

# SECRETARIAL AUDIT REPORT

## OF SUBURBAN DIAGNOSTICS (INDIA) PRIVATE LIMITED

### FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to section 204 (1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Suburban Diagnostics (India) Private Limited  
2<sup>nd</sup> floor, Sunshine Building, Opp. Shastri Nagar,  
Near Lokhandwala Circle, Andheri (West),  
Mumbai- 400053, Maharashtra

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Suburban Diagnostics (India) Private Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

#### Unmodified Opinion

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit

period covering the financial year ended on March 31, 2022 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (**Overseas Direct Investment and External Commercial Borrowings are Not Applicable to the Company during the Audit period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (**Not applicable to the Company during the Audit period**)
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (**Not applicable to the Company during the Audit period**)
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (**Not applicable to the Company during the Audit period**)

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the Audit period)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the Audit period)**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the Audit period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit period)**

We have also examined compliance with the applicable clause of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(Not Applicable to the Company during the Audit period)**

During the Audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc. mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test- check basis, the Company has complied with the following laws applicable specifically to the Company:

- The Clinical Establishments (Registration and Regulation) Act, 2010 and rules made thereunder;

- The Preconception and Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 1994 and rules made thereunder;
- The Atomic Energy Act 1962 and rules made there under; and
- Bio Medical Waste (Management and Handling) Rules, 1988 framed under Environment (Protection) Act, 1986.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Directors. The composition of the Board of Directors during the audit period was in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period

1. The Company's 100% Stake has been acquired by M/s. Dr. Lal PathLabs Limited by entering into Securities purchase agreement on November 12, 2021.
2. The Company had passed the following resolutions in Extra Ordinary General Meeting held on November 12, 2021:
  - Increased its Authorised share capital from ₹ 14,94,27,100/- to ₹ 16,09,39,750/- by creating additional 11,51,265 Equity Shares of ₹ 10/- (Rupees Ten) each, consequently altered its Memorandum of Association.
  - Adopted new set of Article of Association by passing special resolution in the said Meeting.

- Amended the Employee Stock Option Scheme, 2013 stating that Company may grant loan to employees for exercising options granted to them.
- The Company has converted its 11,51,265 Compulsorily Convertible Preference Shares into Equity shares of ₹ 10 each.
  - The Company has allotted 53,214 equity shares pursuant to Employee Stock Option Plan 2013.

Further, in one of the instances, there is difference of interpretation between Company's and our view w.r.t. minimum shareholder/member requirement

in Private Company which is a subsidiary of public company, for which company has obtained third party Report/Opinion and we have relied on the same.

**For MMJB & Associates LLP**  
**Practicing Company Secretaries**

**Omkar Dindorkar**  
**Designated Partner**  
**ACS No.: A43029**  
**CP No: 24580**  
**P.R. No: 904/2020**  
**UDIN: A043029D000303498**

**Place:** Mumbai  
**Date:** May 11, 2022

This report is to be read with our letter of even date which is annexed as **Annexure A'** and forms an integral part of this report.

## Annexure A

To,  
The Members,  
Suburban Diagnostics (India) Private Limited  
2<sup>nd</sup> floor, Sunshine Building,  
Opp. Shastri Nagar, Near Lokhandwala Circle,  
Andheri (West), Mumbai- 400053

Our report of even date is to be read along with this letter.

- Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For MMJB & Associates LLP**  
**Practicing Company Secretaries**

**Place:** Mumbai  
**Date:** May 11, 2022

**Omkar Dindorkar**  
**Designated Partner**  
**ACS No.: A43029**  
**CP No: 24580**  
**P.R. No: 904/2020**  
**UDIN: A043029D000303498**