

SUBURBAN DIAGNOSTICS (INDIA) PRIVATE LIMITED

Corporate Identity Number: U85110MH2002PTC136144

Regd. Office: 2nd Floor, Sunshine Building, Opp. Shastri Nagar, Near Lokhandwala Circle, Andheri (West), Mumbai- 400053

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. Preamble

Pursuant to the provisions of Section 135 of the Companies Act, 2013 ("Act") dealing with Corporate Social Responsibility, it is mandatory for the corporate entities falling within the purview of the limits on Net Worth, Turnover or Profitability as prescribed in the said section, to undertake any one or more of the activities as laid down in Schedule VII prescribed under the Act, towards the discharge of their responsibility towards the society in general (the "Corporate Social Responsibility" or briefly "CSR").

The Company came within the purview of Section 135 and therefore constituted a CSR Committee and framed a CSR Policy ("Policy") as elaborated hereunder.

The said Policy has been approved by the Board of Directors as the Corporate Social Responsibility Policy of the Company.

2. Objectives

The Policy shall be read in line with Section 135 of the Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and such other regulations, circulars, and notifications (collectively referred hereinafter as 'Regulations') as may be applicable and as amended from time to time and will, inter alia, provide the following:

- i. Establishing a guideline for compliance with the provisions of Regulations to dedicate a percentage of Company's profits for social projects.
- ii. Ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting.
- iii. Creating opportunities for employees to participate in socially responsible

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initiatives.

3. Definitions

In this Policy unless the context otherwise requires

- i. **'Act'** means Companies Act, 2013.
- ii. **'Corporate Social Responsibility'** means Corporate Social Responsibility as defined in Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.
- iii. **'CSR Committee'** means the committee constituted under the provisions of Section 135 of the Act;
- iv. **'CSR Expenditure'** shall include all expenditure including contribution to projects or programs relating to CSR activities specified in this policy as approved by Board on recommendation of CSR Committee.
- v. **'Net Profit'** means the net profit computed as per Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.
- vi. **'Ongoing Project'** means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.
- vii. **"Company"** means Suburban Diagnostics (India) Private Limited

Please note that meaning/definition of the words/ abbreviations used in this Policy shall have the same meaning respectively assigned to them as defined under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

4. CSR Committee

To effectively coordinate, communicate and oversee the CSR activities of the company, a CSR Committee will be constituted as per the requirement of Companies Act, 2013.

The Corporate Social Responsibility Committee, as constituted under Section 135 of Companies Act, shall, —

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- a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII;
- b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- c) monitor the Corporate Social Responsibility Policy of the company from time to time; and
- d) The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of CSR Rules (as amended from time to time) its CSR policy, which shall include the following, namely: -
 - the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - the manner of execution of such projects or programmes as specified in sub-rule (1) of Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014;
 - the modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - monitoring and reporting mechanism for the projects or programmes; and
 - details of need and impact assessment, if any, for the projects undertaken by the Company.

The Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

5. CSR Strategy and Activities

The Company proposes to conduct the CSR activities on its own or through any other eligible Trust or through its Holding Company's Trust viz; Dr. Lal PathLabs Welfare Trust which shall undertake activities for the benefit of the society and community in which the Company operates.

The CSR initiatives shall include the following activities within the overall ambit of

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Schedule VII to the Act, which may be enlarged from time to time as decided by the CSR Committee.

- i. **Vocational Education Programs** in the Paramedics / healthcare delivery i.e. Diploma in Medical Laboratory Technology (DMLT), Phlebotomist, Technicians Training and such other similar vocational courses. These programs shall be conducted by the Trust free of cost or at subsidized rates and could be enabled with support and certifications from accredited bodies. Initially the Trust shall undertake to provide certification programs for Phlebotomists and DMLT certification. Concessions for women students, Persons with Disability (PwD) and economically weaker may also be considered on merit.
- ii. **Promoting access to Healthcare** including awareness programs, for the general community for healthier and hygienic living, organizing various health camps, screening camps to identify or detection of cancer, lifestyle related diseases including diabetes, heart, other non-communicable diseases and to support on healthy life management. Sensitization and awareness generation of the public health workers including frontline governments health service delivery staff to support to the community to improve the overall health status, indicators and management.
- iii. **Supporting to any particular or various Public Health** issues / pandemic / disaster which is required for the safe and healthy human lives and / or any such other need / emergencies identified by the central or state governments to save / improve lives of the community.
- iv. **Upliftment of Community** through supporting projects for natural resource conservation, waste management, water management, providing safe drinking water, sanitation, vocational training and other such projects for the upliftment of community.
- v. **Drive Environmental Sustainability** through plantation drives, protection of flora and fauna, promoting bio diversity, animal welfare and veterinary services, promoting alternative sources of energy and similar projects.
- vi. **Contribution of funds** to Technology Incubators located within academic institutions which are approved by the Central Government for the development of diagnostics tests. Also contribute towards similar initiatives for development of medical research.

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- vii. **Promoting Programs for empowering women** marginalised and / or weaker section of the society including women and persons with disability (PwD) for overall development including specific vocational training and support to various welfare projects.
- viii. **Welfare of armed forces** veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.
- ix. **Contribution to the Prime Minister's National Relief Fund** or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities women and underserved, marginalized or weaker section of the society;
- x. Such other activities or programs as or may be specified in Schedule VII to the Act.

6. CSR Funds

The Corpus for the purpose of carrying on the aforesaid activities shall include the following:

- i. Atleast 2% of the average Net Profits made by the Company for the three immediately preceding financial years shall be contributed in tranches by the Company to fund the activities of the Trust.
- ii. Any income or surplus arising from the CSR projects or programs shall be used by the Company or the Trust for its CSR activities as per Annual Action CSR Plan of the Company or as per the direction given by the Board as the case may be and such surplus shall not form parts of the business profits of the Company.
- iii. Any income from the surplus funds of the Company or the Trust.
- iv. The Board may during any financial year, approve to undertake CSR expenditure beyond the CSR obligation for that particular financial year. Such excess CSR spend may be carried forward for setting-off against the CSR obligation of the Company for next three consecutive financial year.

7. Implementation Process

- i. The Board on recommendation of the CSR Committee shall approve an Annual Action Plan every financial year, for the purpose of carrying the CSR projects or activities during a financial year.
- ii. The Company will carry its CSR projects or activities by itself or through a Trust established for the said purpose. Where for any reasons, the CSR projects or activities are required to be implemented through some entity under the Trust, then it shall be made sure that the entity is eligible to undertake and implement the same under the Act read with Rules.
- iii. The operations of Trust shall be overseen by its Trustees.
- iv. The Trust may be resourced with suitably qualified individuals for the purpose of running its operations. Such individuals may be deputed from the Company itself or outsourced.
- v. 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.
- vi. While the CSR activities shall be undertaken internally by the Trust, we also recognize that some projects may need to be undertaken in collaboration and partnerships with other suitable specialist agencies. In such cases, we may undertake some activities in partnerships with such approved agencies or NGOs, which are eligible to carry out CSR activities under the provisions of the Act. We may also collaborate or pool resources with other companies to undertake aforesaid CSR activities as may be approved by the CSR Committee.
- vii. In case the Company's CSR expenditure obligation is ten crore rupees or more, in the three immediately preceding financial years, the Company shall mandatorily undertake impact assessment, through an independent agency, of their CSR projects or activities having outlays of one crore rupees or more,

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and which have been completed not less than one year before undertaking the impact study. The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR. Further, the Board on the recommendation of the CSR Committee shall appoint the impact assessment agency. Any expenditure incurred on impact assessment may also be booked towards Corporate Social Responsibility for that financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.

- viii. If during any financial year, the Company is not able to meet its CSR obligation, then the unspent amount shall be treated in the manner prescribed in the Act read with Rules.
- ix. In case of an Ongoing Project, the Board shall lay down the following:
 - a) Estimated budget outlay on CSR project or programme during the course of its implementation;
 - b) Estimated budget outlay during every financial year; and
 - c) Manner of implementation.

8. Monitoring and Evaluation

- i. The activities under CSR Policy shall be done by the CSR Committee in comparison to the Plan of Action.
- ii. To ensure effective implementation of the CSR programs undertaken by the Trust, the CSR Committee shall put in place a monitoring mechanism.
- iii. Release of funds after commencement of a project shall be linked to and achievement of results against predetermined milestones.
- iv. The report on progress of the CSR Program(s) undertaken by the Trust shall be informed to the CSR Committee on a periodical basis.
- v. Appropriate documentation of the Company's CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis.

The CSR Committee shall be informed in case of any exceptions in following the above principles.

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- vi. In case progress of CSR Projects is not as per target on three consecutive milestones, the project will be re-evaluated by the CSR committee based on recommendations of the CSR Department. If based on re-evaluation, the CSR Committee finds that the project is not sustainable or needs modification, it will send its recommendation to the Board for necessary approval.
- vii. CFO or the person responsible for financial management shall certify to the Board at the end of the every financial year, that CSR funds disbursed have been utilized for the purposes and in the manner as approved by the Board.

9. Overall Improvement in functioning and discharge of CSR

The Committee shall from time to time explore ways and means whereby improvements that need to be brought about towards the discharge of CSR are identified and steps taken to ensure that measures necessary to effectuate the areas of improvement so identified are taken in the right earnest.

10. Disclosure

The Board's report, being a part of the Annual Report shall disclose the composition of the Corporate Social Responsibility Committee, CSR Policy and CSR activities undertaken and expenditure details in Annual CSR Report of the Company.

11. Amendments to the Policy

The Board of Directors of the Company may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace this policy entirely with a new policy. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force. In case any provision(s) of this policy is contrary to or inconsistent with the provisions of the Act, Rules framed thereunder and CSR Rules etc. ("Statutory Provisions"), the Statutory Provisions shall prevail. Further, amendments in the Statutory Provisions shall be binding even if not incorporated in this Policy.