



Krsnada
DIAGNOSTICS®

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Annual Report
For FY 2019-20



DIRECTORS REPORT

To,
The Members,

Your Directors are pleased to present the Company's 10th Annual Report on the business and operation of the Company together with the Audited Statements of Accounts of the Company for the year ended on 31st March, 2020.

1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY:

During the year under review, performance of your company as under:

(Rs. in Lakhs)

Particulars	2019-20 Current Year	2018-19 Previous Year
Gross Revenue from Operations	25842.68	20923.49
Other Income	1028.61	231.30
Total Income	26871.29	21154.79
Total Expenses	25130.88	19150.63
EBITDA	7456.89	6208.58
Net Profit Before Tax	1762.41	2063.90
Tax expenses for current year	(515.03)	(817.38)
Net Profit After Tax	1247.37	1246.52

2. DIVIDEND

With the view to conserve the resources of the company, the directors are not recommending any Dividend on equity shares for the current financial year.

3. TRANSFER TO RESERVES

Your directors do not propose to transfer funds to General Reserve.

4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).



5. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:

The gross operational revenue for the Financial Year 2019-20, that the Company has achieved, is of Rs. 25842.68 Lakhs as against Rs. 20923.49 Lakhs for Financial year 2018-19, showing a robust growth of 23.51 %. EBIDTA has increased by 20.11% from Rs. 6208.58 Lakhs in Financial year 2018-19 to Rs. 7456.89 Lakhs in Financial year 2019-20. Net Profit for the financial year 2019-20, is Rs. 1247.37 Lakhs.

We are pleased to inform you that the company has robust pipeline of projects which will further augment revenue and increase growth and will help company to maintain the momentum of growth of the revenue as well as profitability of the Company in next year. There was no change in the nature of business of the Company.

India's US\$9bn diagnostic testing industry has been one of the bright spots in the country's healthcare landscape over the past five years as consumers have turned to diagnostic centers for CT Scans, MRI Scans, Blood testing etc. It is expected that Diagnostics Industry will grow 11% per annum by volume in next 4-5 years, however your company is expecting faster growth than the Industry growth in line with its past performance.

Covid-19 developments

Emergence of Covid-19 Towards the end of the financial year, the World Health Organisation (WHO) declared Covid-19 a pandemic and the outbreak, which infected millions, has resulted in deaths of a significant number of people globally. Covid-19 is seen having an unprecedented impact on people and economies worldwide. The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business. The Company is working towards being resilient in order to sail through the current situation. It is focussed on controlling the fixed costs, maintaining liquidity and closely monitoring the supply chain to ensure that the Diagnostic facilities operate smoothly. The Ministry of Home Affairs, Government of India on March 24, 2020 notified the first ever nationwide lockdown in India to contain the outbreak of Covid-19 pandemic. The operations were disrupted at certain branches of the Company, as a result of which company lost the some marginal revenue. In order to support the Central and State Governments and the community at large, the Company has donated Ventilators and N95 face masks etc. Your Company has supported the initiatives of various Central and State Government agencies and has also started Covid testing Lab on wheels. The Company operates its business in conformity with the highest ethical and moral standards and employee centricity. In view of the outbreak of the pandemic, the Company undertook timely and essential measures to ensure the safety and well-being of its employees at all its locations, various branch offices and the head office. The office based employees were allowed to work from home by providing adequate digital and other assistance. The Company observed all the government advisories and guidelines thoroughly and in good faith.

The management is well aware of the fact that the current business environment may pose challenges in the near term, but it also provides opportunities in the short, medium, and long term.

6. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT.



No other material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate on the date of this report.

7. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION: -

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	The Company has taken all the possible measures to conserve the energy and utilizing available alternate sources of energy.
(ii)	the steps taken by the company for utilizing alternate sources of energy	NIL
(iii)	the capital investment on energy conservation equipment's	NIL

(b) Technology absorption

(i)	the efforts made towards technology absorption	N.A.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	N.A.
	(a) the details of technology imported	
	(b) the year of import;	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	There is no expenditure made on Research and Development during the Financial Year

8. FOREIGN EXCHANGE EARNINGS / OUTGO:

During the year, there were no foreign exchange earnings and outgo.

9. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES



The company does not have any Subsidiaries, Joint Ventures and Associate Companies during the year under review.

10. PUBLIC DEPOSITS

The Company has not accepted any deposits from the public and accordingly no amount was outstanding as on the date of the Balance Sheet.

The Company has obtained unsecured short term loan from its directors of Rs. 2,12,26,935/- during the year under review. Out of which Rs. 77,88,739/- has been repaid. Necessary disclosure has been given in the Notes to accounts in the Audited Financial Statement.

11. EXTRACT OF THE ANNUAL RETURN

As required under Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return in Form No. MGT 9, as at the financial year ended 31st March 2020, is given in **Annexure A**, which forms part of this Board Report.

12. NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met 3 times during the financial year 2019-2020 and intervening gap between any two board meetings was within the period prescribed under the Companies Act, 2013.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided with this report.

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Particulars of contracts or arrangements with related parties referred to Section 188 of the Companies Act, 2013, in the prescribed form **AOC – 2** is appended as **Annexure B** to the Board's Report.

15. (A) EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS:

There are no qualifications, reservations or adverse remarks made by the Auditors in their report.

(B) EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY PRACTICING COMPANY SECRETARY IN THEIR REPORTS

The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

16. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES



Pursuant to the terms and conditions of the Restated Shareholders Agreement 3 Directors (Whole time Director) can be nominated by the Promoters and one director can be nominated by each Investor. Accordingly, total 6 directors constitute the Board. Remuneration of the Directors will be decided by the Board of directors on the recommendation of Nomination and Remuneration committee.

17. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

(e) the company being unlisted, sub clause (e) of section 134(5) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the company; and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that each system was adequate and operating effectively.

18. DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) DIRECTORS

The Present Directors of the Company are as follows:

Sr. No.	Name of the Director	Designation
1	Mr. Rajendra Mutha	Chairman & Director
2	Ms. Pallavi Bhatevara	Managing Director
3	Mr. Sachin Kamath	Nominee Director
4	Mr. Mayur Sirdesai	Nominee Director
5	Mr. Yash Mutha	Wholetime Director
6	Mr. Narayanan Balasubramnyam	Nominee Director



Mr. Rajendra Mutha is the first director of the Company. None of the Directors are liable to retire by rotation.

B) KEY MANAGERIAL PERSONNEL

The Company is not required to appoint any Whole Time Key Managerial Personnel as the Company is a Private Limited Company according to the Section 203 read with its Rule 8 as per the provisions of Section 203 of The Companies Act, 2013.

During the year under review, pursuant to the Section 203 of Companies Act 2013 read with Rule 8A (Appointment and remuneration of Key Managerial Personnel) Rules 2014, the Company had appointed CS Manisha Prakash Chitgopekar in place of CS Neha Vijay Jangada as Company Secretary of the Company, with effect from 1st April, 2019.

19. DECLARATION OF INDEPENDENT DIRECTORS

The provisions of Section 149 for appointment of Independent Directors do not apply to the company.

20. ADEQUACY OF INTERNAL FINANCIAL CONTROLS: WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has an internal financial Control System, commensurate with size, scale and complexity of its operations. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations.

During the year under review, such controls were tested and no reportable material weakness in the design or operation was observed.

21. AUDITORS AND AUDITORS' REPORT

Statutory Auditors

At the Annual General Meeting held on 28th September 2016, M/s. MSKA & Associate (Formerly known as MZSK & Associates), Chartered Accountants, were appointed as statutory auditor of the Company to hold office till the conclusion of the Annual General Meeting to be held for the financial year 2020-21. As per the Companies (Amendments) Act, 2017, the requirement of ratification at every AGM has been omitted. M/s. MSKA & Associates, will hold the office of the Statutory Auditors of the Company till the conclusion of 11th AGM of the Company to be held for the financial year 2020-21.

Cost Audit

As per the Cost Audit Rules, cost audit or maintenance of cost records is not applicable to any of Company's products/ business of the Company for F.Y. 2018-19.

Internal Auditor

As per the provisions of Section 138 of Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, your Board recommends to reappoint M/s. Pricewaterhouse Coopers Private Limited. as an internal Auditors for the financial year 2020-21.



Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the amended Rule 9(1)(c) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every company having outstanding loans or borrowings from banks or public financial institutions of 100 crore rupees or more have to compulsorily appoint a Secretarial Auditor. This amended rule of the companies act, 2013 is effective from 1st April, 2020. Since your company is already having borrowings more than Rs. 100 crores as on the date of 31.03.2020 (last date of latest Audited Financial statement), your Board of Directors recommends the appointment of M/s. Dinesh Birla & Associates, Practicing Company Secretary, as a Secretarial Auditor of the Company for the Financial year 2020-21.

Report on Frauds, if any

During the year under review, no incidence of any fraud has occurred in the Company. Neither the Audit Committee of the Board, nor the Board of the Company had received any report involving any fraud, from the Statutory Auditors of the Company. As such, there is nothing to report by the Board, as required under Section 134 (3) (ca) of the Companies Act, 2013.

22. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The details of composition of the Committees of the Board of Directors are as under:-

- a. Audit Committee: The Company being a Private Limited Company does not fall under the provision of Section 177 of the Companies Act 2013 for constitution of Audit Committee. Therefore, it is not required to be constituted.

However, the Company voluntarily had opted for the constitution of Audit committee for smooth functioning of Business and overlooks the financial position of the Company. Following are the members of the Committee.

Mr. Yash Mutha	Chairman
Mr. Sachin Kamath	Member
Mr. Mayur Sirdesai	Member
Mr. Narayanan Balasubramnyam	Member

- b. Vigil mechanism: The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is applicable to the Company in respect of Vigil Mechanism and the Company nominated Mr. Rajendra Mutha, Director of the Company for the purpose of Vigil Mechanism.

- c. Nomination & Remuneration Committee: The Company is a Private Limited Company and does not fall under the provisions of Section 178 of Companies Act, 2013 to constitute Nomination & Remuneration Committee.

However, the Company voluntarily had opted for the constitution of remuneration committee for identifying the sufficient or adequate of manpower resources for Business in relation to the



financial position of the Company. Following are the members of the Committee.

Mr. Rajendra Mutha	Chairman
Mr. Sachin Kamath	Member
Mr. Mayur Sirdesai	Member
Mr. Narayanan Balasubramanyam	Member

- d. Corporate Social Responsibility Committee (CSR Committee): In the Financial Year 2019-20, the Company has constituted the CSR Committee pursuant to the provisions of Section 135 of the Companies Act, 2013.

Following are the members of the Committee:

Mr. Yash Mutha	Chairman
Ms. Pallavi Bhatevara	Member
Mr. Sachin Kamath	Member
Mr. Mayur Sirdesai	Member
Mr. Narayanan Balasubramanyam	Member

- e. Stakeholders Relationship Committee: The Company was not required to constitute the Stakeholders Relationship Committee as the number of shareholders during the financial year were less than 1000.

23. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

In terms of the requirement of the Act, the Company has developed and implemented the Risk Management Policy and the same is reviewed periodically by the Board of Directors. Salient features of the policy are as under:-

- The Company is committed to the identification and comprehensive management of risk.
- Risk is the effect of uncertainty on Krsnaa Diagnostics Private Limited objectives and is inherent in our business. Risk management allows us to prevent losses or capitalize on opportunities.
- Understanding risk and our appetite for risk will be key considerations in our decision making.

We aim to achieve a risk management culture through a series of risk management principles.

24. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES.

During the period under review, the Company has adopted a CSR Policy for implementation of its various CSR initiatives, as prescribed in its Policy.

Towards the end of the financial year 2019-20, COVID-19 has wreaked havoc around the world, claiming many lives and infecting many more than that. And this was the time, when your Company believed to come forward to serve the society, when it was needed the most. Considering the shortage of



ventilators in India and especially the role they play in fighting COVID19, the Company has donated 20 LTV 950 ventilators (Refurb-USA by Viasys Pulmonetic Systems) and 5000 masks, to Pune Municipal Corporation in the month of April, 2020

Annual Report on CSR is attached as Annexure "C".

25. CHANGES IN SHARE CAPITAL:

a) Authorised Capital:

During the year under review, there was no increase in the Authorised Capital of the Company.

b) Paid up Capital

During the year under review, no shares were issued by the Company.

c) Buy Back Of Securities

The Company has not bought back any of its securities during the year under review.

d) Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

e) Bonus Shares

No Bonus Shares were issued during the year under review.

f) Issue of Shares with Differential Rights

The company under the provision of Section 43 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 [Chapter IV] has not issued any shares with Differential Rights.

26. EMPLOYEE RELATIONS

Employee relations throughout the Company were harmonious. The Board wishes to place on record its sincere appreciation of the devoted efforts of all employees in advancing the Company's vision and strategy to deliver good performance.

27. PARTICULARS OF EMPLOYEES

No employee of the company was in receipt of remuneration for the year in excess of limits prescribed under the provisions of Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

28. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

29. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.



The Company is an equal opportunity employer and believes in providing opportunity and key positions to women professionals. The company has endeavoured to encourage women professionals by creating proper policies to tackle issues relating to safe and proper working conditions, and create and maintain a healthy and conducive work environment that is free from discrimination This includes discrimination on any basis, including gender, as well as any form of sexual harassment.

Your Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Your Directors have to report that, during the year under review, neither any complaints of sexual harassment were received by it from the ICC, nor were there any complaints relating thereto which required any disposal thereof.

30. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**By Order Of Board Of Directors
For Krsnaa Diagnostics Private Limited**

**Pallavi Bhatevara
Managing Director
DIN: 03600332**

**Rajendra Mutha
Director
DIN: 01066737**

Place: Pune

Date: 1st July, 2020

ANNEXURE A

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U74900PN2010PTC138068
2.	Registration Date	22/12/2010
3.	Name of the Company	KRSNAA DIAGNOSTICS PRIVATE LIMITED
4.	Category/Sub-category of the Company	PRIVATE LIMITED COMPANY
5.	Address of the Registered office & contact details	PLOT NO. 98, PAVANANAGAR, OPP. FATHECHAND JAIN SCHOOL, CHINCHWAD PUNE MH 411033 IN
6.	Whether listed company	UNLISTED
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai, Maharashtra 400059

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Diagnostic Services	85195	100

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SN	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
	NA	NIL	NIL	NIL	NIL

Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	1000	1000	0.02	0	1000	1000	0.02	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	3100	3100	0.06	0	3100	3100	0.06	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	3100	3100	0.06	0	3100	3100	0.06	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	51,63,100	51,63,100	100%	0	51,63,100	51,63,100	100%	0

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Rajendra Mutha	3333360	64.561	0	3333360	64.561	0	0
2	Pallavi Bhatevara	206400	3.998	0	206400	3.998	0	0
	Total	3539760	68.56	0	3539760	68.56	0	0

C) Change in Promoters' Shareholding.

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the	No. of shares	% of total shares of the

		company		company	
	At the beginning of the year	35,39,760	68.56%	35,39,760	68.56%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): Allotment through Private placement	There is no change.		There is no change.	
	At the end of the year	35,39,760	68.56%	35,39,760	68.56%

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
RAJENDRA HEMCHAND BHANDARI					
	At the beginning of the year	206400	4.00	206400	4.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	206400	4.00	206400	4.00

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
ANAND CHHAJED					
	At the beginning of the year	206400	4.00	206400	4.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	206400	4.00	206400	4.00

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
MANAS PUKHRAJ DHOKA					
	At the beginning of the year	206400	4.00	206400	4.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	206400	4.00	206400	4.00

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
SANJAY BHASKAR PANDHARE					
	At the beginning of the year	206400	4.00	206400	4.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	206400	4.00	206400	4.00

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
SACHIN PUKHRAJ DHOKA					
	At the beginning of the year	206400	4.00	206400	4.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	206400	4.00	206400	4.00

NARAYAN RAGHURAJ CHIGHLIKAR					
	At the beginning of the year	206400	4.00	206400	4.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	206400	4.00	206400	4.00

KIRANKUMAR PRABHAKAR BHISE					
	At the beginning of the year	103200	1.99	103200	1.99
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	103200	1.99	103200	1.99

SUVIDH SUNIL BANTHIA					
	At the beginning of the year	206400	4.00	206400	4.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	206400	4.00	206400	4.00

ROHIT DINANATH KARPE					
	At the beginning of the year	72240	1.39	72240	1.39
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	72240	1.39	72240	1.39

SOMERSET INDUS HEALTHCARE FUND 1					
	At the beginning of the year	1000	0.019	1000	0.019
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	1000	0.019	1000	0.019

E) Shareholding pattern of Directors and KMP

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	RAJENDRA MUTHA				
	At the beginning of the year	33,33,360	64.56%	33,33,360	64.56%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): Transfer of Shares				
	At the end of the year	33,33,360	64.56%	33,33,360	64.56%
2	PALLAVI BHATEVARA				
	At the beginning of the year	2,06,400	3.998%	2,06,400	3.998%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): Transfer of Shares				
	At the end of the year	2,06,400	3.998%	2,06,400	3.998%

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1881791750	85,71,195		189,03,62,945
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)	1881791750	85,71,195		189,03,62,945
Change in Indebtedness during the financial year				
* Addition	607907635	13438196		621345831
* Reduction	-	-		-
Net Change	607907635	13438196		621345831
Indebtedness at the end of the financial year				
i) Principal Amount	248,96,99,385	220,09,391		251,17,08,776
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	248,96,99,385	220,09,391		251,17,08,776

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Pallavi Bhatevara (Managing Director)	Rajendra Mutha (Director)	Yash Mutha (Whole-Time Director)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
	Net Salary	50,88,320	83,76,720	17,99,922	1,52,64,962
2	Stock Option				



3	Sweat Equity				
4	Commission - as % of profit - others, specify				
5	Others, please specify				
	Total (A)	50,88,320	83,76,720	17,99,922	1,52,64,962
	Ceiling as per the Act				

B. Remuneration to other directors: NA

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	---	
1	Independent Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)					
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: NA

Being a Private Limited company, KMP provisions are not applicable to the Company.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NA

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					

Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For Krsnaa Diagnostics Private Limited



Pallavi S. Bhatevara
Managing Director
DIN: 03600332



Rajendra K. Mutha
Director
DIN: 01066737

Date: 01.07.2020
Place: Pune



ANNEXURE B

AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions at Arm's length basis.

S. No.	Name (s) of the related party & nature of relationship	Nature of transaction	Duration of the transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
1	Lokmanya Hospital Medical Stores	Purchase of consumables	Ongoing transactions	NA	17.06.2019	
2	Sunita Mutha	Payment of Rent & Professional fee	Ongoing transactions	NA	17.06.2019	

For Krsnaa Diagnostics Private Limited

Pallavi S. Bhatevara
Managing Director
DIN: 03600332

Rajendra K. Mutha
Director
DIN: 01066737

Date: 01.07.2020
Place: Pune



6. Reasons for not spending the prescribed CSR expenditure: The Company had finalized the project for the spending of CSR Fund and spent in the month of April, 2020.

7. The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and CSR Policy of the company.

For Krsnaa Diagnostics Private Limited

A handwritten signature in blue ink, appearing to read 'P. Bhatevara', with a horizontal line underneath.

Pallavi S. Bhatevara
Managing Director
DIN: 03600332

A handwritten signature in blue ink, appearing to read 'R. Mutha', with a horizontal line underneath.

Rajendra K. Mutha
Director
DIN: 01066737

Date: 01.07.2020
Place: Pune

INDEPENDENT AUDITOR'S REPORT

To the Members of Krsnaa Diagnostics Private Limited Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Krsnaa Diagnostics Private Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2014 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Management report, Chairman’s statement, Director’s report etc but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with

the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those charged with Governance for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

Other Matter

Due to the restrictions and lock down laid by the government due to the COVID-19 pandemic it was impracticable for us to attend the physical inventory verification of inventory by the management subsequent to the year end. Consequently, we have performed related alternative audit procedures such as performing inventory count through video conference, verified with roll back procedures, etc and have obtained sufficient, appropriate audit evidence over the existence of inventory amounting to Rs. 5,06,67,844 as on March 31, 2020. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. In our opinion, according to information, explanations given to us, the provisions of Section 197 of the Act and the rules thereunder are not applicable to the Company as it is a private Company.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

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Date: 2020.07.08
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Nitin Manohar Juman
Partner
Membership No. 111700
UDIN: 20111700AAAABO9763

Place: Pune
Date: July 1, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF KRSNAA DIAGNOSTICS PRIVATE LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

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Date: 2020.07.08
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Nitin Manohar Jumanii
Partner
Membership No. 111700
UDIN: 20111700AAAABO9763

Place: Pune
Date: July 1, 2020

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF KRSNAA DIAGNOSTICS PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2020

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i.
 - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant and Equipment).
 - (b) All the fixed assets (Property, Plant and Equipment) have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- ii. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stock and the book records.
- iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

- vii.
- (a) According to the information and explanations given to us and the records of the Company examined by us , in our opinion , undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate . In case of employees' state insurance fund there has been delay of 5 days, in case of professional tax delay ranging from 1 to 148 days, in case of tax deducted at source delays ranging from 13 to 141 days.
- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, customs duty, cess and any other statutory dues which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution, bank or debenture holders.
- ix. In our opinion, according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.
- xi. According to the information and explanations given to us, since the Company is a Private Company, the provisions of section 197 of the Act will not be applicable. Accordingly, the provisions stated in paragraph 3(xi) of the Order are not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.

- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

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Nitin Manohar Jumani
Partner
Membership No.111700
UDIN: 20111700AAAABO9763

Place: Pune
Date: July 1, 2020

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF KRSNAA DIAGNOSTICS PRIVATE LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Krsnaa Diagnostics Private Limited on the Financial Statements for the year ended March 31, 2020]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Krsnaa Diagnostics Private Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of

internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls With reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

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Nitin Manohar Jumani

Partner

Membership No.111700

UDIN: 20111700AAAABO9763

Place: Pune

Date: July 1, 2020

Krsnaa Diagnostics Private Limited
Balance Sheet as at 31st March,2020
(All amounts are in Indian Rupees unless otherwise stated)

	Note	31-March-2020	31-March-2019
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	1,461,207,922	1,461,207,922
Reserves and surplus	4	552,939,181	428,770,011
		<u>2,014,147,103</u>	<u>1,889,977,933</u>
Non-current liabilities			
Long-term borrowings	5	1,399,727,808	1,118,526,707
Deferred tax liabilities (Net)	6	93,816,360	64,774,816
Other long term liabilities	7	125,000,000	130,000,000
Long-term provisions	8	3,226,016	1,618,632
		<u>1,621,770,184</u>	<u>1,314,920,155</u>
Current liabilities			
Short-term borrowings	9	922,805,584	539,567,530
Trade payables	10		
Total outstanding dues of micro enterprises and small enterprises		3,443,337	835,849
Total outstanding dues of creditors other than micro enterprises and small enterprises		377,485,424	416,470,868
Other current liabilities	11	501,966,906	763,714,524
Short-term provisions	8	7,197,583	5,472,629
		<u>1,812,898,834</u>	<u>1,726,061,400</u>
Total		<u>5,448,816,121</u>	<u>4,930,959,488</u>
ASSETS			
Non-current assets			
Property, Plant and Equipment			
Tangible assets	12	2,735,832,854	2,223,110,138
Intangible assets	13	15,139,932	6,996,264
Capital work-in-progress	14(a)	91,299,339	416,570,710
Intangible asset under development	14(b)	-	1,320,000
Non-current investments	15	2,900,000	2,900,000
Long term Loans and advances	16	365,668,396	234,092,917
Other non-current assets	17	60,232,192	146,458,760
		<u>3,271,072,713</u>	<u>3,031,448,789</u>
Current assets			
Inventories	18	50,667,844	42,123,595
Trade receivables	19	614,315,138	562,230,930
Cash and bank balances	20	1,272,825,109	1,116,201,702
Short term Loans and advances	21	90,166,743	155,451,982
Other current assets	22	149,768,574	23,502,489
		<u>2,177,743,408</u>	<u>1,899,510,698</u>
Total		<u>5,448,816,121</u>	<u>4,930,959,488</u>

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

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Date: 2020.07.08
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Nitin Manohar Juman
Partner
Membership No:111700

Place: Pune
Date: July 1, 2020

For and on behalf of the Board of Directors of
Krsnaa Diagnostics Private Limited
CIN:U74900PN2010PTC138068


Rajendra Mutha
Director
DIN: 01066737

Place: Pune
Date: July 1, 2020


Yash Mutha
Director - Finance

Place: Pune
Date: July 1, 2020


Pallavi Bhatevara
Managing Director
DIN: 03600332

Place: Pune
Date: July 1, 2020


Manisha Chitgopekar
Company Secretary
Membership No:A27816

Place: Pune
Date: July 1, 2020



Krsnaa Diagnostics Private Limited
Statement of Profit and Loss for the year ended 31st March, 2020
(All amounts are in Indian Rupees unless otherwise stated)

	Note	31-March-2020	31-March-2019
Income:			
Revenue from operations	23	2,584,268,183	2,092,348,981
Less: Revenue shared with hospitals & Others	23	(755,317,919)	(623,239,664)
Net Revenue from operations		1,828,950,264	1,469,109,317
Other income	24	102,860,779	23,130,386
Total Revenue		1,931,811,043	1,492,239,703
Expenses:			
Cost of materials consumed	25	277,240,207	173,363,130
Direct Expenses	26	214,932,507	150,959,131
Employee benefits expense	27	232,017,754	182,095,013
Finance costs	28	246,132,099	158,860,221
Depreciation and amortization expense	29	323,316,414	255,608,175
Other expenses	30	461,931,509	364,964,087
Total expenses		1,755,570,490	1,285,849,757
Profit before tax		176,240,553	206,389,946
Tax expense:			
For current year profits		31,289,446	39,220,894
Adjustments for earlier years		(9,421,582)	(4,921,245)
MAT Credit for earlier years		9,160,749	-
MAT credit income		(8,567,032)	(17,336,379)
Deferred tax charge	6	29,041,544	64,774,816
		51,503,125	81,738,086
Profit for the year		124,737,428	124,651,860

Earnings per equity share [Nominal value per share Rs.10 (previous year Rs.10)]:

Basic earnings per share	35	24.16	24.15
Diluted earnings per share	35	9.70	12.95

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

NITIN
MANOHAR
JUMANI

Nitin Manohar Jumani
Partner
Membership No:111700

Place: Pune
Date: July 1, 2020

For and on behalf of the Board of Directors of
Krsnaa Diagnostics Private Limited
CIN:U74900PN2010PTC138068


Rajendra Mutha
Director
DIN: 01066737

Place: Pune
Date: July 1, 2020


Yash Mutha
Director - Finance

Place: Pune
Date:


Pallavi Bhatevara
Managing Director
DIN: 03600332

Place: Pune
Date: July 1, 2020


Manisha Chitgopekar
Company Secretary
Membership No:A27816

Place: Pune
Date:



Krsnaa Diagnostics Private Limited
Cashflow statement for the year ended 31st March, 2020
(All amounts are in Indian Rupees unless otherwise stated)

	31-March-2020	31-March-2019
Cash Flow from Operating activities		
Profit for the year	176,240,553	206,389,946
Adjustments for:		
Depreciation and amortization expenses	323,316,414	255,608,175
Interest expenses	246,132,099	158,860,221
Interest income	(100,616,869)	(22,130,472)
Dividend income	(116,000)	(78,356)
Provision for doubtful trade receivable balances	24,843,612	19,156,388
Operating Profit before working capital changes	<u>669,799,809</u>	<u>617,805,902</u>
Changes in working capital		
(Decrease)/Increase in trade payables	(36,377,956)	260,646,640
(Decrease)/Increase in other current liabilities	14,924,963	42,046,740
(Decrease)/Increase in Other long term liabilities	21,619,892	122,476,040
Increase in short term Provisions	1,724,954	720,225
Increase long term provisions	1,607,384	347,774
(Increase) in trade receivables	(76,927,820)	(294,981,059)
(Increase) in inventories	(8,544,249)	(22,620,428)
(Increase)/decrease in loans and advances	(52,013,532)	48,154,399
Decrease/(Increase) in short term loans and advances	79,656,305	(83,963,319)
(Increase) in other current assets	(99,317,193)	(9,885,220)
Cash generated from operations	<u>516,152,557</u>	<u>680,747,694</u>
Tax Paid (net off refund)	102,023,528	69,898,214
Net cash flows from operating activities (A)	<u>414,129,029</u>	<u>610,849,480</u>
Cash flow from Investing activities		
Purchase of fixed assets, including movement in CWIP and capital advances	(794,144,386)	(1,026,670,445)
Investments in bank deposits (having original maturity of more than three months)	(72,762,400)	(1,009,485,885)
Dividends received	116,000	78,356
Interest earned	73,667,979	22,130,472
Net cash flow (used in) investing activities (B)	<u>(793,122,807)</u>	<u>(2,013,947,502)</u>
Cash flow from Financing activities		
Proceeds from issuance of equity share capital	-	1,000,000,055
Utilisation of Share Premium	(568,258)	(40,360,181)
Proceeds from long-term borrowings	240,090,521	381,821,352
Proceeds from short-term borrowings	383,238,054	265,519,012
Interest paid	(246,132,099)	(158,860,221)
Net cash flow from financing activities (C)	<u>376,628,218</u>	<u>1,448,120,017</u>

Net increase in cash and cash equivalents (A+B+C)	(2,365,560)	45,021,995
Cash and cash equivalents at the beginning of the year	85,955,827	40,933,832
Cash and cash equivalents at the end of the year	83,590,267	85,955,827

Cash and cash equivalents comprise (Refer note 20)

Balances with banks		
On current accounts	82,183,802	73,380,187
Cash on hand	1,406,465	12,575,640
Total cash and bank balances at end of the year	83,590,267	85,955,827

Notes :

1. The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard-3, "Cash Flow Statement" notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.

2. Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of change in value.

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

As per our report of even date

For MSKA & Associates
Chartered Accountants
 Firm Registration No.:105047W

NITIN
 MANOHAR
 JUMANI
 Nitin Manohar Jumani
 Partner
 Membership No:111700

Digitally signed by NITIN
 MANOHAR JUMANI
 Date: 2020.07.08
 12:19:19 +05'30'



For and on behalf of the Board of Directors of
Krsnaa Diagnostics Private Limited
 CIN:U74900PN2010PTC138068

Rajendra Mutha
 Director
 DIN: 01066737

Pallavi Bhatevara
 Managing Director
 DIN: 03600332

Place: Pune
 Date: July 1, 2020

Place: Pune
 Date:

Place: Pune
 Date:

Yash Mutha
 Director - Finance

Manisha Chitgopekar
 Company Secretary
 Membership No:A27816

Place: Pune
 Date: July 1, 2020

Place: Pune
 Date: July 1, 2020

SIGNIFICANT ACCOUNTING POLICIES

1. Corporate Information/Background

Krsnaa Diagnostics Private Limited ('KDPL' or 'The Company') having registered office in Pune was incorporated under the Indian Companies Act, 1956 on December 22, 2010.

The Company provides diagnostic services through Public Private Partnership ('PPP') arrangement with state governments and private arrangements with private hospitals. The Company operates within India and has diagnostic centres all over the India. The company is providing Radiology and Pathology services for X-Ray, CT- Scan, MRI, Mammography, Tele reporting X-ray and all types of blood and urine investigations. The company is the fastest growing diagnostics service provider chains having its head office located in Pune.

2. Summary of significant accounting policies

a. Basis of Preparation

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspects of the Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The accounting policies adopted in the preparation of financial statements have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy until now (hitherto) in use with those of previous year.

b. Current- Non Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of business and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

c. Use of estimates

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

d. Property, Plant and Equipment

Tangible assets

Tangible assets, capital work in progress are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, borrowing costs, if capitalization criteria are met and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive input tax credit (IGST/CGST and SGST) or other tax credit available to the Company.

When parts of an item of tangible assets have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure relating to tangible assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Intangible assets

An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive of Input tax credit (IGST/CGST and SGST) or other tax credit available to the Company.

Subsequent expenditure relating to intangible assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

e. Depreciation/amortization of tangible/intangible Property, Plant and Equipment

Depreciation on assets is charged on Straight Line method (SLM) over the lives prescribed in the Schedule II of the Companies Act, 2013 except in respect of the following categories of assets, in whose case the assets are depreciated/amortized as under:

- Leasehold Improvements are amortized over the estimated useful economic life i.e. the duration of lease.
- Software's to be amortized over a period of 3 years.
- Software licenses are amortized on a straight- line basis over the estimated useful economic life

The estimated useful life of assets is as follows:

Particulars	Useful life in years
Plant and machinery	13
Furniture and fixtures	10
Office equipment	5
Vehicle	8
Computer	3

Depreciation/amortisation on addition to tangible/intangible Property, Plant and equipment is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation/amortisation on sale/discard from tangible/intangible Property, Plant and equipment is provided for upto the date of sale, deduction or discard of tangible /intangible Property, Plant and equipment as the case may be. The estimated residual value of Property, Plant and equipment is nil. Amortization on addition to intangible Property, Plant and equipment is provided on pro-rata basis from the date the assets are ready for intended use. Amortization on sale/discard from intangible Property, Plant and equipment is provided for upto the date of sale, deduction or discard of intangible Property, Plant and equipment as the case may be.

f. Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital

After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life.

g. Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use are capitalized. All other borrowing costs are recognised as expenditure in the period in which they are incurred.

h. Foreign currency translation

Initial recognition:

Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when such values were determined.

Exchange differences:

Exchange differences arising on the settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they occur.

i. Investments

Accounting treatment

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Classification in the financial statements

Investments that are realisable within the period of twelve months from the balance sheet date are classified as current investment. All other investments are classified as non-current investments.

j. Revenue recognition

Revenue is recognised to the extent, that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from services

Income from services rendered is accounted for when the services are rendered as per the contract terms.

'Unbilled receivables' included in other current assets represent cost and earnings in excess of billings as at the balance sheet date.

'Unearned revenues' included in other current liabilities represent billing in excess of revenue recognized.

Interest Income

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate.

Dividend Income

Dividend is recognised when the Company's right to receive dividend is established.

k. Retirement and other employee benefits

Defined contribution plan

The Company makes defined contribution to Government Employee Provident Fund, Government Employee Pension Fund, Employee Deposit Linked Insurance, ESI and Superannuation Schemes, which are recognised in the Statement of Profit and Loss on accrual basis.

The Company has no further obligations under these plans beyond its monthly contributions.

Defined Benefit Plan- Gratuity

The Company provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the Balance Sheet date. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation or change in return of the plan assets is recognised as an income or expense in the Statement of Profit and Loss. The expected return on plan assets is based on the assumed rate of return of such assets.

The Company has taken an insurance policy under the Group Gratuity Scheme with the Life Insurance Corporation of India (LIC) to cover the gratuity liability of the employees and the amount paid / payable in respect of the present value of liability of past services is charged to the Profit and loss account every year.

Other benefit Plan

Leave encashment - There is no leave encashment policy for employees except for employees working at centre. The leaves not utilised are lapsed at the end of the year and are not subject to the provisions for carry forward and encashment. Company en-cashes leaves of eligible employees (employees working at centre) every month. The liability towards Leave encashment benefit is provided as at the Balance Sheet date for eligible employees worked out on actual basis.

l. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

m. Inventories

Inventories are valued at lower of cost and net realisable value. Cost of inventories is computed on a Weighted Average basis. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

n. Income taxes

Tax expense for the period comprises of current tax, deferred tax and Minimum alternate tax credit.

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts, and there is an intention to settle the asset and the liability on a net basis.

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the reporting date.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

At each reporting date, the Company reassesses the unrecognized deferred tax assets, if any.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

o. Leases

As a Lessee:

Finance leases, which effectively transfers to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the Statement of Profit and Loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset assessed by the management (or the useful life envisaged in Schedule II to the Companies Act, 2013, whichever is lower). However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset (the lease term or the useful life envisaged in Schedule II to the Companies Act, 2013).

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

p. Contingent Liability, Provisions and Contingent Asset

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

The Company records a provision for decommissioning, restoration and similar liabilities that are recognized as cost of property, plant and equipment. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

Contingent assets are neither recorded nor disclosed in the financial statements.

q. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding for the period are adjusted for the effects of all dilutive potential equity shares

3 Share capital

	31-March-2020	31-March-2019
Authorised		
52,00,000 (previous year: 52,00,000) Equity Shares of Rs 10 each	52,000,000	52,000,000
40,61,914 (previous year: 40,61,914) Series A Compulsory Convertible Preference Shares ('Series A -CCPS') of Rs.123 each	499,615,422	499,615,422
6,00,960 (previous year: 6,00,960) Series B Compulsory Convertible Cumulative Participating Preference Shares ('Series B -CCCPS') of Rs.250 each	150,240,000	150,240,000
3,038,886 (previous year: 3,038,886) Series C Compulsory Convertible Preference Shares of Rs.250 each ('Series C- CCPS') of Rs. 250 each	759,721,500	759,721,500
	<u>1,461,576,922</u>	<u>1,461,576,922</u>
Issued, subscribed and paid up		
51,63,100 (previous year: 51,63,100) Equity Shares of Rs 10 each	51,631,000	51,631,000
40,61,914 (previous year: 40,61,914) Series A Compulsory Convertible Preference Shares ('Series A -CCPS') of Rs.123 each	499,615,422	499,615,422
6,00,960 (previous year: 6,00,960) Series B Compulsory Convertible Cumulative Participating Preference Shares ('Series B -CCCPS') of Rs.250 each	150,240,000	150,240,000
3,038,886 (previous year: 3,038,886) Series C Compulsory Convertible Preference Shares of Rs.250 each ('Series C- CCPS') of Rs. 250 each	759,721,500	759,721,500
	<u>1,461,207,922</u>	<u>1,461,207,922</u>

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	31-March-2020		31-March-2019	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
Outstanding at the beginning of the year	5163100	51,631,000	5163100	51,631,000
Add: Issued during the year				
Outstanding at the end of the year	<u>5163100</u>	<u>51,631,000</u>	<u>5163100</u>	<u>51,631,000</u>

(b) Reconciliation of Series A-CCPS of Rs.123/- outstanding at the beginning and at the end of the year

Particulars	31-March-2020		31-March-2019	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
Outstanding at the beginning and at the end of the year	4061914	499,615,422	4061914	499,615,422

(c) Reconciliation of Series B- CCCPS of Rs.250/- outstanding at the beginning and at the end of the year

Particulars	31-March-2020		31-March-2019	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
Outstanding at the beginning and at the end of the year	600960	150,240,000	600960	150,240,000

(d) Reconciliation of Series C- CCPS of Rs.250/- outstanding at the beginning and at the end of the year

Particulars	31-March-2020		31-March-2019	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
Outstanding at the beginning and at the end of the year	3038886	759,721,500	3038886	759,721,500

(e) Rights, preferences and restrictions attached to shares

Equity shares :- The company has equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31st March 2020, the amount of per share dividend recognized as distributions to equity shareholders was Rs. Nil (31st March 2019: Rs. Nil). In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Series A-CCPS:- The company has CCPS-A having par value of Rs. 123 per share. The CCPS-A are issued to investors and are compulsory convertible into equity shares and shall not be redeemable in other manner other than that specified in shareholders agreement. Each shareholder is entitled to one vote per share held. The CCPS-A shall carry such voting rights as are exercisable by person's holding equity shares in the company and shall be treated pari-passu with the equity shares on all voting matters. Each CCPS-A shall be converted into one equity share as per the terms mentioned in amended and restated Shareholders Agreement dated 22nd December 2018.

Series B-CCCPS :- The company has allotted 6,00,960 Series B-CCCPS of Face Value Rs. 250 each on 7 March 2017 through Right issue offer. Until conversion of Series B-CCCPS, each Series B-CCCPS shall carry voting rights equivalent to 1 vote per CCCPS-B. The equity shares to be allotted on conversion of the Series B- CCCPS shall rank pari passu in all respects with the then existing equity shares of the Company. Fixed dividend is payable annually @0.0001% of the value of Series B-CCCPS. These shares shall be converted into equity shares as per the terms in the offer letter. During the year ended 31 March 2020, the amount of per share dividend recognized as distributions to equity shareholders was Rs. Nil (Previous year: Rs. Nil). The terms, preferences, rights and privileges of the Series A-CCPS shall be superior to other shareholders. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Series C-CCPS :- The Company has allotted 3038886 of Series C-CCPF of face value of Rs. 250/- at an offer price of Rs. 328.9597 each (including Security Premium of Rs. 78.9597 each). The equity shares to be allotted on conversion of the Series B- CCCPS shall rank pari passu in all respects with the then existing equity shares of the Company. The Company shall be liable to pay a fixed dividend equivalent to an annual per share dividend equal to 0.0001% of the value of the Series C-CCPS. The holders of the Series C-CCPF shall be entitled to pro-rata participate in any dividend declaration on the Equity Shares on an as converted Basis.

(g) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholders	31-March-2020		31-March-2019	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares				
Rajendra Mutha	3333360	64.56%	3333360	64.56%
Series A-CCPS				
Somerset Indus Healthcare	2026142	49.88%	2026142	49.88%
Kitara PIIN 1104	2026142	49.88%	2026142	49.88%
Series B-CCCPS				
Rajendra Mutha	163957	27.28%	163957	27.28%
Somerset Indus Healthcare	200000	33.28%	200000	33.28%
Kitara PIIN 1104	200000	33.28%	200000	33.28%
Series C-CCPS				
Phi Capital Growth Fund I	3038886	100.00%	3038886	100%

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

4 Reserves and surplus

	31-March-2020	31-March-2019
Securities premium account		
Opening balance		
Add : Securities premium credited on share issue	329,797,821	129,889,447
Less: Securities premium utilised to write off the share issue expenses	(568,258)	(40,360,181)
	<u>329,229,563</u>	<u>329,797,821</u>
Surplus/(Deficit) In the Statement of Profit and Loss		
Opening balance	98,972,190	(25,679,670)
Add: Profit for the year	124,737,428	124,651,860
Closing balance	<u>223,709,618</u>	<u>98,972,190</u>
Total	<u>552,939,181</u>	<u>428,770,011</u>

Krsnaa Diagnostics Private Limited
Notes forming part of the Financial Statements for the year ended 31st March, 2020
(All amounts are in Indian Rupees unless otherwise stated)

5 Long-term borrowings

Secured	Non current maturities		Current maturities	
	31-March-2020	31-March-2019	31-March-2020	31-March-2019
Term loans				
<i>from banks</i>				
Yes Bank Limited	-	35,997,174	-	6,193,801
Kotak Bank Limited - 1	851,662	3,014,717	2,163,055	2,406,139
Kotak Bank Limited - 2	1,898,073	-	1,363,344	-
Indusind Bank	752,291,699	365,027,860	70,470,188	125,100,943
HDFC Bank	160,684,651	82,496,129	20,609,460	12,588,725
<i>from NBFC</i>				
Clix Capital - 1	-	1,730,549	1,741,468	9,704,708
Hero Fin Corp Limited	-	68,670,044	-	13,052,624
Dewan Housing Finance Corporation Ltd.	20,818,074	31,104,310	10,286,236	9,151,138
India Infoline Limited	-	48,888,622	-	7,192,148
Clix Capital - 2	118,444,859	139,829,999	21,946,656	20,207,289
DLL Financial Services Pvt. Ltd.	51,527,625	62,076,874	10,549,249	9,572,213
Reliance Commercial Finance Limited - 1	51,235,440	57,490,572	7,011,384	6,747,402
Reliance Commercial Finance Limited - 2	27,218,231	29,788,237	2,899,602	2,256,763
Long Term Maturities for Finance Lease obligation	60,401,346	11,435,581	13,514,851	8,094,815
<i>Deffered Loan from Banks</i>				
Yes Bank Limited	154,356,148	180,976,040	26,619,892	-
Total long term borrowings including its current maturities	1,399,727,808	1,118,526,707	189,175,385	232,268,708
Less: Amount disclosed under the head "Other current liabilities"	-	-	(189,175,385)	(232,268,708)
Total non current maturities of long term borrowings	1,399,727,808	1,118,526,707	-	-

*Terms of repayment

- a The Company had taken 2 term loans from Clix Capital taken during the financial year 2014-15. Interest rate on loans is @ 11.85%. The loan are repayable in 72 monthly instalment including 6 months moratorium period. The total loan value for two loans is Rs. 424.8 lakhs. The EMI for the two loans are as follows:
Loan 1 - Monthly Instalment of Rs. 27 Lakhs during the year.
Loan 2 - Monthly Instalment of Rs. 63 Lakhs during the year.
The loan is secured by machinery financed by Clix Capital Services and by personal guarantee of Rajendra Mutha and Sunita Mutha.
- b During the year 2017-18, the company had taken term loan for Genset financing from Kotak Bank Ltd of Rs. 44 Lakhs repayable in 36 instalments of Rs. 1.43 lakhs p.m. The loan is secured against Genset financed by Kotak Bank Ltd.
- c During the year 2019-20, the company had taken term loan for Vehicle purchased from Kotak Bank Ltd of Rs. 42.15 Lakhs repayable in 36 instalments of Rs. 1.34 lakhs p.m. The loan is secured against Vehicles financed by Kotak Bank Ltd.
- d During the year 2017-18, the Company had taken loan for equipment financing from Dewan Housing Finance Ltd. of Rs. 5.06 Cr @ 11.75% repayable in 84 instalments of Rs. 11.19 lakhs p.m. The loan is secured against machineries financed by Dewan Housing Finance Ltd.
- e During the year 2018-19, the Company had taken five loans for equipments financing from DLL Financial Services Pvt. Ltd. aggregating to Rs. 7.74 Cr @ 9.50% interest repayable in 84 instalments. The loan is secured against machineries financed by DLL Financial Services Pvt. Ltd.
- f During the year 2018-19, the Company had taken two loans for equipments financing from Reliance Commercial Finance Ltd. of Rs. 6.78 Cr and Rs. 3.20 Cr. @ the interest rates of 13.35% and 13.75% respectively repayable in 84 instalments. The loans are secured against machineries financed by Reliance Commercial Finance Ltd.
- g During the year 2018-19, the Company had taken two loans for equipments financing from HDFC Bank Ltd. of Rs. 3.15 Cr and Rs. 6.40 Cr. @ the interest rate of 11% repayable in 60 and 80 instalments respectively. The loans are secured against machineries financed by HDFC Bank Ltd.
- h During the year 2019-20, the Company had taken two loans for equipments financing from HDFC Bank Ltd. of Rs. 1.95 Cr and Rs. 8.05 Cr. @ the interest rate of 11% repayable in 84 and 89 instalments respectively. The loans are secured against machineries financed by HDFC Bank Ltd.
- i During the year 2018-19, the Company had taken two loans for equipments financing from Indusind Bank aggregating to Rs. 49.01 cr. @ the interest rate of 10.65% repayable in 108 instalments. The loans are secured against machineries financed by Indusind Bank Ltd.
During the year 2019-20, the Indusind bank has taken over following loans:
Yes Bank Ltd - Jan 20 - Rs. 4.22 Crs
India Infoline Ltd - Feb 20 - Rs. 5.61 Crs
Hero Fincorp - May 20 - Rs. 8.17 Crs
Also, Letter of Credit with Yes Bank matured during the year 2019-20 for Rs.13 Crs lakhs and Rs. 5.25 Crs have been taken over by Indusind bank.
- j During the year 2018-19, the company had taken data processing units and printers worth Rs. 2.70 Cr on lease for a period of three years from Hewlett Packard Financials Services India Pvt Ltd.
- k During the year 2019-20, the company has taken MRI Machine for D Y Patil Kollhapur centre, worth Rs. 6.78 Cr on lease for a period of Seven years from Philips India Ltd.
- l Payable for capital purchases is for machinery purchases from Wipro GE & Cura Healthcare which Letter of credit facility had been availed from Yes Bank of Rs.18.10 Crs. Cash margin in the form of fixed deposit of Rs. 11.19 Crs has been kept for 36 months and will be adjusted towards the principal outstanding at the time of repayment for the said Letter of Credit. Out of Rs. 18.10 Crs, the amount of Rs. 2.67 Crs has been shown under other current liabilities since it is payable during financial year 2020-21.

6 Deferred tax liabilities (Net)	31-March-2020	Charge/(benefit)	31-March-2019
Deferred tax asset			
Expenses provided but allowable in Income Tax on payment basis	3,035,352	25,331	3,010,021
Provision for doubtful debts and advances	14,560,000	7,234,460	7,325,540
Gross deferred tax asset (A)	17,595,352	7,259,791	10,335,561
Deferred tax liability			
Difference between book depreciation and tax depreciation	111,411,712	36,301,335	75,110,377
Gross deferred tax liability (B)	111,411,712	36,301,335	75,110,377
Net deferred tax liability (B-A)	93,816,360	29,041,544	64,774,816

7 Other long term liabilities	31-March-2020	31-March-2019
Deposit from hospitals	125,000,000	130,000,000
Total other long term liabilities	125,000,000	130,000,000

8 Provisions	Long term		Short term	
	31-March-2020	31-March-2019	31-March-2020	31-March-2019
Provision for employee benefits				
Provision for gratuity (funded)	-	-	6,159,069	4,943,849
Provision for Leave Encashment (unfunded)	3,226,016	1,618,632	1,038,514	528,778
Total provisions	3,226,016	1,618,632	7,197,583	5,472,627

9 Short-term borrowings	31-March-2020	31-March-2019
Secured		
Cash credit loan from banks		
Janata Sahakari Bank Limited		
Indusind Bank	48,994,314	-
Bank Overdraft	301,769,871	299,816,706
Janata Sahakari Bank Limited	550,032,008	231,179,629
Unsecured		
From directors	18,542,090	8,542,090
Loans and advances from related parties		
Rajendra Mutha	3,467,301	29,105
Total short-term borrowings	922,805,584	539,567,530

- (a) During the year 2019-20, the company has availed the Cash credit facility of Janata Sahakari Bank Ltd of Rs. 5 Crs at the interest rate of 11%. The facility is secured against inventory and Book Debts.
- (b) During the year 2019-20, the company has utilised FD-OD facility of Rs. 55 Crs. from Janta Sahakari Bank Limited against Fixed Deposits of Rs. 60 Crs kept with them.
- (c) Short term borrowing from directors includes loan taken from Mr. Rajendra Mutha, which carries no interest. The principal amount will be repaid to him within one year and therefore classified as current.
- (d) Unsecured loan from the director - During the year, Company has taken additional unsecured loan of Rs. 1 Cr from the director- Pallavi Bhatevara. The rate of interest on entire unsecured loan has been revised to 18%

10 Trade payables	31-March-2020	31-March-2019
(a) Total outstanding dues of micro enterprises and small enterprises	3,443,337	835,849
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	377,485,424	416,470,868
Total trade payables	380,928,761	417,306,717

* Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	31-March-2020	31-March-2019
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	3,443,337	835,849
Interest	286,902	335,628
Total	3,730,239	1,171,477
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	286,902	335,628
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	335,628	-

	<u>31-March-2020</u>	<u>31-March-2019</u>
11 Other current liabilities		
<i>Payable to related parties</i>		
Directors	-	-
Other related parties	-	-
<i>Other than related parties</i>	1,595,894	1,468,732
Current maturities of long-term debt (Refer note 5 & 36)	189,175,385	232,268,709
Interest accrued and due on borrowings	4,108,402	2,624,805
Interest accrued but not due	499,147	-
Payable for capital purchases	241,125,189	476,687,190
Security deposits	12,560,000	13,500,000
Employee reimbursement payable	1,199,127	1,368,139
Employee benefit expense payable	33,653,636	25,706,888
Book Overdraft	9,400,154	-
Foreclosure Charges Payable	-	850,000
Statutory dues payables	8,649,972	9,240,061
Total other current liabilities	<u>501,966,906</u>	<u>763,714,524</u>

Krmasa Diagnostics Private Limited
Notes forming part of the Financial Statements for the year ended 31st March, 2020
(All amounts are in Indian Rupees unless otherwise stated)

12. Property, Plant and Equipment-Tangible assets

	Gross block			Depreciation and impairment			Net block		
	As at 1st April, 2019	Additions/ Adjustments	Deductions/ Adjustments	As at 31st March, 2020	As at 1st April, 2019	For the year	Deductions/ Adjustments	As at 31st March, 2020	As at 31st March, 2019
Owned assets									
Plant and machineries	2,246,339,164	557,146,765	-	2,803,485,929	446,452,840	214,910,064	-	661,362,904	2,142,123,025
Plant and machineries - Finance Lease	-	67,765,272	-	67,765,272	-	2,307,267	-	2,307,267	65,458,005
Lease Hold Improvements	476,291,748	167,923,588	-	644,215,336	119,976,979	64,279,179	-	184,256,158	459,959,178
Furniture & Fixtures	10,775,374	-	-	10,775,374	4,011,183	1,087,343	-	5,098,526	5,676,848
Office equipments	35,457,296	10,685,438	-	46,142,734	19,571,615	5,790,696	-	25,362,311	20,780,423
Vehicles	60,326,127	5,215,704	-	65,541,831	36,396,506	518,364	-	4,697,340	4,697,340
Data processing Units	-	21,414,803	-	21,414,803	-	19,541,173	-	55,937,679	25,803,251
Data processing Units - Finance Lease (Refer note 36)	26,984,303	-	-	26,984,303	6,654,751	8,994,768	-	15,649,519	11,334,784
Total	2,856,174,012	830,151,570	-	3,686,325,582	633,063,874	317,428,854	-	950,492,728	2,735,832,854
Previous year	1,904,953,596	951,220,416	-	2,856,174,012	382,139,426	250,924,448	-	633,063,874	2,223,110,138

13. Property, Plant and Equipment-Intangible assets

	Gross block			Amortisation and impairment			Net block		
	As at 1st April, 2019	Additions/ Adjustments	Deductions/ Adjustments	As at 31st March, 2020	As at 1st April, 2019	For the year	Deductions/ Adjustments	As at 31st March, 2020	As at 31st March, 2019
Computer Software	15,390,692	14,031,228	-	29,421,920	8,394,428	5,887,560	-	14,281,988	15,139,932
Total	15,390,692	14,031,228	-	29,421,920	8,394,428	5,887,560	-	14,281,988	15,139,932
Previous year	8,206,068	7,184,624	-	15,390,692	3,710,701	4,683,727	-	8,394,428	6,996,264
Total	2,871,564,704	844,182,798	-	3,715,747,502	641,458,302	323,316,414	-	964,774,716	2,750,972,786

14. Capital Work in Progress

a) Tangible assets	Particulars		
	(Amount in Rs.)	As at 1st April, 2019	As at 31st March, 2020
As at 1st April, 2019	416,570,710	-	-
Add: Additions during the year	204,071,894	-	-
Less: Capitalised during the year	(529,343,265)	-	-
As at 31st March, 2020	91,299,339	-	-

b) Intangible assets under development	Particulars		
	(Amount in Rs.)	As at 1st April, 2018	As at 31st March, 2020
As at 1st April, 2019	1,320,000	-	-
Add: Additions during the year	-	-	-
Less: Capitalised during the year	(1,320,000)	-	-
As at 31st March, 2020	-	-	-

Krsnaa Diagnostics Private Limited
Notes forming part of the Financial Statements for the year ended 31st March, 2020
(All amounts are in Indian Rupees unless otherwise stated)

	31-March-2020	31-March-2019
15 Non-current investments (valued at cost unless stated otherwise)		
<i>Investment in others</i>		
Investments in equity instruments (unquoted) 29,000 (Previous year: 29,000) Equity shares of Rs. 100 each fully paid-up in Janata Sahakari Bank Limited, Pune	2,900,000	2,900,000
Total Non- current investments	<u>2,900,000</u>	<u>2,900,000</u>
Aggregate book value as at the end of the period :		
Un-quoted investments	2,900,000	2,900,000
 16 Long term loans and advances (Unsecured, considered good, unless stated otherwise)		
Loans and advances to related parties		
Loans and advances to related parties	31,007,363	31,007,363
Loans and advances to other than related parties		
Security Deposits	163,513,818	107,562,918
Earnest Money Deposits	8,293,610	8,263,020
Prepaid Expenses	37,090,628	41,058,586
MAT Credit entitlement	21,663,907	22,257,624
Advance tax and tax deducted at source [Net of provision for income tax]	135,106,433	54,950,769
Total A	<u>396,675,759</u>	<u>265,100,280</u>
Less: Provision for doubtful advance	B (31,007,363)	(31,007,363)
	A-B	<u>234,092,917</u>
 17 Other non-current assets		
Deposits with maturity date after 12 months from reporting date	60,232,192	146,458,759
Total other non-current assets	<u>60,232,192</u>	<u>146,458,759</u>
 18 Inventories (Valued at cost)		
Stock in Hand	50,667,844	42,123,595
Total inventories	<u>50,667,844</u>	<u>42,123,595</u>
 19 Trade receivables		
Outstanding for a period more than six months from the date they are due for payment		
Unsecured, considered good	180,971,798	57,732,229
Unsecured, considered doubtful	(50,000,000)	25,156,388
	130,971,798	82,888,617
Less: Provision for doubtful receivables	(50,000,000)	(25,156,388)
	(I) 80,971,798	57,732,229
Others		
Unsecured, considered good	533,343,340	504,498,701
Unsecured, considered doubtful	-	-
	533,343,340	504,498,701
Less: Provision for doubtful receivables	-	-
	(II) 533,343,340	504,498,701
Total trade receivables (I+II)	<u>614,315,138</u>	<u>562,230,930</u>

20 Cash and bank balances

Cash and cash equivalents

Cash on hand

1,406,465 12,575,640

Balances with banks

In current accounts

82,183,802 73,380,187

Deposits with original maturity of less than three months

-

Total cash and cash equivalents

A 83,590,267 85,955,827**Other Bank**

Deposits with original maturity for more than 3 months but less than 12 months

46,158,262 660,242,937

Deposits with original maturity for more than 12 months but less than 12 months from reporting date.

1,143,076,580 370,002,938

-Non-current maturities

Deposits with maturity date after 12 months from reporting date

60,232,192 146,458,759

Total gross non current maturities of other bank balances

B 1,249,467,034 1,176,704,634

Less: Amount disclosed under non-current assets

C (60,232,192) (146,458,759)

Total current maturities of other bank balances included in cash and bank balances

D=(B+C) 1,189,234,842 1,030,245,875

Total cash and cash equivalents

A+D 1,272,825,109 1,116,201,702**21 Short term loans and advances**

(Unsecured, considered good, unless stated otherwise)

Staff advances

842,016 2,490,247

Advance to trade payables

1,306,812 7,024,308

Other loans and advances

75,000 75,000

Prepaid Expenses

14,476,834 12,209,302

Capital advances

42,172,091 27,801,025

Security Deposits

31,293,990 105,852,100

Total short term loans and advances

90,166,743 155,451,982**22 Other current assets**

Interest accrued but not due on deposits

45,663,945 18,715,055

Receivable From NBFC (TDS)

2,602,024 2,261,963

Unbilled receivables

101,502,605 2,525,471

Total Other Current Assets

149,768,574 23,502,489

Krsnaa Diagnostics Private Limited

Notes forming part of the Financial Statements for the year ended 31st March, 2020

(All amounts are in Indian Rupees unless otherwise stated)

	31-March-2020	31-March-2019
23 Revenue from operations		
Sale of services	2,584,268,183	2,092,348,981
Less: Revenue shared with hospitals & Others	(755,317,919)	(623,239,664)
Total revenue from operations	1,828,950,264	1,469,109,317
24 Other income		
Interest income		
On deposits with banks	99,949,767	22,096,291
On other deposits	667,102	34,181
Dividend income	116,000	78,356
Miscellaneous income	2,127,910	921,558
Total other income	102,860,779	23,130,386
25 Cost of materials consumed		
Inventory at the beginning of the year	42,123,595	19,503,167
Add : Purchases during the year	285,784,456	195,983,558
Less: Inventory at the end of the year	(50,667,844)	(42,123,595)
Cost of materials consumed	277,240,207	173,363,130
26 Direct Expenses		
Telereporting charges	179,849,891	120,519,876
Pathologist charges	19,127,060	13,840,213
Special test report	9,404,323	12,309,349
Tele-Radiology software charges	6,551,233	4,289,693
Total direct expenses	214,932,507	150,959,131
27 Employee benefits expense		
Salaries, wages, bonus and other allowances	199,776,124	157,797,787
Contribution to provident and other funds	12,380,720	11,233,858
Gratuity expenses	3,401,418	1,703,780
Staff welfare expenses	16,459,492	11,359,588
Total Employee benefits expense	232,017,754	182,095,013
28 Finance cost		
Interest expense		
On bank loan	163,919,823	55,976,706
On loan from others	51,230,187	68,770,723
On loans from related parties	3,094,859	2,534,093
On assets on finance lease	6,995,800	2,092,359
Other borrowing costs	5,670,167	11,263,996
Bank charges	15,221,263	18,222,344
Total Finance cost	246,132,099	158,860,221
29 Depreciation and amortization expense		
on tangible assets (Refer note 12)	317,428,854	250,924,448
on intangible assets (Refer note 13)	5,887,560	4,683,727
Total Depreciation and amortization expense	323,316,414	255,608,175

Krsnaa Diagnostics Private Limited

Notes forming part of the Financial Statements for the year ended 31st March, 2020

(All amounts are in Indian Rupees unless otherwise stated)

	31-March-2020	31-March-2019
30 Other Expenses		
Ambulance charges	2,659,931	2,206,551
Power and fuel	58,901,138	45,179,049
Rent	45,881,212	45,588,602
Repairs and maintenance - Machinery	105,345,215	62,768,721
Insurance	4,808,748	2,962,195
Rates and taxes	4,081,846	4,353,160
Logistics expenses	32,491,935	23,964,639
Travelling and lodging expenses	33,434,989	25,191,274
Auditors' remuneration (Refer note below)	800,000	800,000
Printing and stationery	24,950,040	21,003,483
Communication expenses	15,985,282	13,885,667
Legal and professional charges	44,183,497	34,690,564
Security and facility management expenses	25,857,084	45,582,095
Business promotion expenses	12,463,259	7,888,250
Provision for doubtful debt	24,843,612	19,156,388
Service Charges	11,264,672	-
Office expenses	11,797,926	7,891,131
Miscellaneous expenses	2,181,123	1,852,318
Total Other expenses	461,931,509	364,964,087

Note : The following is the break-up of Auditors' remuneration

As auditor:

Statutory audit fees

800,000	800,000
800,000	800,000

Krsnaa Diagnostics Private Limited
Notes forming part of the Financial Statements for the year ended 31st March, 2020
(All amounts are in Indian Rupees unless otherwise stated)

Particulars

	31-March-2020	31-March-2019
31 Contingent Liabilities not provided for in respect of -		
Guarantees		
Bank guarantees (Note 1)		
Other money for which the Company is contingently liable (Note 2)	241,245,000	212,045,000
Dividend (Note 3 & 4)	36,500,000	36,500,000

Note - 1 & 2 : The company had availed Bank Guarantee limit of Rs. 3,340 lakhs with Janata Sahakari bank Ltd against the property of Mr. Narayan Chighlikar and Mrs. Shubhangi Chighlikar, for which the company had paid the sum of Rs. 365 lakhs to Mr. Narayan Chighlikar, the proprietor of Yash Construction.
Note-3 :The shareholders have waived all accrued and future liability with respect to dividend on Series A - CCPS.
Note - 4: The Shareholders of Series B - CCCPS and Series C - CCPS have waived their dividend as on 31st March, 2020.

32 Commitments

(i) Capital Commitments-	31-March-2020	31-March-2019
Estimated amounts of contracts remaining to be executed on capital account and not provided for, net of advances of Rs.39,640,197/- (Previous year Rs.27,801,025)	579,723,984	372,532,302

33 Details of derivative instruments for hedging

Details of derivative instruments for hedging	Nil	Nil
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34 Details of foreign currency exposures that are not hedged by derivative instruments or otherwise

Details of foreign currency exposures that are not hedged by derivative instruments or otherwise	Nil	Nil
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35 Earnings per Share (EPS)

Profit after tax		
Less : dividends on convertible preference shares & tax thereon	124,737,428	124,651,860
Net profit for calculation of basic EPS	124,737,428	124,651,860
Net profit as above		
Add: dividends on convertible preference shares & tax thereon	124,737,428	124,651,860
Net profit for calculation of diluted EPS	124,737,428	124,651,860
Continuing operations		
Profit after tax		
Less: dividends on convertible preference shares & tax thereon	124,737,428	124,651,860
Net profit for calculation of basic EPS	124,737,428	124,651,860
Net profit as above		
Add: dividends on convertible preference shares & tax thereon	124,737,428	124,651,860
Net profit for calculation of diluted EPS	124,737,428	124,651,860

	Number of shares	Number of shares
Weighted average number of equity shares in calculating basic EPS	5,163,100	5,162,262
Effect of dilution:		
Convertible preference shares	7,701,760	4,466,513
Weighted average number of equity shares in calculating diluted EPS	12,864,860	9,628,775

Basic EPS

Computed on the basis of profit from continuing operations		
Computed on the basis of total profit for the year	24.16	24.15
Diluted EPS	24.16	24.15
Computed on the basis of profit from continuing operations		
Computed on the basis of total profit for the year	9.70	12.95
	9.70	12.95

Conversion of Series B-CCCPS is not taken into consideration for EPS as its conversion depends on future event. Dividend on Series A- CCPS is waived off during the year. DEPS of previous year is antidilutive and hence, its restricted to BEPS for previous year.

36 Leases

Finance lease: Company as lessee

The Company has entered into finance lease and hire purchase contract for data processing units and printers during FY 2018-19. This involves significant upfront lease payment, have terms of renewal or return option. However, there is no escalation clause. Renewal is at the option of lessee. During the year, the company has entered into finance lease and hire purchase contract for 3T MRI machine. Rentals are payable on from 7 days of date of invoicing or installation date whichever is earlier and would then be payable on monthly basis in arrears. Lessee has the option to purchase the asset by paying INR 1000/- along with last instalment. Future minimum lease payments (MLP) under finance leases together with the present value of the net MLP are as follows.

Particulars	31-March-2020	31-March-2019
a) Minimum lease rentals payable		
i) not later than one year		
ii) later than one year but not later than five years	22,306,022	11,279,378
iii) later than five years	58,789,910	13,053,195
Total	24,473,904	
b) Present value of minimum lease payments	105,569,836	24,332,573
i) not later than one year		
ii) later than one year but not later than five years	13,514,851	8,094,820
iii) later than five years	38,115,354	11,435,581
Total	22,285,992	
c) Reconciliation of minimum lease payments and present value	73,916,197	19,530,401
Minimum lease rentals payable as per (a) above		
Less: Finance charges to be recognized in subsequent periods	105,569,836	24,332,573
Present value of minimum lease payments payable as per (b) above	31,653,639	4,802,173
	73,916,197	19,530,401

37 In accordance with the Accounting Standard-15 'Employee Benefits', the Company has calculated the various benefits provided to employees as under:

- A Defined contribution plans
a) Provident fund
b) Employee State Insurance Fund
c) Labour welfare fund

During the period the Company has recognized the following amounts in the Statement of profit and loss:-

Particulars	31-March-2020	31-March-2019
Employers Contribution to Provident fund	9,742,081	8,209,225
Employers Contribution to Employee state insurance	2,618,947	3,005,409
Employers Contribution to Labour welfare fund	19,692	19,224

- B Defined benefit plans and Other long term benefits
Contribution to gratuity funds - Employee's gratuity fund (Defined benefit plan)

In accordance with Accounting Standard 15, an actuarial valuation was carried out in respect of the aforesaid defined benefit plans based on the following assumptions.

- i Actuarial assumptions

Employee gratuity (funded)

	31-March-2020	31-March-2019
Discount rate (per annum)	6.20%	7.10%
Expected Rate of increase in compensation levels	6%	6%
Expected Rate of return on plan assets.	7.80%	7.80%
Average past service in years		
Mortality Rate	Indian Assured Lives Mortality(2012-14) Ultimate	Indian Assured Lives Mortality(2012-14) Ultimate
Retirement age	60	60
Expected average remaining working lives of employees in years	4.90	4.90
Withdrawal Rate	20%	20%

The discount rate assumed is 6.2% per annum (Previous Year 7.1%) which is determined by reference to market yield at the Balance Sheet date on government bonds. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

- i Changes in the present value of the defined benefit obligation in respect of Gratuity (funded) are as follows:

Present value obligation as at the beginning of the year	7,019,488	5,315,708
Interest cost	496,109	398,678
Current service cost	2,451,761	2,274,833
Benefits paid	(64,088)	-
Acquisition cost	-	-
Actuarial loss/(gain) on obligations	715,584	(969,731)
Present value obligation as at the end of the year	<u>10,618,854</u>	<u>7,019,488</u>

- ii Changes in the fair value of plan assets

Fair value of plan assets as at the beginning of the year	2,075,639	988,269
Expected return on plan assets	251,600	129,620
Contributions	2,300,000	1,347,063
Mortality Charges & Taxes	(177,890)	(357,302)
Benefits paid	-	-
Actuarial gain/ (loss) on plan assets	10,436	(32,011)
Actual Return of Plan asset	262,036	97,609
Fair value of plan assets as at the end of the year	<u>4,459,785</u>	<u>2,075,639</u>

- iii Reconciliation of present value of defined benefit obligation and fair value of assets

Present value obligation as at the end of the year	10,618,854	7,019,488
Fair value of plan assets as at the end of the year	4,459,785	2,075,639
Funded status/(deficit) or Unfunded net liability	(6,159,069)	(4,943,849)
Unfunded net liability recognized in balance sheet	6,159,069	4,943,849
Amount classified as: short term provision	6,159,069	4,943,849

- iv Expenses recognized in Statement of profit and loss

Current service cost (including risk premium for fully insured benefits)	2,451,761	2,274,833
Interest cost	496,109	398,678
Expected return on plan assets	(251,600)	(129,620)
Net actuarial loss/(gain) recognized during the year	705,148	(937,720)
Total expense recognised in Statement of profit and loss	<u>3,401,418</u>	<u>1,606,171</u>

- v Investment details of the Plan Assets

LIC	4,459,785	2,075,639
Total fund balance	<u>4,459,785</u>	<u>2,075,639</u>

Krsnaa Diagnostics Private Limited

Notes forming part of the Financial Statements for the year ended 31st March, 2020
(All amounts are in Indian Rupees unless otherwise stated)

vi General Description of the Plan

The Company operates gratuity plan through a LIC wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Company's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972.

C Leave Encashment

The employees are entitled for 24 days leave during the calendar year, which can be accumulated up to 42 days. The company provides for the liability at year end on account of unavailed leave as per the actuarial valuation using the Projected Unit Credit Method. Liabilities in respect of this kind of leave are unfunded. Actuarial gains and losses are recognised in the Statement of Profit and Loss as and when incurred.

38 Related Party Disclosures

In accordance with the requirement of Accounting Standard (AS)-18 on "Related Party Disclosures", the names of the related parties where control exists and parties who are able to exercise significant influence along with the aggregate transactions along with year end balances with them as identified and certified by the management are given below:

a Names of the Related Parties and Related Party Relationship

i Name of the related parties and nature of relationship where control exists:

Related Parties having significant influence over company:

Investors:

Somerset Indus Healthcare Fund I-Investor - Mauritius based company
Kitara PIIN 1104- Investor-Mauritius based company
Mayur Sirdesai-Nominee Director and investor (representative of Lotus Management Solutions)
Phi Capital Growth Fund I

ii Other related parties with whom transactions have been taken place during the period
Lokmanya Hospital Medical Stores

Key Managerial Personnel and their relative:

Rajendra Mutha-Director
Narayanan Balasubramanyam-Nominee Director
Yash Prithviraj Mutha-WholeTime Director
Pallavi Bhatewara-Managing Director and Shareholder
Manisha Chitgopekar - Company Secretary
Sunita Mutha- Relative of KMP

iii Enterprise over which directors exercise significant influence:

a. Rajendra Mutha is director in following entities:
- Krsna International Limited-Yemen

Particulars	31-March-2020	31-March-2019
b Transactions with the Related Parties		
<u>Issue of Compulsory Convertible Cumulative Participating Preference Shares</u>		
Phi Capital Trust-Phi Capital Growth Fund	-	759,721,500
<u>Issue of Equity share capital during the year</u>		
Phi Capital Trust-Phi Capital Growth Fund	-	10,000
<u>Travelling and conveyance expense</u>		
Kitara PIIN 1104	-	10,073
Pallavi Bhatewara	1,139,204	142,026
<u>Lodging and boarding expenses</u>		
Pallavi Bhatewara	376,962	806,738
<u>Purchase of consumables & Other</u>		
Lokmanya Hospital Medical Stores	307,700,788	191,035,252
Mahesh Surgical & Pharmaceuticals	-	807,809
<u>Rent expense</u>		
Sunita Mutha	22,656,000	21,200,000
<u>Professional fee expenses</u>		
Somerset Indus Healthcare Fund I	590,000	1,416,000
Somerset Healthcare Investment Advisors Pvt Ltd	826,000	-
Kitara PIIN 1104	1,200,000	1,200,000
Phi Capital Trust-Phi Capital Growth Fund	1,416,000	392,064
<u>Managerial remuneration</u>		
Pallavi Bhatewara	5,088,320	3,655,295
Rajendra Mutha	8,376,720	8,400,000
Yash Mutha	1,799,922	299,954
<u>Loans repaid during the year</u>		
Rajendra Mutha(LHMS)	7,788,739	116,335,000
<u>Interest expense on loan</u>		
Pallavi Bhatewara	2,785,364	1,025,051
<u>Loans taken during the year</u>		
Rajendra Mutha(LHMS)	11,226,935	106,075,000
Pallavi Bhatewara	10,000,000	-
<u>Advances given during the year</u>		
Pallavi Bhatewara	-	4,055,879
<u>Other Misc Exps</u>		
Pallavi Bhatewara	150,757	-
Kitara PIIN 1104	3,845	-
(c) Outstanding balances		
Particulars	31-March-2020	31-March-2019
<u>Trade Receivable</u>		
Krsna International Limited-Yemen	31,007,363	31,007,363
<u>Loans and Advances</u>		
Pallavi Bhatewara	-	2,015,352
Yash constructions	36,500,000	36,500,000
<u>Other Payable</u>		
Sunita Mutha	2,036,000	450,000
Somerset Indus Healthcare	-	216,000
Somerset Healthcare Investment Advisors Pvt Ltd	324,000	-
Kitara PIIN 1104	623,894	893,894
Phi Capital Trust-Phi Capital Growth Fund	648,000	358,838
<u>Trade Payable</u>		
Lokmanya Hospital Medical Stores	25,719,371	19,303,214
<u>Unsecured Loans</u>		
Pallavi Bhatewara	18,542,090	8,542,090
<u>Loans and advances from related parties</u>		
Rajendra Mutha	3,467,301	29,105

Krsnaa Diagnostics Private Limited

Notes forming part of the Financial Statements for the year ended 31st March, 2020
(All amounts are in Indian Rupees unless otherwise stated)

- 39 One of the related parties of the Company, Lokmanya Hospital Medical Stores (LHMS) has entered into an agreement with Rogi Kalyan Samiti (RKS) of Himachal Pradesh (HP) under PPP arrangement (Public Private Partnership) for establishment of diagnostic centres at twelve locations at HP for rendering radiology services which majorly includes services for MRI and CT scan. The Company has entered into agreement with LHMS whereby the services at RKS hospitals at HP are provided by the Company on behalf of LHMS. As per agreement entered between the two, the revenue recognised by rendering services at twelve centres at HP is to be shared between the Company and LHMS in 99:1, but the same is not shared during the year as LHMS has waived off the revenue due to them.
- 40 The Company has outstanding balance receivable from Krsna International Limited for Rs.31,007,363 from year 2012-13, as the Company had exported certain machineries and few related consumables. Due to political unrest, the operations of Krsna International Limited in Yemen were discontinued and the amount could not be recovered inspite of continuous follow up. Whilst the Company is in the process of arranging and taking necessary permissions/approvals from authorised banks, however as abundant caution, the company during previous year has made provision of Rs. 31,007,363 towards doubtful advances.
- 41 In the opinion of the Board, the Current assets, trade receivables and loans and advances are approximately of the value stated, if realized in the ordinary course or business, except otherwise stated. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.
- 42 The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which has been further extended till June 30, 2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that no there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.

- 43 Previous year figures have been regrouped/ reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Digitally signed by NITIN MANOHAR JUMANI
Date: 2020.07.01 12:19:40 +05'30'

Nitin Manohar Juman
Partner
Membership No: 111700

Place: Pune
Date: July 1, 2020

For and on behalf of the Board of Directors of
Krsnaa Diagnostics Private Limited
CIN: U74900PN2010PT1138068


Rajendra Mutha
Director
DIN: 01066737

Place: Pune
Date: July 1, 2020


Yash Mutha
Director - Finance

Place: Pune
Date: July 1, 2020



Pallavi Bhatavara
Managing Director
DIN: 03600332

Place: Pune
Date: July 1, 2020



Manisha Chitgopekar
Company Secretary
Membership No: A27816

Place: Pune
Date: July 1, 2020

