

LAB MEDICA SYSTEMS PRIVATE LIMITED

(CIN: U33110GJ2012PTC071032)

CORPORATE SOCIAL RESPONSIBILITY POLICY (“CSR Policy”)

(Adopted by the Board of Directors on June 15, 2023)

With the enactment of the Companies Act, 2013, the mandate for CSR has been formally introduced to the dashboard of the Boards of Indian companies. In accordance with the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (“CSR Regulations”), the Company has constituted a Corporate Social Responsibility Committee of the Company (“**CSR Committee**”).

We at **Lab Medica Systems Private Limited** (**LMSPL** or **Company**) are well aware of its Corporate Social Responsibility and constantly making efforts to contribute in this field. LMSPL is endeavoring to fulfill the aspiration of the society through contribution to the CSR activities.

1. Objectives

The objective of this Policy is to promote CSR activities in order to have a sustainable development for the society and lay down guidelines for the Company to establish a framework for ensuring compliance with the provisions of the Companies Act and rules made thereunder (“CSR Regulations”)

2. CSR Activities

LMSPL understand the importance of CSR activities and recognize that it is not merely compliance but a commitment to fulfill the aspiration of the society through contribution to the CSR activities.

- a) The Company will undertake one or more of following activities as notified under the CSR Regulations:
 - i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
 - ii. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
 - iii. 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.
 - iv. 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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
 - v. 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 art and handicrafts.

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- vi. measures for the benefit 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.
 - vii. training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports.
 - viii. 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 and women.
 - ix. (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).]
 - x. rural development projects.
 - xi. slum area development.
Explanation.- For the purposes of this item, the term `slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.
 - xii. disaster management, including relief, rehabilitation and reconstruction activities.
- b) The CSR activities shall be undertaken by the Company as projects, programs or activities (either new or ongoing) excluding activities undertaken in pursuance of the normal course of business of the Company.
- c) The Company may also collaborate with other companies for undertaking projects or programs or CSR activities.
- d) The CSR projects or programs or activities undertaken in India only shall amount to CSR Expenditure.
- e) The CSR projects or programs or activities that benefit only the employees of the Company and their families shall not be considered as CSR activities under this CSR Policy.

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- f) The Company may build CSR capacities of their own personnel as well as those of its Implementing agencies through Institutions with established track records of atleast three financial years but such expenditure shall not exceed five percent of total CSR expenditure of the company in one financial year.
- g) Contribution of any amount directly or indirectly to any political party under section 182 of the Companies Act 2013 shall not be considered as CSR activities.

3. Budget & Funding

For achieving the CSR objectives and in accordance with CSR Regulations, the Company will make an annual budget and, on yearly basis, allocate atleast 2% of the average net profits of the Company made during the three immediately preceding financial years for the CSR activities. The average net profits for this purpose shall be computed in accordance with the provisions of CSR Regulations.

The Company will ensure that the annual CSR allocation is fully utilized in the respective year. However, if the Company is not able to spend such amount due to some reasons, the Board shall, in its report made under Section 134 of the Companies Act, 2013, mention the reason for the same.

4. Role of CSR Committee

- a) The CSR Committee will formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in CSR Regulations;
- b) The CSR Committee will recommend the amount of expenditure to be incurred on the activities as specified in this policy;
- c) The CSR Committee will monitor the Corporate Social Responsibility Policy of the company from time to time.
- d) The CSR Committee will Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.

5. Implementation Strategy for CSR projects / Activities

All projects or programmes or activities under this CSR Policy shall be approved by CSR Committee before they are put up for consideration of the Board. The Board may decide to implement the CSR activities by any of the following modes:

- a) Directly on its own or through its own non-profit making registered trust / registered society / company incorporated under Section 8 of the Companies Act, 2013 or collaborating or pooling their resources through other companies, or
- b) By making grants to an independent implementation partner who shall be a reputed non-profit making registered trust / registered society / company incorporated under Section 8 of the Companies Act, 2013 or Section 25 of

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the Companies Act, 1956, having a track record of atleast three years or such number of years, as may be prescribed from time to time in this regard, in undertaking similar programs / projects / activities (Independent Implementation Partner),

6. Review and Reporting

The CSR Committee will review from time to time and submit the report of the development of the CSR activities of the Company to the Board.

The Company will report, in the Annual Report on CSR Activities in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 or in such other format as may be prescribed from time to time, the details of the CSR initiatives and activities of the Company in the Board Report, as required under the CSR Regulations.

7. General

- a) The competent authority to take decision on sanctioning works / allocation of funds for CSR and appointing authorized agencies for implementing projects / activities shall be as authorized by the Board or CSR Committee of the Company.
- b) If it is observed that any CSR activity taken up for implementation is found not properly implemented, the CSR Committee may, at its discretion, discontinue funding the project at any time during the course of implementation.
- c) The Board on its own and /or as per the recommendations of the CSR Committee can amend or modify this CSR Policy, as and when required as deemed fit. Any or all provisions of the CSR Policy would be subject to revision / amendment in accordance with the applicable laws / regulations on the subject as may be issued by the relevant statutory authorities, from time to time.
