mr. Apurva S. Diwanji	Knowledge and expertise in law
5.	Mr. Nitin R. Desai	Knowledge and expertise in business and management
6.	Ms. Dharmishtaben N. Raval	Knowledge and expertise in law
7.	Mr. Bhadresh K. Shah	Knowledge and expertise in manufacturing and marketing, business and management
8.	Mr. Ganesh N. Nayak	Knowledge and expertise in pharmaceuticals, marketing, business and management

The eligibility of a person to be appointed as a Director of the Company is dependent on possession of the requisite skills, as identified by the Board.

B. Board Meetings / Directors' Particulars:

In compliance with regulation 17(2) of the Listing Regulations and section 173(1) of the Act, the Board meets at least once in each quarter and the gap between any 2 (two) Board Meetings was not more than 120 (one hundred twenty) days. During the year under review, 6 (six) board meetings were held on April 16, 2020, April 30, 2020, June 19, 2020, August 5, 2020, November 2, 2020 and February 5, 2021.

The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly / half yearly unaudited financial results, unaudited financial statements and the audited annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure and ensures compliance of applicable laws and regulations. It monitors overall performance of the Company and reviews performance of its subsidiaries and joint ventures. The Agenda for the Board meeting covers items set out as guidelines in regulation 17 of the Listing Regulations to the extent the same are applicable and relevant. All agenda items are supported by relevant information, documents and presentations to enable the Board to take informed decisions.

The meetings of the Board are scheduled well in advance to facilitate the Directors to plan their schedule and to ensure meaningful participation in the meetings. The meetings are usually held in Ahmedabad, where the Registered Office of the Company is situated. The Chief Financial Officer and the Company Secretary, in consultation with the Chairman and the Managing Director, prepare detailed agenda for the meetings. Directors are also free to bring up any other matter for discussion at the Board Meetings with the permission of the Chairman. In case of a special and urgent business need, the Board's approval is taken by passing resolution(s) by circulation, as permitted under the law, which is noted in the subsequent board meeting.

Presentations are made on business operations to the Board by the functional heads of the Company.

The Company Secretary is responsible for convening of Board and Committee meetings and preparation of respective agenda papers. The Company Secretary attends all the meetings of the Board and

its Committees and ensures appropriate recording of the minutes of the meetings.

Video conferencing facilities are also used to facilitate Directors residing at other locations to participate in the meetings.

The draft minutes of all the meetings approved by the Chairman is circulated to all the Directors within 15 (fifteen) days after the conclusion of the meetings. Comments, if any, received from the Directors are incorporated in the minutes, in consultation with the Chief Financial Officer and the Chairman. Decisions taken at Board / Committee meetings are communicated to the concerned departments promptly for actions and an Action Taken Report on the status of the decisions taken at the Board / Committee meetings is placed, for the information, to the Board / Committee members. The minutes of all committee meetings are placed in the next board meeting.

The Board has complete access to the information within the Company, which *inter-alia* includes-

1. Annual revenue and capital expenditure plans / budgets,
2. Quarterly results and results of operations of Company, its subsidiaries and joint ventures,
3. All borrowings, investments, loans and guarantees,
4. Minutes of the meetings of the Board, Committees of the Board and the summary of minutes of the Indian subsidiary companies,
5. Details of any joint ventures, acquisitions of brands, trademarks or companies or any collaboration agreements,
6. Quarterly report on any fatal or serious accidents or dangerous occurrences and material effluent or pollution problems,
7. Any materially relevant default, if any, in financial obligations to and by the Company or substantial non-payment for goods sold or services rendered, if any,
8. Any issue, which involves possible public or product liability claims of substantial nature, including any Judgment or Order, if any, which may have strictures on the conduct of the Company,

9. Compliance or non-compliance of any regulatory, statutory nature or listing requirements and matters related to investors' service such as non-payment of dividend, delay in transfer of shares, etc.

The IDs play an important role in the deliberations in Board meetings and bring with them rich expertise in the field of industry, marketing, accountancy, finance, taxation and other areas.

While constituting the Committee of Directors, the requirements that a Director shall not be a member of more than 10 (ten) committees and Chairman of not more than 5 (five) committees have been ensured and complied with. None of the IDs serves as an

ID in more than 7 (seven) listed companies. None of the Directors of the Company hold Directorship in more than 20 (twenty) companies, including 10 (ten) public companies. All Directors of the Company except the IDs are liable to retire by rotation. During the year, none of the IDs of the Company had resigned before the expiry of their respective tenure(s).

The following table gives the attendance of the Directors at the Board meetings of the Company and also the number of other Directorships held in Indian Public Limited Companies (other than the Company) and Chairmanship / Membership in Board Committees of Public Limited Companies as at March 31, 2021.

Name of the Director	Category and Position	No. of Board Meetings held during the year	No. of Board Meetings attended	Whether attended last AGM	Member (Chairman) ¹ of Board Committees ²	No. of other Directorships held
Mr. Pankaj R. Patel ³	Chairman	6	6	Yes	4 (2)	4
Mr. Nitin R. Desai	Non-Executive and Independent Director		6	Yes	3 (1)	3
Mr. Mukesh M. Patel	Non-Executive Director		6	Yes	9 (5)	6
Ms. Dharmishtaben N. Raval	Non-Executive and Independent Woman Director		6	Yes	4 (2)	7
Mr. Apurva S. Diwanji	Non-Executive and Independent Director		6	Yes	3	1
Mr. Bhadresh K. Shah	Non-Executive and Independent Director		6	Yes	6	3
Dr. Sharvil P. Patel ⁴	Managing Director		6	Yes	1	6
Mr. Ganesh N. Nayak	Executive Director		6	Yes	2 (1)	1

- 1 Figures in () indicate the number of Board Committees of which a Director is a Chairman.
 2 Board Committee means Audit Committee and Stakeholders' / Investors' Relationship Committee.
 3 Promoter Director and father of Dr. Sharvil P. Patel.
 4 Son of Mr. Pankaj R. Patel.

The following table gives the names of the listed entities where the Directors of the Company are Directors and the category of their respective directorships:

Sr. No.	Name of the Director of the Company	Name of the listed companies in which the Director of the Company is a Director	Category of Directorship in the listed companies
1.	Mr. Pankaj R. Patel	Bayer Cropscience Limited Torrent Power Limited	Independent Director
2.	Mr. Nitin R. Desai	Force Motors Limited The Sandesh Limited	Independent Director
3.	Mr. Mukesh M. Patel	Johnson Controls-Hitachi Air Conditioning India Limited	Independent Director
4.	Ms. Dharmishtaben N. Raval	Zydus Wellness Limited NOCIL Limited Torrent Power Limited	Independent Director
5.	Mr. Apurva S. Diwanji	None	N.A.
6.	Mr. Bhadresh K. Shah	AIA Engineering Limited Welcast Steels Limited	Managing Director Non-Executive and Non-Independent Director
7.	Dr. Sharvil P. Patel	Zydus Wellness Limited	Non-Executive and Non-Independent Director
8.	Mr. Ganesh N. Nayak	Zydus Wellness Limited	Non-Executive and Non-Independent Director

C. Familiarization Programme:

At the time of appointment of an ID, a formal letter of appointment is given to him / her, which *inter-alia* explains the roles, functions, duties and responsibilities expected from him / her as a Director of the Company. All our Directors are aware and also updated, whenever required, of their roles, responsibilities, liabilities and obligations under the provisions of Schedule IV of the Act and Rules made thereunder and regulation 25 of the Listing Regulations.

A presentation on familiarization programme was made to the IDs of the Company during February, 2021 and the said presentation is posted on the website of the Company and any member can visit the Company's website by clicking the link- https://www.zyduscadila.com/public/pdf/Familiarization_Programme_05_02_2021.pdf

D. Evaluation:

During the year, the Nomination and Remuneration Committee / Board have carried out evaluation of its own performance and the performance of the committees of the Board, individual Directors and the Chairman of the Board. The Board has evaluated the composition of Board, its committees, experience and expertise, performance of specific duties and obligations, governance matters, etc. with an aim to improve their effectiveness. Performance evaluation of individual Directors and the Board Chairman was also carried out in terms of their respective attendance at Board / Committee meetings, contributions at the meetings, circulation of sufficient documents and information to the Directors, timely availability of the agenda, etc. Directors were satisfied with the evaluation on different criteria.

Further, the Board have carried out the evaluation of the IDs, which included the performance of the IDs and fulfilment of the independence criteria as specified in the Listing Regulations and their independence from the management. The Directors who were subject to evaluation did not participate in the proceedings of the meeting.

Criteria for evaluation of IDs include, amongst others, the preparedness and information about the Board and Committee meetings, attendance at different meetings, expressing views on specialized agenda items.

3. COMMITTEES OF THE BOARD:

The Board currently has the following committees:

- A. Audit Committee;
- B. Share Transfer Committee;
- C. Stakeholders' / Investors' Relationship Committee;
- D. Nomination and Remuneration Committee;
- E. Risk Management Committee;
- F. Corporate Social Responsibility ("CSR") Committee; and
- G. Finance and Administration Committee.

The terms of reference of the Board Committees are determined by the Board from time to time. The Board is responsible for constituting, assigning and co-opting the members of the Committees. The meetings of the Board Committees are convened by the Chairman of the respective Committee.

A. Audit Committee:

I. Terms of Reference:

The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible,
2. Review with the management the quarterly / half-yearly / annual, unaudited / audited financial results, statements and Limited Review Report / Audit Reports of the Statutory Auditors before recommending for approval by the Board with particular reference to matters required to be included in the directors' responsibility statement to be included in board's report in terms of section 134(3)(c) of the Act,
3. Review changes in the accounting policies, major accounting estimates based on exercise of judgment by the management, significant adjustments made in the financial statements, compliance with listing and other legal requirements relating to financial statements, disclosure of related party transactions, modified opinion, if any, in the draft audit report,
4. Review of Management Discussion and Analysis of financial and operational performance,
5. Review of inter-corporate loans and investments,
6. Review with the management the performance of statutory and internal auditors,
7. Review the adequacy and effectiveness of internal financial controls and systems,
8. Review and discuss with the management major financial risk exposures and steps taken to monitor and control them,
9. Oversee and review the functioning of vigil mechanism (implemented by the Company as a Whistle Blower Policy),
10. Review the scope of the Internal Auditors and Audit Plan to ensure reasonable coverage of different areas of operations,
11. Review, discuss and monitor the observations reported by Statutory / Internal Auditors and their compliance,
12. Review and recommend to the Board the appointment / re-appointment of the Statutory and Cost Auditors after due consideration of their independence and effectiveness,
13. Approve the payment towards additional services rendered by the Statutory Auditors except those enumerated in section 144 of the Act,
14. Recommend to the Board the remuneration of the Statutory and Cost Auditors,
15. Review Cost Audit Report submitted by the Cost Auditors,
16. Approve the appointment, removal and terms of remuneration of Internal Auditors,

17. Approve, and / or subsequent modification, if any, the Related Party Transactions and grant omnibus approvals for certain related party transactions, which are in the ordinary course of business and on an arm's length basis,
18. Review utilization of loans and / or advances from / investment by the company in subsidiary company in excess of ₹ 100 crore or 10% of asset size of the subsidiary, whichever is lower,
19. Supervise implementation of Insider Trading Code and policies relating thereto, and
20. Valuation of undertakings or assets of the Company, wherever necessary.

The Audit Committee ensures that it has reviewed each area that it is required to review under the terms of reference. Every quarter, the Audit Committee is presented with a summary of audit observations and follow up actions thereon.

II. Composition, meetings held and attendance at the meetings during the year:

The Audit Committee held 4 (four) meetings during Financial Year 2020-2021 on June 19, 2020, August 5, 2020, November 2, 2020 and February 5, 2021. The time gap between any two meetings was less than 120 (one hundred twenty) days. The composition of the Audit Committee as at March 31, 2021 and details of the attendance of its members are as under:

Name of the Member	Category	No. of Meetings held	No. of Meetings attended
Mr. Nitin R. Desai, Chairman	Non-Executive and Independent		4
Mr. Mukesh M. Patel	Non-Executive		4
Ms. Dharmishtaben N. Raval	Non-Executive and Independent	4	4
Mr. Apurva S. Diwanji	Non-Executive and Independent		4
Mr. Bhadresh K. Shah	Non-Executive and Independent		4

All the members of the Audit Committee have the requisite qualifications for appointment on the Committee and possess sound knowledge of accounting practices as well as financial and internal controls.

The Chairman of the Audit Committee attended the AGM of the Company held on August 27, 2020 to respond to members' queries.

III. Invitees at the Audit Committee Meetings:

The representative(s) of the Statutory Auditors are regularly invited and they have attended all the Audit Committee meetings held during the year. The representative of the Cost Auditors attends the Audit Committee meeting, where the Cost Audit Report is tabled for discussion. The Managing Director, the Chief Financial Officer and the Management Auditor are invited to attend and participate in these meetings. The Company Secretary acts as the Secretary to the Committee.

The Company continues to derive benefits from the deliberations of the Audit committee meetings as the members are experienced in the areas of finance, accounts, taxation, corporate laws and industry. It ensures accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

B. Share Transfer Committee:

I. Terms of reference:

The Committee is empowered to perform all the functions of the Board in relation to approval and monitoring of transfer, transmission, transposition, dematerialization, rematerialization, issue of duplicate share certificate, splitting and consolidation of shares issued by the Company. The Committee also oversees the functions of the Registrar and Share Transfer Agent ("RTA") of the Company. The Board has delegated the powers to approve the transfer of shares to the Committee.

II. Composition:

As on March 31, 2021, the Share Transfer Committee comprises of the following members:

1. Mr. Pankaj R. Patel-Chairman,
2. Mr. Mukesh M. Patel, and
3. Dr. Sharvil P. Patel.

The Company Secretary acts as the Secretary to the Committee.

III. Meetings held and the attendance of members at the meetings:

The Committee meets on a need basis to ensure the regular process of transfer / transmission of shares, split, consolidation, demat / remat and issuance of duplicate share certificates.

C. Stakeholders' / Investors' Relationship Committee:

In compliance with the provisions of section 178(5) of the Act and regulation 20 of the Listing Regulations, the Board has formed Stakeholders' / Investors' Relationship Committee.

I. Terms of reference:

The Stakeholders' / Investors' Relationship Committee reviews the redressal of grievances of stakeholders pertaining to the requests / complaints of the members related to transfer of shares, dematerialization of shares, non-receipt of annual report, non-receipt of dividend or revalidation of expired dividend warrants / cheques, recording the change of address, nomination, etc.

The role of the Stakeholders' / Investors' Relationship Committee has been specified in Part D of the Schedule II of the Listing Regulations.

The Chairman of the Committee attended the AGM of the Company held on August 27, 2020.

II. Composition:

Mr. Mukesh M. Patel, Non-Executive Director is the Chairman and Mr. Pankaj R. Patel, Dr. Sharvil P. Patel and Mr. Bhadresh K. Shah are the members of this Committee. The Committee met once during the year and all the members remained present in the meeting.

Mr. Dhaval Soni, Company Secretary of the Company acts as the Secretary to the Committee, who is designated as a Compliance Officer pursuant to regulation 6 of the Listing Regulations.

The Committee ensures that the members' / investors' grievances and correspondence are attended and resolved expeditiously. During the year under review, 5 investor grievances were received and all of them have been resolved. There was no investor grievance remaining unattended and pending as on March 31, 2021.

8,60,540 (Eight Lacs Sixty Thousands Five Hundred Forty) equity shares remained in the in-transit account with National Securities Depository Limited and Central Depository Services (India) Limited as at March 31, 2021.

III. Number of requests / complaints:

During the year, the Company has resolved investor grievances expeditiously. The Company and / or its RTA have received the following requests / complaints from SEBI / Stock Exchanges and also directly from the members, which were resolved within the time frames laid down by SEBI.

Particulars	Opening Balance	Received	Resolved	Pending
Complaints:				
SEBI/Stock Exchanges	0	2	2	0
From Members	0	3	3	0
Member queries / requests:				
Dividend Related	0	71	71	0
Transfer / Transmission	0	56	56	0
Demat / Remat	0	49	49	0
Changes (address / bank mandates)	0	93	93	0
Procedure for Duplicate share	0	111	111	0
Exchange of share certificates	0	57	57	0

D. Nomination and Remuneration Committee:

In compliance with the provisions of section 178(1) of the Act and regulation 19 of the Listing Regulations, the Board has constituted a Nomination and Remuneration Committee ("NRC"). The terms of reference of NRC are specified in clause A of Part D of Schedule II of the Listing Regulations which are mentioned hereunder:

I. Terms of reference:

The functions of NRC, *inter-alia*, include the following:

- To identify the persons, who are qualified to become Directors of the Company or who may be appointed in Senior Management,
- To recommend to the Board, appointment and removal of the Director(s) and evaluation of each Director's performance,
- To formulate criteria for determining qualifications, positive attributes and independence of a Director,
- To review on annual basis the compensation to the Non-Executive Directors and Senior Management, which includes KMP, (in whatever form) and recommend to the Board the remuneration and incentive payable to each of them,
- To ensure that level and composition of remuneration is reasonable and sufficient, its relationship with performance is clear and meets appropriate performance benchmarks, and
- To develop and review the succession plan for the Board.

II. Composition and Meetings:

The composition of NRC as on March 31, 2021 and details of attendance of the Committee members at the meetings are given in the following table. The Committee met thrice during the year. All members of the Committee are Non-Executive Directors and except Mr. Pankaj R. Patel and Mr. Mukesh M. Patel, other members are IDs.

Name of the Member	No. of Meetings held	No. of Meetings attended
Mr. Nitin R. Desai, Chairman		3
Mr. Pankaj R. Patel		3
Mr. Mukesh M. Patel	3	3
Ms. Dharmishtaben N. Raval		3
Mr. Apurva S. Diwanji		3
Mr. Bhadresh K. Shah		3

The Company Secretary acts as the Secretary to the Committee. The Chairman of the NRC attended the AGM of the Company held on August 27, 2020.

III. Nomination and Remuneration Policy and details of remuneration paid / payable to the Directors for the year ended March 31, 2021:

The Board approved the Nomination and Remuneration Policy on the recommendation of NRC. The Nomination and Remuneration Policy was lastly revised by the Board, based on the recommendation of NRC, at its meeting held on May 27, 2021. The salient aspects of the Policy are outlined below:

a. Objectives:

- To guide the Board in relation to appointment and removal of Directors and Senior Management, which includes KMP,

- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board and
- To recommend to the Board on remuneration payable to the Directors and Senior Management which includes KMP.

The Company follows a policy on remuneration of Directors and Senior Management.

b. Remuneration to Non-Executive Directors:

- Non-Executive Director is paid sitting fees for each meeting of the Board or Committee of the Board attended by him/her, of such sum as may be approved by the Board within the overall limits prescribed under the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Board has approved the payment of sitting fees at ₹0.10 mio. (Rupees One Lac only) to each Non-Executive Director towards each of the Board / Committee meetings attended by them.
- A Non-Executive Director is also paid commission on an annual basis, of such sum as may be approved by the Board. The total commission payable to the Non-Executive Directors shall not exceed 1% (one percent) of the net profit of the Company and subject to the limits approved by the members. In case of loss or profits are inadequate, the non-executive and independent directors are entitled to receive remuneration, subject to the provisions of the Act.
- In determining the quantum of commission payable to Non-Executive Directors, the NRC considers the overall performance of the Company and the onerous responsibilities required to be shouldered by the Non-Executive Directors.
- A Non-Executive Director is also reimbursed the expenses incurred by him / her for attending the Board and / or Committee meeting and members' meetings.
- Apart from the above, there are no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors except those disclosed in the financial statements for the year ended on March 31, 2021.

c. Remuneration to the Managing Director and the Executive Director:

Dr. Sharvil P. Patel is the Managing Director of the Company and Mr. Ganesh N. Nayak is the Executive Director of the Company. On the recommendation of the NRC, the Board decides and approves the remuneration payable to the Managing Director and the Executive Director within the ceiling fixed by members.

As per the recommendation of the NRC, Dr. Sharvil P. Patel, Managing Director was paid remuneration of ₹180 mio. (Rupees One Hundred and Eighty Million only) by way of fixed salary and allowances and variable pay of ₹ 82.50 mio. (Rupees Eighty Two Million and Five Lacs only) is payable for the Financial Year ended on March 31, 2021, aggregating to ₹ 262.50 mio. (Rupees Two Hundred and Sixty Two Million and Five lacs only). Further, NRC ratified a remuneration of ₹ 289.60 mio. (Rupees Two Hundred and Eighty Nine Million and Six Lacs only) paid to Mr. Ganesh N. Nayak, Executive Director for the Financial Year ended on March 31, 2021.

The Company has entered into agreements with Dr. Sharvil P. Patel and Mr. Ganesh N. Nayak for their respective employment for a period of 5 (five) years and 1 (one) year respectively. Either party to an agreement is entitled to terminate the agreement by giving not less than 3 months' or 6 months' notice in writing to the other party in case of Dr. Sharvil P. Patel and Mr. Ganesh N. Nayak respectively.

The Board and NRC reviewed the performance of individual directors on the basis of criteria fixed by the Board / NRC.

d. Remuneration to Senior Management:

The Managing Director and the Executive Director, with the help of the President (Group Human Resources), carry out the individual performance review based on the standard appraisal matrix and after taking into account the appraisal score card and other factors like-Key Performance Area v/s Initiatives, balance between fixed and variable pay, fixed components and perquisites and retirement benefits, criticality of roles and responsibilities, industry benchmarks and current compensation trends in the market. Further, any promotion at a senior level management is approved by the Management based on a predetermined process and after assessing the candidate's capability to shoulder higher responsibility.

IV. Details of the commission / sitting fees paid to the Non-Executive Directors for the year 2020-2021 are given below:

₹ in mio.

Name of the Non-Executive Directors	Commission ¹	Sitting fees						Total
		Board Meetings	Audit Committee Meetings	CSR Committee Meetings	NRC Meetings	Stakeholders' / Investors' Relationship Committee Meetings	Other Meetings ²	
Mr. Pankaj R. Patel	--	0.60	--	0.20	0.30	0.10	0.20	1.40
Mr. Nitin R. Desai	2.75	0.60	0.40	--	0.30	--	0.10	4.15
Mr. Mukesh M. Patel	2.75	0.60	0.40	--	0.30	0.10	0.20	4.35
Ms. Dharmishtaben N. Raval	2.75	0.60	0.40	0.20	0.30	--	0.10	4.35
Mr. Apurva S. Diwanji	2.75	0.60	0.40	--	0.30	--	0.10	4.15
Mr. Bhadresh K. Shah	2.75	0.60	0.40	--	0.30	0.10	0.10	4.25

- The Board, based on the performance of the Company and on the recommendation of NRC, has decided the payment of Commission to the Non-Executive Directors.
- Other meetings include separate meeting of IDs, meeting of Committee of Directors and Risk Management Committee meeting.

The Nomination and Remuneration Policy is available on the website of the Company and the weblink of the same is https://zyduscadila.com/public/pdf/NRC_Policy_revised_27_05_2021.pdf

V. Stock Option:

The Company does not have any stock option scheme for its Directors or employees. Moreover, there is no separate provision for payment of severance fees to the Directors.

E. Risk Management Committee:

In compliance with the provisions of regulation 21 of the Listing Regulations, the Company has constituted a Risk Management Committee and majority of the members of the Committee are Directors. The Company has a well-defined risk management framework to identify, recognize, monitor and mitigate risks and also identify business opportunities. Business risk evaluation and its management is a continuous process within the organization. The Company has framed a Risk Management Policy which includes the terms of reference, is available on the website of the Company at <https://www.zyduscadila.com/public/pdf/Risk-Management-Policy.pdf>.

The Committee reviewed the risks and extent of exposure and potential impact analysis was carried out by the Management. It was confirmed by the Managing Director and the Chief Financial Officer that the mitigation actions are monitored.

The Committee was lastly re-constituted by the Board at its meeting held on May 27, 2021 to include Mr. Apurva S. Diwanji, Independent Director as the member. The Committee is headed by Mr. Pankaj R. Patel, Chairman. Mr. Mukesh M. Patel, Dr. Sharvil P. Patel, Mr. Apurva S. Diwanji and Mr. Nitin D. Parekh are the members of the Committee. The Committee met once during the year on February 5, 2021 and the members as on that date remained present in the meeting.

The Company Secretary acts as the secretary to the Committee.

**F. Corporate Social Responsibility Committee:
("CSR Committee")**

The terms of reference of CSR Committee includes, to frame the CSR Policy and review it from time to time to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act and Rules made thereunder and to provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

During the year under review, CSR Committee recommended and the Board approved the amendments in the CSR Policy to incorporate the necessary clauses as mandated by CSR Amendment Rules which are effective from January 22, 2021. The details with regard to CSR, its composition, Policy, Projects, etc. are provided in the Directors' Report.

The composition of the CSR Committee as at March 31, 2021 and the details of members' participation at the meetings of the Committee are as under.

Name of the Member	No. of Meetings held	No. of Meetings attended
Mr. Pankaj R. Patel, Chairman		2
Ms. Dharmishtaben N. Raval	2	2
Dr. Sharvil P. Patel		2

G. Finance and Administration Committee:

The Board at their meeting held on August 5, 2020 constituted Finance and Administration Committee with Mr. Pankaj R. Patel as the Chairman and Dr. Sharvil P. Patel and Mr. Ganesh N. Nayak as the members. This committee looks after the businesses, which are broadly relating to financing i.e. borrowing of funds, making investments / providing loan / corporate guarantee to subsidiary companies and other business which are routine / administrative in nature and within the overall board approved directions and framework. The Company Secretary acts as the Secretary to the Committee. Upon constitution of Finance and Administration Committee, the Committee of Directors was dissolved with immediate effect. The erstwhile Committee of Directors met once and the Finance and Administration Committee met 7 (seven) times during the year and all the members were present in the meetings.

Minutes of the Finance and Administration Committee are placed before the Board for information.

4. INDEPENDENT DIRECTORS' MEETING:

During the year under review, a separate meeting of IDs, without the attendance of the non-Independent Directors and members of the management of the Company, was held on February 5, 2021, *inter-alia*, to discuss:

1. Evaluation of performance of non-Independent Directors and the Board as a whole,
2. Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and non-Executive Directors,
3. Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary to effectively and reasonably perform its duties.

All the IDs were present at the meeting. The performance of the non-independent directors, the Board as a whole and Chairman of the Company was evaluated by the IDs, taking into account the views of executive directors and non-executive directors.

5. SUBSIDIARY COMPANIES:

Zydus Healthcare Limited and Zydus Animal Health and Investments Limited are the two material unlisted Indian subsidiary companies. The financial statements of subsidiaries, in particular, the investments made by subsidiaries, if any, during the quarter are reviewed by the Audit Committee of the Board. The policy relating to material subsidiaries and dealing with related party transactions, as approved by the Board may be accessed on the Company's website at the link: <https://www.zyduscadila.com/public/pdf/Policy-on-Related-Party-Transactions-and-dealing-with-Material-Related-Party-Transactions-February-7-2019.pdf>.

Zydus Pharmaceuticals USA Inc., USA is a wholly owned material subsidiary of the Company.

The Board minutes of Indian unlisted subsidiary companies along with a report on significant developments of the unlisted Indian subsidiary companies are periodically placed at the Board meeting of the Company, for information of the Board.

6. DISCLOSURES:

A. Related Party Transactions:

All transactions entered into with Related Parties as defined under section 2(76) of the Act and 2(1)(zb) read with regulation 23 of the Listing Regulations during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of section 188 of the Act. There were no materially significant transactions with related parties during the financial year which were in conflict of interest of the Company. Suitable disclosures, as required by the Ind AS 24, have been made in the notes to the Financial Statements.

The Board approved policy on related party transactions, which includes the clear threshold limits, beyond which a transaction will be considered as a material related party transactions, has been uploaded on the website of the Company. The link for the same is

<https://www.zyduscadila.com/public/pdf/Policy-on-Related-Party-Transactions-and-dealing-with-Material-Related-Party-Transactions-February-7-2019.pdf>.

During the year, there was no transaction between the Company and any of the promoter or promoter group of the Company.

B. Code of Conduct:

The Company has laid down a Code of Conduct for all the Board members and Senior Management. The Code of Conduct is available on the website of the Company <https://www.zyduscadila.com/public/pdf/Code-of-Business-Conduct-and-Ethics.pdf>. All the Board Members and the Senior Management have affirmed compliance with the Code of Conduct for the year under review. The declaration of the Managing Director is given below:

To the members of **Cadila Healthcare Limited**

Sub.: Compliance with Code of Conduct

I hereby declare that all the Board Members and Senior Management have affirmed compliance with the Code of Conduct as adopted by the Board.

Place: Ahmedabad
Date: May 27, 2021

Sharvil P. Patel
Managing Director
DIN: 00131995

C. Prohibition of Insider Trading:

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, the Company has framed a Code of Conduct to avoid any insider trading and it is applicable to all the promoters, directors, designated persons and their immediate relatives, connected persons and such employees of the Company who are expected to have access to the unpublished price sensitive information relating to the Company. The Code lays down guidelines, which advises them on procedure to be followed and disclosures to be made, while dealing in the shares of the Company.

The Company uses a software to monitor the trading in the equity shares of the Company mainly during the trading window closure and the reversal of the transactions, by the designated persons.

Shares held by the Directors as at March 31, 2021:

Name of the Directors	No. of shares held	Details of shares bought (+) / sold (-) during 2020-2021
Mr. Pankaj R. Patel ¹	76,64,56,434	Nil
Mr. Nitin R. Desai ²	4,42,000	Nil
Mr. Mukesh M. Patel	12,000	Nil
Ms. Dharmishtaben N. Raval	Nil	Nil
Mr. Apurva S. Diwanji	Nil	Nil
Mr. Bhadrash K. Shah	Nil	Nil
Dr. Sharvil P. Patel	15,000	Nil
Mr. Ganesh N. Nayak	2,51,120	Nil

1 Held also as a Karta of HUF and Trustee of the Family Trusts.

2 Held also as a Karta of HUF.

D. Whistle Blower Policy:

The Company has a whistle blower policy, as per the provisions of section 177(9) of the Act and regulation 22 of the Listing Regulations, to deal with any instance of fraud, mismanagement and to report instances of leakage of unpublished price sensitive information. The employees of the Company are free to report violations of any laws, rules, regulations and concerns about unethical conduct to the Audit Committee under this policy. No personnel has been denied access to the Audit Committee pertaining to Whistle Blower Policy. The policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination is done with any person for a genuinely raised concern. The Whistle Blower Policy is available on the website of the Company at <https://zyduscadila.com/public/pdf/Whistle-Blower-Policy-May-29-2019.pdf>

E. Management:

i. Management Discussion and Analysis Report:

Management Discussion and Analysis Report is set out in a separate section included in this Annual Report and forms a part of this Report.

ii. Disclosure of material financial and commercial transactions:

As per the disclosures received from senior management, no material financial and commercial transactions that may have a potential conflict with the interest of the Company at large were reported to the Company during the year under report.

F. Disclosure regarding appointment / re-appointment of Directors:

The particulars about the brief resume and other information of the Directors seeking appointment / re-appointment as required to be disclosed under this section as per regulation 36(3) of the Listing Regulations are provided as an annexure to the notice convening the Twenty Sixth AGM.

G. Compliance by the Company:

The Company has complied with all the mandatory requirements of the Listing Regulations with the Stock Exchanges, regulations and guidelines of SEBI. Further, during last three years, no penalties or strictures are imposed on the Company by any Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets.

H. CEO/CFO Certification:

The requisite certification from the Managing Director and the Chief Financial Officer required to be given under regulation 17(8) read with Part B of Schedule II of the Listing Regulations was placed before the Board of the Company.

I. Transfer of unclaimed / unpaid dividend amount and shares to Investor Education and Protection Fund (“IEPF”):

As per the provisions of sections 124 and 125 of the Act read with the Rules made thereunder, dividend, if not claimed for period of 7 (seven) consecutive years from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to IEPF.

Further, all the shares in respect of which dividend has remained unclaimed for 7 (seven) consecutive years or more from the date of transfer to Unpaid Dividend Account shall also be transferred to IEPF. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of members, the Company had sent reminders to the members to claim their dividend / shares before transfer of dividend / shares to IEPF. Notice in this regard was also published in the newspapers and the details of unclaimed dividends and members whose shares are liable to be transferred to IEPF, are uploaded on the website of the Company.

In light of the aforesaid provisions, 60,579 (Sixty Thousands Five Hundred Seventy Nine) equity shares held by 45 (Forty Five) members were transferred to IEPF for which the company has complied with the necessary requirements. Moreover, ₹ 4.09 mio. (Rupees Four Million and Ninety Thousands only) held by 2,662 (Two Thousands Six Hundred Sixty Two) members, being the unclaimed dividend, pertaining to the dividend for the Financial Year ended on March 31, 2013 was transferred to IEPF after giving notice to the members to claim their unpaid / unclaimed dividend. As at March 31, 2021, 12,60,765 (Twelve Lacs Sixty Thousands Seven Hundred and Sixty Five) equity shares are lying with IEPF.

J. Credit Rating:

The Company has not obtained any credit rating during the year for any debt instruments or fixed deposit programme. During the year, CRISIL Limited gave CRISIL AA+ / Stable and CRISIL A1+ (Reaffirmed) rating for long term and short term bank loan facilities respectively. During the year, the Company has obtained credit rating of CRISIL A1+ for ₹ 13,000 mio. (Rupees Thirteen Thousands Million only) Commercial Paper programme.

K. Utilization of funds:

The Company has not raised any funds through preferential allotment or qualified institutional placement as specified in the Listing Regulations.

L. Certificate from a Practicing Company Secretary:

The Company has obtained a certificate from Manoj Hurkat & Associates, Company Secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by Securities and Exchange Board of India / Ministry of Corporate Affairs or any such Statutory Authority. The said certificate is enclosed to this Corporate Governance Report.

M. Fees paid to the Statutory Auditors:

During the financial year 2020-2021, Deloitte Haskins & Sells LLP, the Statutory Auditors of the Company and also of Zydus Healthcare Limited, a wholly owned subsidiary company, were paid fees for audit and providing other services as per below details:

₹ in mio.

Sr. No.	Name of the Company	Fees paid		Total
		For Statutory Audit	For providing other services	
1.	Cadila Healthcare Limited	9.80	0.87	10.67
2.	Zydus Healthcare Limited	3.00	0.17	3.17
	Total	12.80	1.04	13.84

N. Recommendation of the Committees:

Recommendations of the Committees are submitted to the Board for approval and the Board has accepted all the recommendations.

sexual harassment at workplace pursuant to the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

During the year 2020-2021, the Company has not received any complaint on sexual harassment.

O. Disclosure regarding Sexual Harassment of Women at Workplace:

The Company has adopted a policy on Sexual Harassment of Women at Workplace for prevention, prohibition and redressal of

P. In preparing the annual financial statements of the Company, the treatment as prescribed in the Accounting Standards has been followed.

Q. As per regulation 43A of the Listing Regulations, the Company has formulated Dividend Distribution Policy, which is approved by the Board and is uploaded on Company's website and the link for the same is https://www.zyduscadila.com/public/pdf/Dividend_Distribution_Policy.pdf.

R. The Board has approved the policy to determine materiality of an event or information and the same is available on the website of the Company and the link for the same is https://www.zyduscadila.com/public/pdf/Policy_to_determine_materiality_of_an_event_or_information_revised_27_05_2021.pdf. The details of the KMP authorized to determine materiality of an event or information and who is authorized to inform an event or information to the stock exchanges is also uploaded on the website of the Company and the link for the same is https://www.zyduscadila.com/public/pdf/financial/Details_of_KMP_authorized_to_determine_materiality_of_an_event.pdf.

7. MEANS OF COMMUNICATION:

i. The Company has 2,27,976 (Two Lacs Twenty Seven Thousands Nine Hundred Seventy Six) members as on March 31, 2021. The main channel of communication to the members is through Annual Report, which includes, *inter-alia*, the Directors' Report, Management

Discussion and Analysis Report, Corporate Governance Report and Audited Financial Statements.

ii. The Annual General Meeting is a platform for face-to-face communication with the members. The Chairman, the Managing Director and other KMP respond to the specific queries of the members.

iii. The Company intimates to the Stock Exchanges all price sensitive matters which in its opinion are material and of relevance to the members and subsequently issues a Press Release on such matters, wherever necessary.

iv. The quarterly and half yearly results are published in widely circulating national and local daily 'Financial Express', in English and Gujarati. The results are also posted on the website of the Company www.zyduscadila.com and the same are not sent individually to the members.

v. The Company's results and official news releases are displayed on the Company's website www.zyduscadila.com. The Company holds meetings and makes presentations to the institutional investors and analysts. The copies of such presentations and the transcripts of the phone calls are also made available on the Company's website. Information to the Stock Exchanges is being filed online on NEAPS for NSE and online listing portal of BSE.

8. GENERAL BODY MEETINGS:

i. Details of last three Annual General Meetings held are provided hereunder:

Year	Date and Time	Venue
2019-2020	Twenty Fifth AGM on August 27, 2020 at 11.00 a.m.	Through Video Conference / Other Audio Visual Means ("VC" / "OAVM")
2018-2019	Twenty Fourth AGM on August 9, 2019 at 10.00 a.m.	J. B. Auditorium, Ahmedabad Management Association, ATIRA Campus, Dr.
2017-2018	Twenty Third AGM on August 13, 2018 at 10:00 a.m.	Vikram Sarabhai Marg, Ahmedabad-380015.

ii. Special Resolutions passed in the previous three Annual General Meetings:

Sr. No.	Nature of Special Resolutions passed	Relevant provisions of the Act	AGM details
1.	Issue of securities through Qualified Institutional Placement / Foreign Currency Convertible Bonds, etc.	Sections 23, 41, 42, 62 and 71 of the Act	Twenty Third AGM held on August 13, 2018
2.	Issue of Secured / Unsecured Redeemable Non-Convertible Debentures / Bonds	Section 42 of the Act	
3.	Re-appointment of Ms. Dharmishtaben N. Raval, as an ID for the second term of 5 (five) consecutive years	Sections 149, 150 and 152 of the Act	Twenty Fourth AGM held on August 9, 2019
4.	Shifting of registered office of the company outside the local limits of the city	Section 12 of the Act	

iii. Approval of members through Postal Ballot:

During the year, the Company has not sought or passed any resolution through Postal Ballot.

9. GENERAL SHAREHOLDER INFORMATION:

i. General Information:

Date and Time of Twenty Sixth AGM	August 11, 2021 at 10.00 a.m.
Venue of Twenty Sixth AGM	VC / OAVM
Financial Year	April 1, 2020 to March 31, 2021
Book Closure Date	July 30, 2021 to August 6, 2021
Registered Office Address	Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Near Vaishnodevi Circle, S G Highway, Ahmedabad-382481
Dividend Payment Date	On or after August 16, 2021
Compliance Officer	Mr. Dhaval N. Soni, Company Secretary
Website Address	www.zyduscadila.com

ii. Tentative financial calendar:

First Quarter Results	On or before August 14, 2021
Half Yearly Results	On or before November 14, 2021
Third Quarter Results	On or before February 14, 2022
Audited Results for the year 2021-2022	On or before May 30, 2022

iii. Listing:

The equity shares of the Company are listed on BSE Limited (“**BSE**”) and the National Stock Exchange of India Limited (“**NSE**”). Commercial Papers issued by the Company are listed on the Bonds segment of BSE.

iv. Listing fees:

The Company has paid the annual listing fees for the Financial Year 2021-2022 to the above Stock Exchanges.

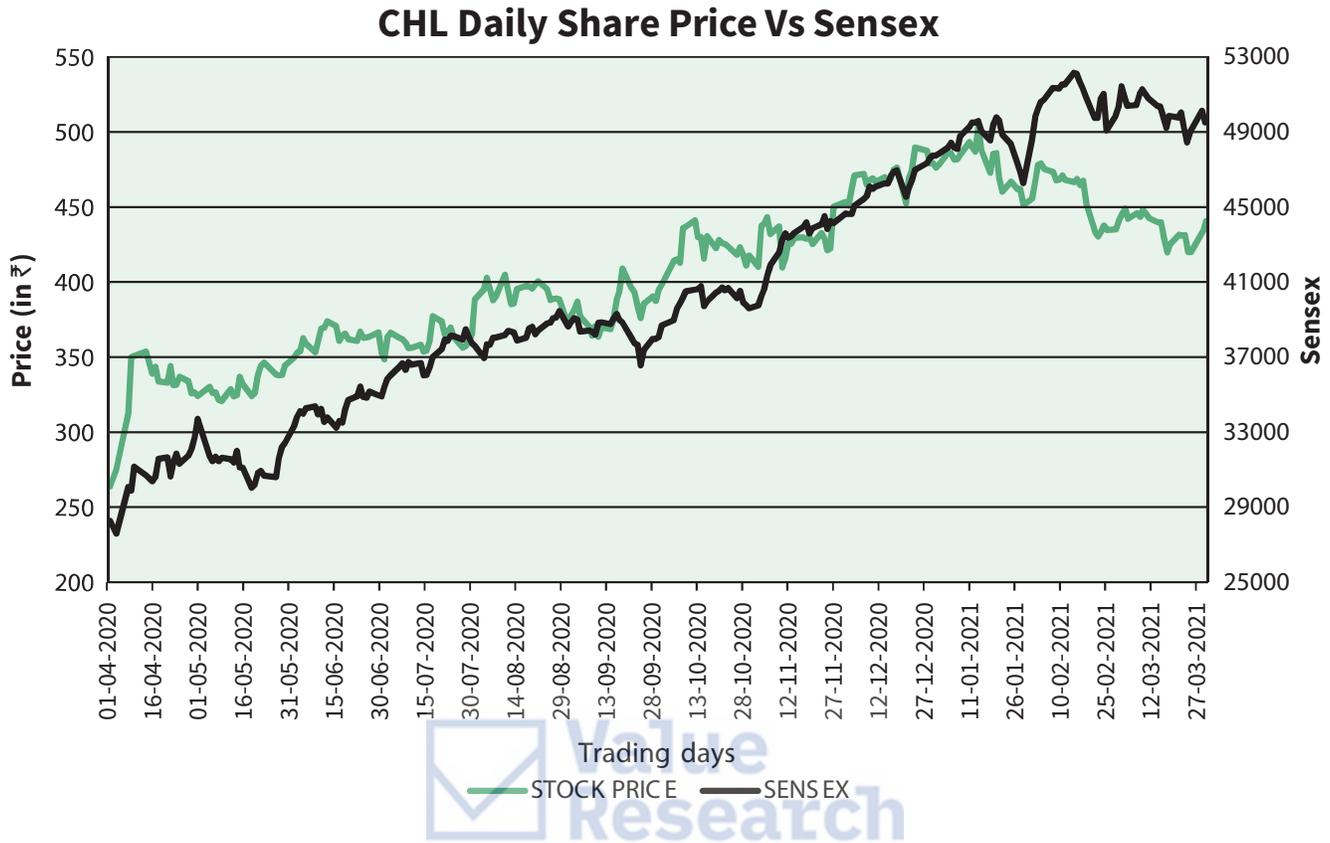
v. Stock Code and closing price:

Name and Address of the Stock Exchange	Stock Code	Closing Price as on March 31, 2021 (₹)
The National Stock Exchange of India Limited Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai-400051	CADILAHC	440.90
BSE Limited P J Towers, Dalal Street, Mumbai-400001	532321	440.85

vi. Stock price and BSE Sensex data:

Month	BSE Sensex	BSE Limited			National Stock Exchange of India Limited		
		High (₹)	Low (₹)	Av. Volume (In Nos.)	High (₹)	Low (₹)	Av. Volume (In Nos.)
Apr., 20	33717.62	378.00	258.60	442903	374.00	261.15	10537923
May, 20	32424.10	352.65	318.10	204848	353.00	320.20	5176243
Jun., 20	34915.80	383.65	342.70	186003	383.60	342.65	4538573
Jul., 20	37606.89	396.30	347.05	198965	396.45	347.05	4342431
Aug., 20	38628.29	411.60	368.30	257868	411.50	368.25	5551717
Sept., 20	38067.93	406.40	358.10	183105	423.00	358.00	4968209
Oct., 20	39614.07	447.95	390.85	159090	447.90	390.75	4803554
Nov., 20	44149.72	458.85	405.00	230259	464.00	404.00	6303740
Dec., 20	47751.33	499.00	429.05	193774	499.25	428.95	3871999
Jan., 21	46285.77	509.35	450.00	146797	509.20	450.00	3125359
Feb., 21	49099.99	488.85	412.80	232431	488.95	421.00	3481910
Mar., 21	49509.15	455.00	408.40	85243	453.50	408.35	1802960

vii. Stock Performance: Cadila Healthcare Limited (CHL):



viii. Registrar and Share Transfer Agents:

Link Intime India Private Limited is the RTA of the Company.

For lodgment of any documents or any grievances / complaints, members may contact the Company's RTA at the following address:

Link Intime India Private Limited
(Unit: Cadila Healthcare Limited)

506-508, Amarnath Business Centre-1, Beside Gala Business Centre, Near St. Xavier's College Corner, Off. CG Road, Navrangpura, Ahmedabad-380006.

Telephone: 079-2646 5179 | Fax: 079-2646 5179

Email: ahmedabad@linkintime.co.in

ix. Share transfer system:

A Share Transfer Committee has been constituted to approve the transfers, transmission, issue of duplicate shares, etc. The Company's RTA has adequate infrastructure to process the above matters.

A predetermined process cycle at regular interval ensures the transfer of shares (in physical mode) within the stipulated time limit.

As per the requirements of regulation 40(9) of the Listing Regulations, a Company Secretary in Practice has certified due compliance of share transfer formalities on half yearly basis.

x. Reconciliation of Share Capital Audit:

A practicing Chartered Accountant carried out audit in respect of each of the quarters in the financial year 2020-2021, to reconcile the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and total issued and listed capital. The audit reports confirm that the total issued / paid up capital is in agreement with the total number of shares in physical mode and the total number of dematerialized shares held with depositories.

xi. Distribution of shareholding of equity shares as at March 31, 2021:

No. of Equity Shares	No. of Folios	% to total folios	No. of Shares	% of Shareholding
1 to 500	205947	90.34	15204699	1.48
501 to 1000	11527	5.06	8787970	0.86
1001 to 2000	5152	2.26	7557121	0.74
2001 to 3000	2034	0.89	5124011	0.50
3001 to 4000	829	0.36	2932016	0.29
4001 to 5000	705	0.31	3248561	0.32
5001 to 10000	953	0.42	6577513	0.64
10001 and above	829	0.36	974310709	95.17
Grand Total	227976	100.00	1023742600	100.00
Members in Physical Mode	2162	0.95	2761322	0.27
Members in Electronic Mode	225814	99.05	1020981278	99.73
Grand Total	227976	100.00	1023742600	100.00

xii. Categories of members as at March 31, 2021:

Category	No. of Shares Held		Total Shares	% of Shareholding
	Physical	Electronic		
Promoters' holding	0	766534434	766534434	74.88
Mutual Funds	0	65597553	65597553	6.41
Banks, FIs and Insurance Companies	5415	48167067	48172482	4.70
Foreign Institutional Investors / Foreign Portfolio Investor / Foreign Nationals	0	53572144	53572144	5.23
NRIs / OCBs	9450	3229858	3239308	0.32
Other Bodies Corporate	1500	9225849	9227349	0.90
Central and State Government	0	1991562	1991562	0.19
Indian public	2743207	60331283	63074490	6.16
Others	1750	12331528	12333278	1.21
Total	2761322	1020981278	1023742600	100.00

xiii. Top ten members of the Company as on March 31, 2021:

Sr. No.	Name of the member	No. of equity shares held	% of Shareholding
1	Zydus Family Trust	766381434	74.86
2	Life Insurance Corporation of India	32078893	3.13
3	Kotak Flexicap Fund	12500000	1.22
4	Government Pension Fund Global	12113571	1.18
5	UTI Flexi Cap Fund	5037604	0.49
6	Nippon Life India Trustee Ltd-A/C Nippon India Pharma Fund	5000000	0.49
7	ICICI Prudential Value Discovery Fund	4527742	0.44
8	Kotak Emerging Equity Scheme	4406443	0.43
9	Bajaj Allianz Life Insurance Company Ltd.	4359251	0.43
10	Vanguard Emerging Markets Stock Index Fund, A Series Of Vanguard International Equity Index Funds	3477307	0.34
Total		849882245	83.02

xiv. Dematerialization of shares and liquidity:

The Company's equity shares are required to be compulsorily traded on the Stock Exchanges in dematerialized mode. Approximately 99.73% of the equity shares have been dematerialized. ISIN number for dematerialization of the equity shares of the Company is INE010B01027. ISIN for the Commercial Papers issued by the Company is INE010B14186.

xv. Location of the company's manufacturing plants:

The details of the locations of the plants of the Company are mentioned on the inside cover page of the Annual Report.

xvi. Address for correspondence:

Members' correspondence should be addressed to the Company's RTA at the address mentioned above.

Members may also contact the Company Secretary, at the Registered Office of the Company for any assistance.

Mr. Dhaval N. Soni, Company Secretary and Compliance Officer
Telephone: 079-48040000; Ext: 338
Email: investor.grievance@zyduscadila.com;
dhavalsoni@zyduscadila.com

Members holding shares in the electronic mode should address all their correspondence to their respective depository participants.

xvii. Outstanding GDRs / ADRs / Warrants, its conversion date and likely impact on equity:

The Company has not issued any GDRs / ADRs / warrants or any convertible instruments.

xviii. Details of non-compliance:

There was no non-compliance during the year and no penalties were imposed or strictures passed on the Company by any Stock

Exchange, SEBI or any other Statutory Authority. A practicing company secretary has certified the compliance of the conditions of Corporate Governance and annexed the certificate with the Directors' Report and sent the same to all the members of the Company. The certificate shall also be sent to NSE and BSE along with the annual report to be filed by the Company.

xix. Commodity price risk or foreign exchange risk and hedging activities:

The company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. For a detailed discussion on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis Report.

10. NON-MANDATORY REQUIREMENTS OF REGULATION 27(1) AND PART E OF SCHEDULE II OF THE LISTING REGULATIONS:

- i. The Company has a Non-Executive Chairman and is entitled to maintain its office at the Company's expense.
- ii. The quarterly / half yearly results are not sent to the members. However, the same are published in the newspapers and are also posted on the Company's website.
- iii. The Company's financial statements for the Financial Year 2020-2021 do not contain any audit qualification.
- iv. The internal auditors report to the Audit Committee and they make quarterly presentations on their reports.
- v. The auditors' report on financial statements of the Company are with unmodified opinion.