



**Corporate Social Responsibility Policy**  
**SRL Limited**

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## BACKGROUND

SRL Limited (hereinafter referred as “SRL”/”Company”) is a diagnostic services company.

SRL Limited (*formerly known as Super Religare Laboratories Limited*), established in 1995 is a leading player in the organized diagnostics market in India. Within 19 years from inception, SRL has been imbued with a mission to deliver Gold Standard Diagnostic services, both in the field of Laboratory Medicine and Imaging services. SRL has a network of Reference Laboratories, Centres of Excellence, Network Laboratories (comprising Lab Medicine and Imaging Laboratories), Collection Centres and Wellness Centres. SRL is engaged in conducting and providing large range of Lab Medicine and Imaging tests throughout India from multi specialty laboratories situated in various parts of the country. SRL is running its laboratories through well trained and highly qualified staff and has deployed latest machinery, gadgets and computer software for conducting clinical tests, in order to maintain a high level of quality.

SRL has a presence across over 460 cities/towns in India, with 271 laboratories which include 142 Owned Labs (includes 14 Wellness Centres which are in addition to Standalone Wellness Centres), 35 Franchisee Labs, 27 Fortis Hospital based labs, 60 other Hospital Labs, 4 Standalone Wellness Centres, 03 International Labs; and above 5000 Collection points as on September 30, 2014.

SRL has 4 Centres of Excellence focused on Histopathology, Hematology, Molecular Biology and Cytogenetics. These centres are equipped with high quality equipment and manned by experienced and skilled physicians and medical technologists, including histopathologists, clinical pathologists and radiologists.

SRL is the only diagnostics network in India to have 12 Reference Laboratories. SRL has the most Accredited Network – 31 Labs are accredited by NABL, and 4 Labs are accredited by CAP, USA.

Further in providing guidance on its conduct, the Company has chosen to articulate the following, amongst others, principles under its Code of Conduct–

- Conduct our operations in an honest and fair manner with integrity and openness
- Respect human rights, dignity and legitimate interests of all individuals directly and indirectly associated with us
- Provide a safe, healthy work and business environment to all persons directly and indirectly associated with us
- At all times ensure conduct, which sustains, enhances the global reputation and image of the organization

In the context of the above and in order to bring clarity to its position vis-à-vis social activities, the company now wishes to formally communicate its position as a member of the community and establish for both internal and external stakeholders, its philosophy, guiding principles and areas of focus that it would as an organization seek to promote in the arena of Corporate Social Responsibility (CSR).

***This document is in keeping with the current maturity of the organization and is expected to evolve with the growth of the organization, dynamic needs of society and the community in which the company operates.***

This policy is a forward-looking aspirational document, which establishes the parameters and foundation upon which the Corporate Social Responsibility initiatives would be built:

- a. under the leadership and direction of the Company's Board
- b. with active participation of its senior leadership and all employees and
- c. in partnership under a spirit of "togetherness" with any such partner who shares a common vision and objective of making a positive impact on society, and wishing to leave this world and humanity in a better place than the one we inherited.

## PHILOSOPHY

SRL believes and strives towards a healthier humanity.

SRL believes in sustainable development, growing our business in a socially and environmentally responsible way, while meeting the legitimate interests of our stakeholders.

SRL believes it, along with all its employee members, is an important participant of society and as such has an obligation to participate and drive social change not only in the areas of its competence but also in such which impact its existence and sustainability.

SRL believes in taking an active role and responsibility in empowering communities in which it operates through social development initiatives which drive positive change and support its objective in improving and sustaining the health and wellbeing of humanity.

SRL's corporate social responsibility aims at being linked to sustainable development; economic, social and environmental requirements of society as a whole and of future generations.

## OBJECTIVE

As a diagnostic service provider, SRL through this Policy and its initiatives under CSR aims at:

- Creating and driving positive impact and outcomes in social development
- Working to increase expertise and advances in healthcare capacity building to serve society and the community it operates in and through their help improve the health and quality of life.

- Sustainable investment towards fulfilling its obligations as a member of society and enhancing its relationships with all its stakeholders and communities including its employees
- Fulfilling its social responsibilities alongside its normal business activities

As stated earlier our policies and objectives will evolve, and over time harmonize our long term and short term goals in CSR. Our ultimate goal is to wholesomely and positively impact the communities we are associated with irrespective of linkage to our core operating areas of healthcare delivery. In the short term and consistent with that view we propose to utilize and leverage our competencies and work in areas associated with healthcare.

## APPLICABILITY

This policy is applicable to SRL and all its subsidiaries whether falling under the Section 135 of the Act or not.

In an effort to maximize the impact of Corporate Social Responsibility activities as undertaken under the present policy, it is the stated intention to align such programs of group companies either by designating the Fortis identified vehicle as their special designated vehicle/s for corporate social responsibility or by having them contribute and participate in the established programs.

It is also the stated intention of SRL to align and partner with external partners in the true spirit of “togetherness” to maximize the impact and contribution to social development and change. In that regard while this Policy may provide a foundation and context for such alignments, the scope of this Policy is not meant to restrict opportunities for any such alliance which can be structured to meet the needs of the partner and its objectives.

## LEGISLATION

While this Policy is the stated position of the Company in the area of Corporate Social Responsibility and finds its independent justification under the Philosophy and business objectives of the organization, it also has linkage to the regulatory requirements as prescribed under the Companies Act, 2013 and Rules established thereunder.

In that context the Corporate Social Responsibility Policy is aligned and subject to the following legislations and rules established thereunder:

1. Section 135 of the Companies Act, 2013;
2. Companies (CSR Policy) Rules 2014;
3. Schedule – VII of the Companies Act, 2013; and

4. General circulars as issued by the Ministry of Corporate Affairs from time to time, including:
  - ⇒ *Circular dated June 18, 2014, issued by Ministry of Corporate Affairs*
  - ⇒ *General Circular September 17, 2014 issued by Ministry of Corporate Affairs*

## DEFINITION

1. "Act" means the Companies Act, 2013;
2. "Average Net Profit" means the profit calculated in accordance with the provisions of Section 198 of the Act.
3. "Company" means SRL Limited.
4. "CSR Committee" means the Committee as constituted by the Board of Directors of the Company in compliance with Section 135 of the Act and rules made thereunder;
5. "Net profit" means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely:-
  - i) any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise; and
  - ii) any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act:

Provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956, shall not be required to be re-calculated in accordance with the provisions of the Act.

6. "Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
7. "Rules" mean the Companies (Corporate Social Responsibility Policy) Rules, 2014.
8. "Turnover" means the aggregate value of the realization of amount made from the sale, supply or distribution of goods or on account of services rendered, or both, by the Company during a financial year.

Words and expressions used and not defined hereinabove but defined the Act and / or Rules shall have the same meanings respective assigned to them in the Act and / or Rules, as the case may be.

## POLICY STATEMENT

As a responsible company, saving and enriching lives, improving and managing the health of its customers and serving the community all converge to define the purpose of SRL's core business.

Drawing from its vision and mission statement, through CSR SRL seeks to proactively engage with society by working with communities to improve their well-being in a compassionate and sensitive manner. SRL seeks to bring focus to community welfare in Healthcare.

Within this overarching Policy, the company will implement its Corporate Social Responsibility initiatives, under the following principles:

- Adopt improving the health of its communities as the overarching arena under which it will focus its CSR efforts.
- Develop programs under the above guidance which could include running of standalone service facilities which work towards providing or improving the health and wellbeing of their communities.
- In addition in alignment with its parent company FHL, bring attention and focus to “Mother & Child” as an area of focus for CSR intervention.
- The initiatives will be targeted to the needs of the “disadvantaged, vulnerable and marginalized<sup>1</sup>” sections of society.
- Efficiency, sustainability and relevance will be driving principles of all programmes.
- Inclusive and collaborative participation (internal and external) would form the base of all CSR initiatives and programs. Includes the creation of employee engagement opportunities to support, encourage and embed social consciousness and develop a feel good factor in their professional life.
- Build and leverage partnerships with likeminded Individuals, Corporates and Institutions for achieving positive change.

## ORGANISATION

The composite CSR work, defined under the Framework of this Policy, may be done through:

1. Fortis CSR Foundation - a Section 8 Company;

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<sup>1</sup> National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business (MCA July 2011) Guiding Principle 4.

2. Point of Care Delivery Locations including Fortis Hospitals, Clinics and other establishments of the Company; and/or
3. SRL Foundation in the Long Run.

Cumulatively the objective would be to ensure compliance with Section 135 of the Companies Act 2013. Besides the same and to specifically clarify, the Company either by itself or in partnership with holding company and/or others may initiate or continue to pursue such other social improvement initiatives whether listed under Schedule VII of the Act or not.

## PROGRAMMES

Areas of intervention under “*Mother & Child*”:

*(to concentrate CSR efforts on only 2-3 areas as would be decided by the CSR Committee)*

S.No.	Programmes	Applicability (under Schedule VII of the Companies Act 2013)
1.	<b>Nutrition</b>	<ul style="list-style-type: none"> <li>• Malnutrition</li> <li>• Promoting preventive healthcare</li> <li>• Promoting education</li> <li>• Rural development projects</li> </ul>
2.	<b>Disability</b>	<ul style="list-style-type: none"> <li>• Special Education</li> <li>• Employment enhancing Vocational skills</li> <li>• Preventive Healthcare</li> <li>• Armed Force Veterans</li> </ul>
3.	<b>Adolescent Education</b>	<ul style="list-style-type: none"> <li>• Promoting preventive healthcare</li> <li>• Promoting gender equality</li> <li>• Empowering women</li> <li>• Promoting education</li> <li>• Rural development projects</li> </ul>
4.	<b>Creating Awareness and Disbursement of Information (important MCH health concerns)</b>	<ul style="list-style-type: none"> <li>• Promoting preventive healthcare</li> <li>• Making available safe drinking Water</li> <li>• Promoting sanitation</li> <li>• Rural development projects</li> </ul>
5.	<b>Domestic Violence</b>	<ul style="list-style-type: none"> <li>• Empowering women</li> <li>• Measures for reducing inequalities faced by socially and economically backward groups</li> <li>• Setting up homes and hostels for women and orphans</li> </ul>
6.	<b>Capacity Building in the arena of Health</b>	<ul style="list-style-type: none"> <li>• Employment enhancing Vocational skills</li> <li>• Livelihood enhancement</li> <li>• Empowering women</li> <li>• Promoting preventive healthcare</li> <li>• For armed forces veterans, war widows and their dependents</li> <li>• Rural development projects</li> </ul>



The above list is illustrative and not exhaustive - CSR Committee is authorized to consider activities that may or may not fall in this list and also consider the activities which may be specified by the Ministry of Corporate Affairs from time to time under Schedule VII of the Act in exercise of its power under Section 135 of the Act. All activities under the CSR activities will be environment friendly and socially acceptable.

## ROLES & RESPONSIBILITIES

Operational responsibility to the Corporate Social Responsibility Programs resides with the Fortis Healthcare Limited (i.e Holding Company of SRL), championed and lead by the CSR Lead.

Others listed below are expected to give their full co-operation in ensuring that the company implements the approved annual plans, complies with any relevant change in legislation, meets new CSR requirements and identify areas in need of improvement.

### A. SRL Board

- Constitution of the CSR Committee;
- Approval of the CSR Policy considering recommendations of CSR Committee; and
- Ensure that the activities as included in CSR Policy are undertaken by the Company
- Support the CSR Policy implementation by giving it visibility under adequate, timely and impactful communication

### B. CSR Committee

- Formulation and recommendation to the Board, of a Corporate Social Responsibility Policy;
- Recommendation of CSR activities / programs to be undertaken by the Company under the Policy; reviewing and approving the annual budget thereon; and
- Monitoring the execution and adherence to the CSR Policy and annual plans on a continues basis; and
- Institutionalizing a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the company.

### C. SRL Management

- Recommend the Annual Operating Plan (AOP);
- Propose the annual budgets (long term and short term);
- Report to CSR Committee as per the approved schedule; and
- Create CSR reports to be presented to the Board.

### D. CSR Lead

- Formulate and propose the strategy for Corporate Social Responsibility activities as per the company's philosophy (in alignment with statute) and otherwise;

- Design and propose CSR Programs
- Design and propose the structure to the support Fortis CSR Foundation
- Ensure execution of Corporate Social Responsibility projects/programs as per the approved plan;
- Identify, build and leverage external partnerships towards common objectives in the arena of CSR
- Liaison with eligible agencies for smooth implementation of initiatives; and
- Supervise and manage the CSR teams and inter-dependencies in the area of CSR
- Report progress to Management and the CSR Committee
- Create project application and reporting formats.
- Create visibility of the policy and implemented initiatives

## SOURCE OF SUPPORT

### Financial Support:

- Allocation of budget on annual basis by the company
- Contributions from the employees and stakeholders
- Corpus contribution by the company
- External contribution from partners and stakeholders

### Personnel Support

- Fortis and/or SRL employees as volunteers
- Other like-minded corporates aiming to create a positive difference in the society

## MONITORING

1. Corporate social responsibility activities will be monitored by the CSR Committee under an organizational structure created and approved by it for Fortis CSR Foundation.
2. Fortis CSR Foundation, supported by a third Party Eligible Agency / Entity where required, will prepare and submit quarterly report(s) to the CSR Committee highlighting the outlays and outcomes of the programs/projects in specific details for review by the CSR Committee.
3. Every six months the Board of Directors of the Company will review the reports of CSR Committee of the Company on implementation of CSR programs / projects.
4. The CSR Committee will evaluate, review, approve and monitor CSR projects on a Cost Benefit and Impact Analysis. The proposal would include details to the amount of financial involvement, indirect costs impact, detailed project report and plan.
5. External help for the development and execution of such programs may be sought per scale and need determined by the CSR Lead.

Apart from abovementioned reports, the Fortis CSR Foundation/ Third Party Eligible Agency/ Entity will also submit the following to CSR Committee on regular intervals:

- a. A Feasibility and Impact Assessment of continuing a particular program implemented through an external agency or via the internal CSR delivery vehicle; and
- c. Quarterly & annual report(s) to CSR Committee highlighting the outcomes and challenges of the program/projects in specific detail along with a financial report.
- d. Utilization certificate with statement of expenditure duly certified by a Chartered Accountant will be submitted by the such organization(s) / agency(ies); and
- e. Confirmation to compliance to other legal and statutory requirements as necessary

## REPORTING / DISCLOSURE

Apart from the reporting requirement as mentioned hereinabove in the Policy, following regulatory disclosure requirements also need to be complied in relation to CSR activities of the Company.

- Composition of the CSR Committee shall be disclosed in the Board Report;
- The Board Report shall include an annual report on CSR activities in prescribed format (by MCA) containing specified particulars i.e. Brief Outline of CSR Policy, its content the Average Net Profit for the last 3 FYs and the prescribed CSR Expenditures etc.;
- If the company fails to spend the prescribed amount, the Board shall, in its report specify the reasons for not spending the amount; and
- The content of Corporate Social Responsibility (CSR) Policy shall be displayed on the company's website, if any
- A comprehensive annual CSR Report detailing the initiatives with relevant annexures and photographs along with account statement (all inclusive) shall be created and communicated for internal company records.

## REPORTING FORMATS & TEMPLATES

Format of Reporting for Directors' Report: As per **Annexure – 1**

**FORMAT****ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT**

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.
2. The Composition of the CSR Committee.
3. Average net profit of the company for last three financial years
4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)
5. Details of CSR spent during the financial year.
  - a. Total amount to be spent for the financial year;
  - b. Amount unspent, if any;
  - c. Manner in which the amount spent during the financial year is detailed below

S.No.	CSR project or activity identified	Sector in which the project is covered	Projects or programme: (i) Local area or other (ii) Specify the state or district where the projects or programmes was undertaken	Amount outlay (Budget) project or programme wise	Amount spent on project or programs: Sub head: 1. Direct expenditure on project or programme; 2. Overheads	Cumulative expenditure up to the date of reporting	Amount spent: Direct or through implementing agencies*
1							
2							
3							
Total							

*\*Give details of implementing agencies.*

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.