



Krsnada
DIAGNOSTICS®

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Annual Report
For FY 2020-21

BOARD'S REPORT

To,
Members

Your Directors are pleased to present the Company's 11th 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, 2021.

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

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

(INR in Million)

Particulars	2020-21 Current Year	2019-20 Previous Year
Gross Revenue from Operations	3,964.56	2,584.27
Gain on Fair Value Movement of Compulsory Convertible Preference Shares	2,527.84	-
Other Income	122.36	129.52
Total Income	6,614.76	2,713.79
Loss on Fair Value Movement of Compulsory Convertible Preference Shares	-	1,770.31
Other Expenses	3,660.24	2,526.80
Total Expenses	3,660.24	4,297.11
EBITDA*	1,060.48	757.74
EBITDA**	938.11	628.22
Net Profit Before Tax	2,954.52	(1,583.32)
Tax expenses for current year	1,105.23	(463.81)
Net Profit After Tax[#]	1,849.29	(1,119.51)

[#]Due to application of IND-AS effective from 01st April, 2019, the amount is derived by giving effect of multiple fair value movements to the various financials assets and liabilities which has resulted in to loss when compared with profit as per Indian GAAP financial reported earlier.

*EBITDA is calculated as profit / (loss) for the period plus income tax expense plus finance costs plus depreciation and amortization expenses plus loss on fair value movement of Compulsory Convertible Preference Shares minus gain on fair value movement of Compulsory Convertible Preference Share.



Krsnaa Diagnostics Ltd. (Formerly known as Krsnaa Diagnostics Pvt. Ltd.)

S.No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1, Near Chinchwad Station,
Chinchwad, Taluka - Haveli, Pune, MH - 411019 (India)

020 29780210 / 11 / 12 | info@krsnadiagnostics.com CIN : U74900PN2010PLC138068

www.krsnaadiagnostics.com

**EBITDA is calculated as profit / (loss) for the period plus income tax expense plus finance costs plus depreciation and amortization expenses plus loss on fair value movement of Compulsory Convertible Preference Shares minus gain on fair value movement of Compulsory Convertible Preference Share minus Other Income.

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 any amount 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 2020-21, that the Company has achieved, is of INR 3,964.56 Million as against INR 2,584.27 Million for Financial year 2019-20, showing a robust growth of 53.41%. EBIDTA has increased by 39.95% from INR 757.74 Million in Financial year 2019-20 to INR 1060.48 Million in Financial year 2020-21. Net Profit for the financial year 2020-21, is INR 1,849.29 Million.

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.

The Indian diagnostic market is small when compared to the diagnostic market in developed countries, due to lower healthcare spending as % of GDP. In 2018, the healthcare spending as % of GDP by India was merely 3.5%, whereas for developed countries like UK and USA, it was 10% and 17% of GDP respectively. The Indian diagnostic market is highly underpenetrated, with huge potential for growth. The research shows that it is fast growing segment of the overall healthcare market. The Indian diagnostic market is poised to grow at 13% CAGR till FY23, due to various growth drivers such as aging population, rising insurance penetration and growing thrust on preventive care diagnostics. Currently about 25% of total population is above 45 years of age and by FY23 this tend to cross 30%, leading to higher demand for the diagnostic of diseases and disorders. That apart the population seeking



insurance coverage is growing at CAGR of 17% in 5 years up to 2019, that would also lead to growing demand for diagnostics through various other channels.

The industry is dominated by small and regional unorganized diagnostic laboratories, which controls more than 70% of the total diagnostic market. Before pandemic, due to significant latent demand emerging on the back of improving economic conditions in the country and a rapidly emerging urban population, though the significant chunk is getting converted from unorganized to organized, since there are no entry barriers, more and more unorganized players were entering into the space and there seems no significant shift in the share of organized players in the total diagnostic market. However, COVID-19 has deeply impacted the landscape of Indian Diagnostics. There is increased reliance on organized players since local unorganized players are facing operational challenges. There is an increased salience of reports from organized players given higher degree of trust in established brand with high-tech and accredited laboratories. Also given the current situation, and no immediate respite available from COVID-19, the RTPCR test would be most routine and common test to garner business. That will also benefit organized players with huge testing capacity and since they have developed over the years pan India logistic network. Simultaneously increased awareness about the health in small and medium cities is likely to ensure growth for the diagnostic industry as a whole.

According to industry estimates, the diagnostic market are anticipated to grow at 12-13%, with the general expectation that the organized chains would able to deliver growth at an even higher rate. In India's healthcare industry, diagnostic services play the role of an information intermediary, providing useful information for the accurate diagnosis and treatment of patients' diseases. The diagnostic industry in India can be classified into pathology testing services and imaging diagnostic services. Pathology testing or invitro diagnosis involves the collection of samples, in the form of blood, urine, stool, etc., and analyzing them using laboratory equipment and technology to arrive at useful clinical information, in order to assist with treatment of patents' diseases. The pathology testing segment includes biochemistry, immunology, hematology, urine analysis, molecular diagnosis and microbiology. Imaging diagnosis or radiology involves imaging procedures such as X-rays and ultrasounds, which help mark anatomical or physiological changes inside a patient's body, in order to assist doctors to diagnose patient's disease. The imaging diagnostic segment also includes more complex tests, such as CT scans and MRIs, and highly specialized tests, such as PET-CT scans.

According to the Research Reports on Indian healthcare diagnostic industry, the industry is likely to grow by at least 11-13% p.a. in next five years, largely driven by increase in healthcare spending by aging population, rising income levels, rising awareness for preventive testing, advanced healthcare diagnostic tests offerings and healthcare measures introduced by stable government at central. The government sponsored schemes like Ayushman Bharat which caters to the poorest income population will likely bring more patients under the ambit of health cover.

Our strategic objective is to have sustainable productive growth by maintaining the profit margins, without compromising on the quality and the cost of the delivery of our services.



The novel coronavirus [COVID-19] pandemic continues to spread around the globe rapidly. The virus has taken its toll on not just human life, but business and financial markets too, the extent of which is currently indeterminate.

In view of the lockdown across the country due to the outbreak of COVID pandemic during the previous year, operations of the Company (collection centers, imaging centers, centralized processing laboratory, regional processing laboratories and offices, etc.) were scaled down or shut down from second half of March 2020. Although some of the states have initiated measures to lift the lockdown either partially or fully in the later part of the financial year, the duration of this lockdown was uncertain in almost all the states.

The Company has resumed its full operations in the second quarter of financial year and as compared to the previous year is better equipped to manage the operations effectively in the event of a lockdown.

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

The Company was converted from a private limited to a public limited company pursuant to a special resolution passed in the extraordinary general meeting of the Shareholders held on 25th April, 2021. Consequently, the name of our Company was changed to its present name pursuant to a fresh certificate of incorporation issued by the Registrar of Companies, Maharashtra at Pune on 6th May, 2021.

Your Company is planning to come up with an Initial Public Offer (IPO) and further listing of its equity shares on the stock exchanges in the near future. The Company has already filed the Draft Red Herring Prospectus on 15th May, 2021 in this behalf.

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:

Conservation of energy

(i)	The steps taken or impact on	Since the Company is a Service
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	conservation of energy	Industry, its utilization of energy is negligible.
(ii)	The steps taken by the company for utilizing alternate sources of energy	NIL
(iii)	The capital investment on energy conservation equipment's	NIL

a) 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

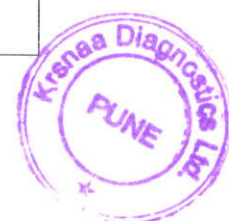
8. FOREIGN EXCHANGE EARNINGS / OUTGO

Sr. No.	Particulars	Amount (INR In Million)
1	Foreign Exchange Earnings	NIL
2	Foreign Exchange Outgo	1.08

9. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

There were no joint ventures and associate companies of the Company during the year under review. Considering the business requirements, the Company floated six subsidiaries during March 2021 as detailed below:

Sr. No.	Name of the subsidiary	Date of Incorporation
1	KDPL Diagnostics (Ludhiana) Private Limited	22 nd March, 2021
2	KDPL Diagnostics (Amritsar) Private Limited	24 th March, 2021
3	KDPL Diagnostics (Bathinda) Private Limited	



4	KDPL Diagnostics (Jalandhar) Private Limited	24 th March, 2021
5	KDPL Diagnostics (Patiala) Private Limited	
6	KDPL Diagnostics (SAS Nagar) Private Limited	

All above subsidiaries are operational as on the date of this report.

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.

However, in addition to the existing borrowings from the directors, the Company has obtained unsecured short term loan from its directors of INR 25.22 Million during the year under review. Out of which INR 27.50 Million has been repaid. At the end of the financial year under review, INR 19.73 Million is remaining outstanding. 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 2021, is given in **Annexure A**, which forms part of this Board Report.

12. NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met 8 times during the financial year 2020-2021 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 HIS REPORTS

There are no qualifications, reservations or adverse remarks or disclaimers made by the Practicing Company Secretary in his report for the financial year under review.

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) were nominated by the Promoter and one director was nominated by each of the Investors. Accordingly, total 6 directors constituted the Board of Directors of the Company during the financial year under review. Remuneration of the Directors was decided by the Company as per the provisions of Section 197 and Schedule V of the Companies Act, 2013.

The Company is planning to come up with an Initial Public Offer (IPO) and further listing of its equity shares on the stock exchanges in the near future. Accordingly, the Company has reconstituted its Board of Directors to fulfill the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which may be applicable to the Company upon listing of its shares as stated above.

As on the date of this report, the Board of Directors of the Company consist of following members:

Sr. No.	Name of the Director	Category
1	Mr. Rajendra Mutha	Executive Director
2	Ms. Pallavi Bhatevara	Managing Director
3	Mr. Yash Mutha	Executive Director
4	Mr. Prem Pradeep	Nominee Director
5	Mr. Chetan Desai	Independent Director
6	Ms. Chhaya Palrecha	Independent Director
7	Mr. Prakash Iyer	Independent Director
8	Mr. Rajiv Ranjan Verma	Independent Director

17. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits 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

During the year under review following were the changes in the **Board of Directors** of the Company:

Sr. No.	Name of the Director	Nature of Change	Effective Date	Additional Remark
1	Mr. Prem Pradeep	Appointment	08 th	Nominee Director on behalf of Phi Capital Trust – Phi Capital Growth Fund – I
2	Mr. Narayanan Balasubramanyam	Cessation	October, 2020	

During the year under review following were the changes in the **Key Managerial Personnel** of the Company:

Sr. No.	Name of the Director	Nature of Change	Effective Date	Additional Remark
1	Mr. Pawan Daga	Appointment	18 th January, 2021	Designated as Chief Financial Officer

19. DECLARATION OF INDEPENDENT DIRECTORS

During the year under review, no Independent Director was appointed under the provisions of Section 149 of the Companies Act, 2013.

20. COMPLIANCE OF SECRETARIAL STANDARDS



The Company has duly complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS-1) and Shareholders (SS-2).

21. 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.

22. AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s MSKA & Associates, Chartered Accountants, Pune were appointed as Statutory Auditors of the Company by the members of the Company at the 6th Annual General Meeting (AGM) of the Company held on 28th September, 2016 for the term of 5 years to hold the Office from the conclusion of 06th AGM till the conclusion of 11th AGM to be held in the year 2021. Accordingly, the Statutory Auditors are retiring in the ensuing Annual General Meeting of the Company.

M/s MSKA & Associates, has consented to act as the Statutory Auditors of the Company for second term of 5 years commencing from the conclusion of 11thAGM of the Company till the conclusion of 16thAGM to be held on the year 2026.

The Board of Directors, therefore, recommends re-appointment of M/s MSKA & Associates, Chartered Accountants, Pune for second term of five years.

Cost Audit

As per the Cost Audit Rules, cost audit or maintenance of cost records was not applicable to any of Company's products/ business of the Company for F.Y. 2020-21.

Internal Auditor

As per the provisions of Section 138 of Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, the Board of Directors of the Company has appointed M/s. Price Waterhouse Coopers Private Limited as an internal Auditor for the financial year 2021-22.

Secretarial Auditor

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013, Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, the Board



of Directors of the Company has appointed M/s. Dinesh Birla and Associates as the Secretarial Auditor of the Company for the financial year 2021-22.

The Secretarial Audit Report for the Financial Year under review is enclosed as Annexure 'D' to this Report.

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.

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

A. Audit Committee: During the year under review, 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 details of the Committee-

Sr. No.	Name	Designation
1	Mr. Yash Mutha	Chairman
2	Mr. Sachin Kamath	Member
3	Mr. Mayur Sirdesai	Member
4	Mr. Narayanan Balasubramanyam*	Member

* Ceased to be a director and member of the Committee effective from 08th October, 2020

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 the 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 details of the Committee.

Sr. No.	Name	Designation
1	Mr. Rajendra Mutha	Chairman
2	Mr. Sachin Kamath	Member
3	Mr. Mayur Sardesai	Member
4	Mr. Narayanan Balasubramanyam*	Member

* Ceased to be a director and member of the Committee effective from 08th October, 2020

D. Corporate Social Responsibility Committee (CSR Committee): In the Financial Year 2020-21, the Company had CSR Committee in place pursuant to the provisions of Section 135 of the Companies Act, 2013.

Following are the details of the Committee:

Sr. No.	Name	Designation
1	Mr. Yash Mutha	Chairman
2	Ms. Pallavi Bhatevara	Member
3	Mr. Sachin Kamath	Member
4	Mr. Mayur Sardesai	Member
5	Mr. Narayanan Balasubramanyam*	Member

* Ceased to be a director and member of the Committee effective from 08th October, 2020

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

24. 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 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.

25. 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.

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

26. CHANGES IN SHARE CAPITAL

a) Authorized Capital:

During the year the Authorized Capital has increased from INR 1,46,15,76,922/- (INR One Forty-Six Crore Fifteen Lacs Seventy-Six Thousand Nine Hundred and Twenty-Two Only) to INR 1,47,15,76,922/- (INR One Forty-Seven Crore Fifteen Lacs Seventy-Six Thousand Nine Hundred and Twenty-Two Only), by way of increase of 10,00,000 Equity Shares of INR 10/- each.

b) Paid up Capital

The Company has issued 7,30,904 equity shares by way of Rights Issue at the face value of INR 10/- each during the year under review.

Also, during the year under review, the Company undertook the conversion of 6,00,960 Compulsorily Convertible Preference Shares - Series B into Equity Shares in the ratio of 1:1, at the price of INR 10/- each and premium of INR 240/- each.

c) Sub-division

The Company has, pursuant to a Shareholders' resolution dated 25th April, 2021, sub-divided its share capital by sub-dividing the face value of the Equity Shares from INR 10 to INR 5 per Equity Share.

d) Buy Back of Securities

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

e) Sweat Equity



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

f) Employee Stock Options Scheme

The Company has formulated Employees Stock Option Scheme 2020 (the "ESOP Scheme") pursuant to a resolution passed by the Shareholders on 1st July, 2020, with a maximum options pool of 2,046,666 options (on a post-Split basis).

g) Bonus Shares

No Bonus Shares were issued during the year under review.

h) 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.

27. 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.

28. 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.

29. 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.

30. 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.

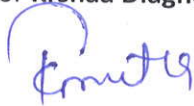
An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

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.

31. 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 Limited**



Rajendra Mutha
Chairman
DIN: 01066737



Place: Pune
Date: 13th July, 2021

ANNEXURE A

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2021

**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	U74900PN2010PLC138068
2.	Registration Date	22/12/2010
3.	Name of the Company	Krsnaa Diagnostics Limited
4.	Category/Sub-category of the Company	Limited Company
5.	Address of the Registered office & contact details	S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1, Near Chinchwad Station, Chinchwad, Taluka - Haveli Pune MH 411019 IN
6.	Whether listed company	UNLISTED
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	KFin Technologies Private Limited Selenium Tower B, Plot 31 & 32, Gachibowli Financial District, Nanakramguda Serilingampally, Hyderabad 500 032

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

Sr. No	Name & Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	KDPL Diagnostics (Amritsar) Private Limited	U85100PN2021PTC199780	Subsidiary	99.99%	2(87)(ii)
2	KDPL Diagnostics (Bathinda) Private Limited	U85100PN2021PTC199781			
3	KDPL Diagnostics (Jalandhar) Private Limited	U85100PN2021PTC199783			

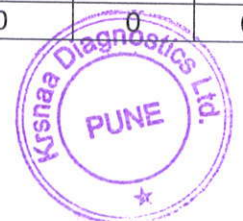


4	KDPL Diagnostics (Ludhiana) Private Limited	U85100PN2021PTC199690			
5	KDPL Diagnostics (Patiala) Private Limited	U85100PN2021PTC199785			
6	KDPL Diagnostics (SAS Nagar) Private Limited	U85110PN2021PTC199787			

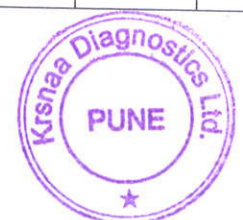
IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding A-Equity Share Capital

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2020]				No. of Shares held at the end of the year [As on 31-March-2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	3333360	206400	3539760	68.56	3333360	681600	4014960	61.81	(6.75)
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	283878	283878	4.37	4.37
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1) :-	3333360	206400	3539760	68.56	3333360	965478	4298838	66.18	2.36
(2) Foreign	0	0	0	0	0	0	0	0	0
(a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
(b) Other – Individuals	0	0	0	0	0	0	0	0	0
(c) Bodies Corp.	0	0	0	0	0	0	0	0	0
(d) Banks / FI	0	0	0	0	0	0	0	0	0
(e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A)(2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	3333360	206400	3539760	68.56	3333360	965478	4298838	66.18	2.36
B. Public Shareholding	0	0	0	0	0	0	0	0	0
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0



c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FII's	0	2000	2000	0.04	0	402000	402000	6.19	6.15
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	2000	2000	0.04	0	402000	402000	6.19	6.15
2. Non-Institutions									
a) Bodies Corp.	0	1000	1000	0.02	0	356465	356465	5.49	5.47
i) Indian	0	1000	1000	0.02	0	356465	356465	5.49	5.47
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital up to INR 1 lakh	0	0	0	0	0				0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	1620240	1620240	31.38	0	1436601	1436601	22.12	(9.26)
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Partnership Firm	0	100	100	0.002	0	1,060	1,060	0.02	0.018
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	1621340	1621340	31.40	0	1794126	1794126	27.62	2.38



Total Public Shareholding (B)=(B)(1)+(B)(2)	0	1623340	1623340	31.44	0	2196126	2196126	33.82	2.38
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	3333360	1829740	51,63,100	100	3333360	3161604	6494964	100	0

B) Shareholding of Promoter-

S. No.	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	4014960	61.8165%	0	0
2	Pallavi Bhatevara	206400	3.998	0	N.A.	N.A.	0	0
3	Krsna Diagnostics (Mumbai) Private Limited	-	-	-	283878	4.3707%		
	Total	3539760	68.56	0	4298838	66.1872%	0	0

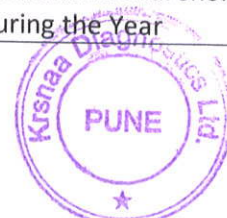
C) Change in Promoters' Shareholding.

S. No.	Particulars	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
	At the beginning of the year	3539760	68.56	3539760	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	At the beginning of the F.Y. 2020-21, the Promoters were – 1. Rajendra Mutha – 3333360; and 2. Pallavi Bhatevara – 206400; However, at the end of the Financial Year, the Promoters of the Company were – 1. Rajendra Mutha – 4014960; and 2. Krsna Diagnostics (Mumbai) Private Limited – 283878			
	At the end of the year	4298838	66.19	4298838	66.19



**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.):				
	Transfer (02/02/2021)	(15000)	(0.29)	191400	3.71
	Transfer (23/03/2021)	(63084)	(1.22)	128316	2.49
	Allotment (31/03/2021)	6085	0.12	134401	2.07
	At the end of the year			134401	2.07
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
TECHJIVAA SOFTWARE PRIVATE LIMITED					
	At the beginning of the year	NIL	NIL	NIL	NIL
	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 (23/03/2021)	211331	4.09	211331	3.67
	At the end of the year			211331	3.25
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
SOMERSET INDUS HEALTHCARE FUND 1 LIMITED					
	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.):				
	Allotment (23/03/2021)	200000	3.87	201000	3.49
	At the end of the year			201000	3.09
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



		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
KITARA PIIN 1104					
	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.):				
	Allotment (23/03/2021)	200000	3.87	201000	3.49
	At the end of the year			201000	3.09
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.):				
	Allotment (23/03/2021)	24029	0.47	230429	4.00
	Allotment (31/03/2021)	12767	0.25	243196	3.74
	At the end of the year			243196	3.74
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.):				
	Transfer (23/03/2021)	(63084)	(1.22)	143316	2.78
	Allotment (31/03/2021)	6802	0.13	150118	2.31
	At the end of the year			150118	2.31
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.):				
	Transfer (23/03/2021)	(63084)	(1.22)	143316	2.78
	Allotment (31/03/2021)	6802	0.13	150118	2.31
	At the end of the year			150118	2.31
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.):				
	Transfer (01/07/2020)	(26586)	(0.51)	179814	3.48
	Transfer (23/03/2021)	(63084)	(1.22)	116730	2.26
	Allotment (31/03/2021)	5311	0.10	122041	1.88
	At the end of the year			122041	1.88
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
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.):				
	Transfer (23/03/2021)	(63084)	(1.22)	143316	2.78
	Allotment (31/03/2021)	6802	0.13	150118	2.31
	At the end of the year			150118	2.31
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
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.):				
	Transfer (23/03/2021)	(63084)	(1.22)	143316	2.78



	Allotment (31/03/2021)	6802	0.13	150118	2.31
	At the end of the year			150118	2.31
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
PALLAI SHANTILAL BHATEVARA					
	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.):				
	Transfer (23/03/2021)	(63084)	(1.22)	143316	2.78
	Allotment (31/03/2021)	6802	0.13	150118	2.31
	At the end of the year			150118	2.31
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
PHI CAPITAL TRUST – PHI CAPITAL GROWTH FUND – I					
	At the beginning of the year	1000	0.02	1000	0.02
	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 (31/03/2021)	144134	2.79	145134	2.23
	At the end of the year			145134	2.23
KIRANKUMAR PRABHAKAR BHISE					
	At the beginning of the year	103200	2.00	103200	2.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	Transfer (01/07/2020)	26586	0.51	129786	2.51
	Transfer (02/02/2021)	15000	0.29	144786	2.80
	Transfer (23/03/2021)	(31542)	(0.61)	113244	2.19
	Allotment (23/03/2021)	12014	0.23	125258	2.17
	Allotment (31/03/2021)	8576	0.17	133834	2.06
	At the end of the year			133834	2.06
ROHIT DINANATH KARPE					
	At the beginning of the year	72240	1.40	72240	1.40
	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 (23/03/2021)	(22079)	(0.43)	50161	0.97
	Allotment (31/03/2021)	2378	0.05	52539	0.81



At the end of the year			52539	0.81
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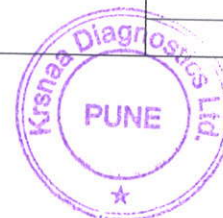
E) Shareholding pattern of Directors and KMP

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	3333360	64.56	3333360	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				
	Allotment (23/03/2021)	163957	3.18	3497317	60.67
	Allotment (31/03/2021)	517643	8.98	4014960	61.82
	At the end of the year			4014960	61.82
2	PALLAVI BHATEVARA				
	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.):				
	Transfer (23/03/2021)	(63084)	(1.22)	143316	2.78
	Allotment (31/03/2021)	6802	0.13	150118	2.31
	At the end of the year			150118	2.31

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

(INR in Million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,315.77	22.01		1,337.78
ii) Interest due but not paid	-	4.11		4.11
iii) Interest accrued but not due	1.94	-		1.94
Total (i+ii+iii)	1,317.71	26.12		1,343.43
Change in Indebtedness during the financial year				
* Addition	606.93	17.50		624.43
* Reduction	118.66	16.01		134.67



Net Change	488.27	1.49		489.76
Indebtedness at the end of the financial year				
i) Principal Amount	1,802.57	19.73		1,822.30
ii) Interest due but not paid	-	7.88		7.88
iii) Interest accrued but not due	3.40	-		3.40
Total (i+ii+iii)	1,805.97	27.61		1,833.58

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

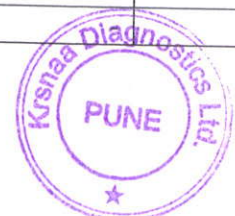
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(INR in Million)

SN.	Particulars of Remuneration	Name of Chairman/MD/WTD			Total Amount
		Rajendra Mutha (Chairman)	Pallavi Bhatevara (Managing Director)	Yash Mutha (Whole-Time Director)	
1	Gross salary	6.28	4.88	3.53	14.68
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6.28	4.88	3.53	14.68
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission - as % of profit - others, specify	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total (A)	6.28	4.88	3.53	14.68
	Ceiling as per the Act				

B. Remuneration to other directors:

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mayur Sirdesai	Sachin Kamath	Narayanan Balasubramanyam*	Prem Pradeep	
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	-	-	-	-	-

* Ceased to be a director effective from 08th October, 2020.

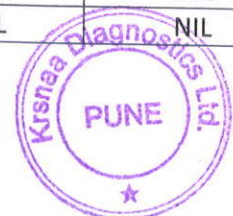
C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

(INR in Million)

Sr. No.	Particulars of Remuneration	Name of KMP		Total Amount
		Pawan Daga (Chief Financial Officer)	Manisha Chitgopekar (Company Secretary)	
1	Gross salary	0.37	0.31	0.68
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.37	0.31	0.68
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)	0.37	0.31	0.68
	Ceiling as per the Act			

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

By Order of Board of Directors
For **Krsnaa Diagnostics Limited**

Rajendra Mutha

Rajendra Mutha

Chairman

DIN: 01066737

Place: Pune

Date: 13th July, 2021



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	Mrs. Sunita Mutha	Rent of Corporate office	Ongoing Transactions	INR 35.64 million	1 st July, 2020	

By Order of Board of Directors
For Krsnaa Diagnostics Limited



Rajendra Mutha
Chairman
DIN: 01066737



Place: Pune

Date: 13th July, 2021

“ANNEXURE C”

Annual Report on CSR Activities

1. CSR Policy: KRSNAA will focus on CSR initiatives that promotes the areas identified in this policy. KRSNAA choose to spend CSR fund to fight COVID-19 pandemic directly:

2. The composition of the CSR Committee: The members of the CSR Committee of the Board as on March 31, 2020 are:

- | | |
|-----------------------------------|----------|
| a. Mr. Yash Mutha | Chairman |
| b. Ms. Pallavi Bhatevara | Member |
| c. Mr. Sachin Kamath | Member |
| d. Mr. Mayur Sirdesai | Member |
| e. Mr. Narayanan Balasubramanyam* | Member |

* Ceased to be a director effective from 08th October, 2020.

3. Average Net Profit of the company for last three Financial Years: INR 174.16 Million

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): INR 3.48 Million

5. Details of the CSR spent during the Financial Year 2020-21:

a) Total amount to be spent for the Financial Year: INR 3.48 million

b) Total amount spent for the Financial Year: INR 26.55 Million

c) Amount unspent if any: INR NIL

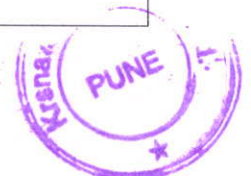
d) Excess amount spent carried forward to next financial year: INR 19.84 Million

c) Manner in which the amount spent during the Financial Year is detailed below:

Details of the CSR spent during the Financial Year:

Amount in Million

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or others (2) Specify the state and district where project or programs were	Amount outlay budget project or program wise*	Amount spent on the projects or programs Subheads: (1) Direct expenditure on project (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
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			undertaken				
1	Fight Covid-19 Pandemic (Towards liability for F.Y. 2020-21)	Medical	Pune, MH	23.334	Nil	Nil	Nil
2	Fight Covid-19 Pandemic (Towards liability for F.Y. 2019-20)	Medical	Pune, MH	2.39	Nil	Nil	Nil
3	Fight Covid-19 Pandemic (Towards liability for F.Y. 2018-19)	Medical	Pune, MH	0.83	Nil	Nil	Nil

6. Reasons for not spending the prescribed CSR expenditure: Not Applicable.

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.

By Order of Board of Directors
For Krsnaa Diagnostics Limited

Rajendra Mutha
Chairman
DIN: 01066737



Place: Pune

Date: 13th July, 2021

			undertaken				
1	Fight Covid-19 Pandemic (Towards liability for F.Y. 2020-21)	Medical	Pune, MH	23.334	Nil	Nil	Nil
2	Fight Covid-19 Pandemic (Towards liability for F.Y. 2019-20)	Medical	Pune, MH	2.39	Nil	Nil	Nil
3	Fight Covid-19 Pandemic (Towards liability for F.Y. 2018-19)	Medical	Pune, MH	0.83	Nil	Nil	Nil

6. Reasons for not spending the prescribed CSR expenditure: Not Applicable.

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.

By Order of Board of Directors
For Krsnaa Diagnostics Limited

Rajendra Mutha
Chairman
DIN: 01066737



Place: Pune

Date: 13th July, 2021

Secretarial Compliance Report
(For the year ended 31st March, 2021)

To,
The Members
Krsnaa Diagnostics Limited
S.No. 243, A-Hissa No. 6, CTS No. 4519, 4519/1,
Near Chinchwad Station,
Chinchwad, Pune - 411 019

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Krsnaa Diagnostics Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2021 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2021 according to the provisions of:

- i. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The Memorandum and Articles of Association.
- vi. The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sectors/ industry are:

1. The Clinical Establishments (Registration and Regulation) Act, 2010 and rules made thereunder;
2. The Preconception and Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 1994 and rules made thereunder;
3. The Atomic Energy Act, 1962 and rules made there under;
4. Bio Medical Waste (Management and Handling) Rules, 1988, as amended up to date.

I have also examined compliance with the applicable clauses of the Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Company has been converted from Private Limited Company to a Public Limited Company by obtaining an approval from its Shareholders in their meeting held on 25th April, 2021 and the Registrar of Companies, Pune, Maharashtra, issued a new certificate of Incorporation of the Company on 6th May, 2021.

I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the meetings of the Board and Committees of the Board. Except where consent of the directors was received for scheduling meeting at a shorter notice, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

I further report that during the audit period:

- The Company granted 10,23,333 ESOP options to the eligible employees under Employees Stock Option Scheme 2020-21.
- The Company has converted 600960 compulsory convertible preference shares-Series B (CCPS Series B) of Rs. 250/- each into 600960 Equity Shares of Rs. 10/- each at a premium of Rs. 240 each in its Board Meeting held on 23rd March, 2021.

- The Company issued and allotted 730904 Equity Shares of Rs. 10/- each at face value to the existing Equity Shareholders on Right basis in the ratio of their existing shareholding in the company as on 31st March, 2021.

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

For Dinesh Birla & Associates
Company Secretaries

DINESH
SHIVNARAYAN BIRLA

Digitally signed by DINESH
SHIVNARAYAN BIRLA
Date: 2021.07.13 19:13:47
+05'30'

Dinesh Birla
Proprietor
FCS: 7658, CP No. : 13029

Place: Pune
Date: 13th July, 2021
UDIN : F007658C000626716

Annexure "A"

To,
The Members
Krsnaa Diagnostics Limited
S.No. 243, A-Hissa No. 6, CTS No. 4519, 4519/1,
Near Chinchwad Station,
Chinchwad, Pune - 411 019

I further report that:

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes, as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Wherever required, I have obtained Management representation(s) about the compliance of Laws, Rules, regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, and Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Compliance report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For Dinesh Birla & Associates
Company Secretaries**

DINESH
SHIVNARAYAN
BIRLA

Digitally signed by DINESH
SHIVNARAYAN BIRLA
Date: 2021.07.13 19:15:15
+05'30'

**Dinesh Birla
Proprietor
FCS: 7658, CP No. : 13029**

**Place: Pune
Date: 13th July, 2021
UDIN : F007658C000626716**

INDEPENDENT AUDITOR'S REPORT

To the Members of Krsnaa Diagnostics Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Krsnaa Diagnostics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021 and the Statement of Profit and Loss, Statement of Changes in Equity 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 Indian Accounting Standards (Indian Accounting Standards) Rules, 2015 as amended as and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit, changes in equity 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 Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report 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 the 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, changes in equity 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 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

- a) The comparative financial information of the Company for the year ended March 31, 2020 and the transition date opening balance sheet as at April 01, 2019 included in these financial statements are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 for the year ended March 31, 2019 and March 31, 2020 on which we issued an unmodified audit opinion vide our reports dated June 17, 2019 and July 01, 2020 respectively on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have also been audited by us.
- b) We have not attended the physical inventory verification at locations as it was impracticable. We relied on alternate audit procedures such as performing inventory count through video conference, verifying roll back procedures, etc. to obtain comfort over the existence and condition of inventory at the locations as on March 31, 2021.

Our opinion is not modified in respect of these matters.



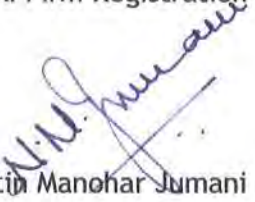
Report on Other Legal and Regulatory Requirements

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, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of accounts.
 - (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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

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


Nitin Manohar Jumani
Partner
Membership No. 111700
UDIN: 21111700AAAADJ8186



Place: Pune
Date: July 13, 2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF KRNSAA DIAGNOSTICS 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.



MSKA

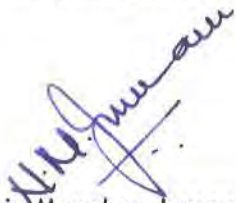
& Associates

Chartered Accountants

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



Nitin Manohar Juman
Partner
Membership No. 111700
UDIN: 21111700AAAADJ8186



Place: Pune
Date: July 13, 2021

- 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, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (b) According to the information and explanation given to us and examination of 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 and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- 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.



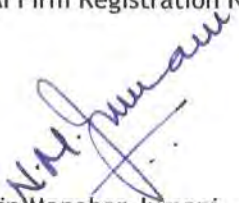
MSKA

& Associates

Chartered Accountants

- 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


Nitin Manohar Juman
Partner
Membership No. 111700
UDIN: 21111700AAAADJ8186



Place: Pune
Date: July 13, 2021

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

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

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 Limited ("the Company") as of March 31, 2021 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 adequate 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.



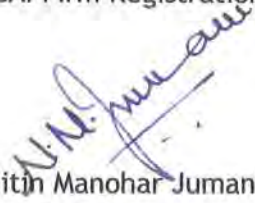
Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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, 2021, 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


Nitin Manohar Juman
Partner
Membership No. 111700
UDIN: 21111700AAAADJ8186



Place: Pune
Date: July 13, 2021

Krsnaa Diagnostics Limited
(Formerly known as Krsnaa Diagnostics Private Limited)

Balance Sheet as at March 31, 2021

(Amount in Rupees million except per share data and unless otherwise stated)

	(Note No.)	As at	As at	As at
		31 March 2021	31 March 2020	01 April 2019
ASSETS				
Non-current assets				
Property, plant and equipment	6	3,072.80	2,735.82	2,223.89
Capital work-in-progress	8	37.18	91.30	416.58
Intangible assets	7	12.28	15.14	7.00
Intangible asset under development	9	-	-	1.32
Financial assets				
Investments	10	2.90	2.90	2.90
Loans	11	135.44	104.28	55.63
Other financial assets	12	24.08	60.23	146.46
Deferred tax asset (net)	39	-	921.72	435.84
Other non-current assets	13	279.24	232.12	114.36
Total non-current assets		3,563.92	4,163.51	3,403.98
Current assets				
Inventories	14	72.10	50.67	42.12
Financial assets				
Trade receivables	15	724.74	614.32	562.23
Cash and cash equivalents	16	246.75	83.59	85.96
Bank balances other than cash and cash equivalent	17	1,282.37	1,189.24	1,030.24
Other financial assets	18	90.08	183.59	137.74
Other current assets	19	65.34	14.90	27.58
Total current assets		2,481.38	2,136.31	1,885.87
Total assets		6,045.30	6,299.82	5,289.85
EQUITY AND LIABILITIES				
Equity				
Equity share capital	20	64.95	51.63	51.63
Instruments entirely equity in nature	21	2,423.90	150.24	150.24
Other equity	22	(170.20)	(2,171.64)	(1,051.08)
Total equity		2,318.65	(1,969.77)	(849.21)
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	23	1,679.54	1,227.13	920.23
Liability on compulsory convertible preference shares	24	-	4,951.75	3,181.44
Other financial liabilities	25	63.89	233.52	251.39
Employee benefit obligations	26	5.19	3.23	1.62
Other non-current liabilities	27	33.03	45.97	51.16
Deferred Tax Liabilities	39	106.95	-	-
Total non-current liabilities		1,888.60	6,461.60	4,405.84
Current liabilities				
Financial liabilities				
Borrowings	28	347.44	922.80	539.57
Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	29	5.37	3.44	0.84
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	29	780.19	377.49	416.47
Other financial liabilities	30	665.54	479.35	746.26
Employee benefit obligations	26	9.28	7.20	5.47
Other current liabilities	31	30.23	17.71	24.61
Total current liabilities		1,838.05	1,807.99	1,733.22
Total liabilities		3,726.65	8,269.59	6,139.06
Total equity and liabilities		6,045.30	6,299.82	5,289.85

See accompanying notes to IND AS Financial Statements

The accompanying notes are an integral part of the IND AS Financial Statements

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Nitin Maheshwar Jumbhal
Partner
Membership No: 111700

Place: Pune
Date: July 13, 2021



For and on behalf of the Board of Directors
Krsnaa Diagnostics Limited
CIN:U74900PN2019PLC138068

Rajendra Mutha
Chairman
DIN: 01066737

Pallavi Bhatevara
Managing Director
DIN: 03600332

Manisha Chitgopekar
Company Secretary
M.No:A27816

Place: Pune
Date: July 13, 2021

Place: Pune
Date: July 13, 2021

Place: Pune
Date: July 13, 2021

Yash Mutha
Executive Director
DIN: 02285523

Pawan Daga
Chief Financial Officer

Place: Pune
Date: July 13, 2021

Place: Pune
Date: July 13, 2021



Krsnaa Diagnostics Limited
(Formerly known as Krsnaa Diagnostics Private Limited)

Statement of Profit and Loss for the Year Ended March 31, 2021
(Amount in Rupees million except per share data and unless otherwise stated)

	(Note No.)	Year ended 31 March 2021	Year ended 31 March 2020
Income			
Revenue from operations	32	3,964.56	2,584.27
Gain on fair value movement of Compulsory Convertible Preference Share (Refer Note 48)		2,527.84	-
Other income	33	122.36	129.52
Total income		6,614.76	2,713.79
Expenses			
Cost of material consumed	34	837.47	277.23
Employee benefits expense	35	295.86	231.34
Finance costs	36	259.40	246.64
Depreciation and amortization expense	37	374.39	324.11
Fees to hospitals and others		1,082.02	755.32
Loss on fair value movement of compulsory convertible preference shares (Refer Note 48)		-	1,770.31
Other expenses	38	811.10	692.16
Total expenses		3,660.24	4,297.11
Profit/(Loss) before tax		2,954.52	(1,583.32)
Tax expense	39		
Income Tax charge		76.47	21.87
Deferred tax charge/(credit)		1,028.76	(485.68)
Total income tax expense		1,105.23	(463.81)
Profit / (Loss) for the year		1,849.29	(1,119.51)
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of net defined benefit liability		(0.38)	(0.68)
Income tax effect		0.10	0.20
		(0.28)	(0.48)
Other comprehensive income for the year, net of tax		(0.28)	(0.48)
Total comprehensive income for the year		1,849.01	(1,119.99)
Earnings / (Loss) per share			
Basic earnings / (loss) per share (INR)	40	320.72	(216.94)
Diluted earnings / (loss) per share (INR)	40	24.51	(216.94)
After share split			
Basic earnings / (loss) per share (INR)	40	160.36	(108.47)
Diluted earnings / (loss) per share (INR)	40	12.25	(108.47)

See accompanying notes to IND AS Financial Statements

The accompanying notes are an integral part of the IND AS Financial Statements

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No: 105047W

Nitin Manohar Jumanf
Partner
Membership No: 111700

Place: Pune
Date: July 13, 2021



For and on behalf of the Board of Directors of
Krsnaa Diagnostics Limited
CIN: U74900PN2010PLC138068

Rajendra Mutha
Chairman
DIN: 01066737

Pallavi Bhatevara
Managing Director
DIN: 03600332

Manisha Chitgopekar
Company Secretary
M.No:A27816

Place: Pune
Date: July 13, 2021

Place: Pune
Date: July 13, 2021

Place: Pune
Date: July 13, 2021

Yash Mutha
Executive Director
DIN: 07285523

Pawan Daga
Chief Financial Officer

Place: Pune
Date: July 13, 2021

Place: Pune
Date: July 13, 2021



Statement of Cash Flow for the Year Ended March 31, 2021
(Amount in Rupees million except per share data and unless otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
Cash flow from operating activities		
Profit / (Loss) for the year	2,954.52	(1,583.32)
Adjustments for:		
Depreciation and amortization expenses	374.39	323.32
Finance cost	259.40	238.88
Interest income	(119.38)	(100.62)
Loss on Sale/Disposal of Assets	5.06	-
Dividend Income	-	(0.12)
Provision for doubtful trade receivable balances	-	24.84
(Gain)/Loss on fair value movement of Compulsory Convertible Preference Share	(2,527.84)	1,770.31
Employee stock option scheme compensation	8.20	-
Remeasurement of the Employee Benefit Liability	(0.38)	-
Operating profit before working capital changes	953.97	673.29
Changes in working capital		
Increase / (Decrease) in trade payables	404.62	(36.38)
(Increase) in inventories	(21.43)	(8.54)
(Increase) in trade receivables	(110.42)	(76.93)
Increase / (Decrease) in other current liabilities	12.51	(6.90)
(Decrease) in other non current liabilities	(12.94)	(5.19)
(Decrease) / Increase in other financial liabilities	(143.85)	21.27
Increase in provisions	4.05	2.65
(Decrease) in other current financial liabilities	-	(9.40)
Decrease / (Increase) in other current financial assets	118.90	(18.90)
(Increase) in non current financial assets	(31.16)	(48.64)
(Increase) / Decrease in other current assets	(50.44)	12.68
(Increase) in other non current assets	(21.50)	(18.90)
Cash generated from operations	1,102.31	480.11
Income tax paid	(76.73)	(102.02)
Net cash flows generated from operating activities (A)	1,025.58	378.09
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	(668.40)	(767.49)
Sale for property, plant and equipment and intangible assets	20.00	-
Investment in bank deposits (having original maturity of more than three months)	(56.97)	(72.78)
Dividend income	-	0.12
Interest received	93.98	73.67
Net cash flow (used) in investing activities (B)	(611.39)	(766.48)
Cash flow from Financing activities		
Proceeds from issuance of equity share capital	7.31	-
Proceeds from borrowings	555.27	302.49
Share issue expenses	-	(0.57)
Interest paid	(241.83)	(237.15)
Interest paid on lease liabilities	(12.35)	(7.00)
Net cash flow generated from financing activities (C)	308.40	57.77
Net increase in cash and cash equivalents (A+B+C)	722.59	(330.62)
Cash and cash equivalents at the beginning of the year	(475.84)	(145.22)
Cash and cash equivalents at the end of the year	246.75	(475.84)
Cash and cash equivalents comprise (Refer note 16)		
Balances with banks		
On current accounts	237.98	82.18
Bank Overdraft Account (Debit Balance)	3.12	-
Cash on hand	5.65	1.41
Less: Bank and book overdraft	-	(559.43)
Total cash and bank balances at end of the year	246.75	(475.84)

See accompanying notes to IND AS Financial Statements

The accompanying notes are an integral part of the IND AS Financial Statements

As per our report of even date
For **MSKA & Associates**
Chartered Accountants
Firm Registration No. 1200477

Nitin Manohar Jurnale
Partner
Membership No: 111700

Place: Pune
Date: July 13, 2021



For and on behalf of the Board of Directors of
Krsnaa Diagnostics Limited
CIN:U74900PN2010PLC138068

Rajendra Mutha
Chairman
DIN: 01066737

Pallavi Bhatevra
Managing Director
DIN: 03600332

Manisha Chitgopekar
Company Secretary
M.No:A27816

Place: Pune
Date: July 13, 2021

Place: Pune
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Place: Pune
Date: July 13, 2021

Yash Mutha
Executive Director
DIN: 07285523

Pawan Daga
Chief Financial Officer

Place: Pune
Date: July 13, 2021

Place: Pune
Date: July 13, 2021



Krsnaa Diagnostics Limited
(Formerly known as Krsnaa Diagnostics Private Limited)

Statement of Changes in Equity for the year ended March 31, 2021
(Amount in Rupees million except per share data and unless otherwise stated)

(A) Equity share capital	Equity Share Capital	
	No. of shares	Amount
Equity shares of [Face value of Rs. 10] each issued, subscribed and fully paid		
Balance as at 01 April 2019	5,163,100	51.63
Changes in share capital during the period	-	-
Balance as at 31 March 2020	5,163,100	51.63
Changes in share capital during the period	1,331,864	13.32
Balance as at 31 March 2021	6,494,964	64.95

(B) Other equity

	Reserve and surplus			Items of OCI	Total
	Share options outstanding account	Securities premium	Retained earnings	Others	
Balance as at 1 April 2019	-	89.53	(1,142.05)	1.44	(1,051.08)
Profit for the year	-	-	(1,119.51)	-	(1,119.51)
Other comprehensive income	-	-	-	(0.48)	(0.48)
Total other comprehensive income for the year	-	-	(1,119.51)	(0.48)	(1,119.99)
<i>Transactions with owners in their capacity as owners</i>					
Securities premium utilised to write off the share issue expenses	-	(0.57)	-	-	(0.57)
Balance as at 31 March 2020	-	88.96	(2,261.56)	0.96	(2,171.64)

	Reserve and surplus			Items of OCI	Total
	Share options outstanding account	Securities premium	Retained earnings	Others	
Balance as at 1 April 2020	-	88.96	(2,261.56)	0.96	(2,171.64)
Profit for the year	-	-	1,849.29	-	1,849.29
Conversion of Equity preference shares to equity at premium	-	144.23	-	-	144.23
Other comprehensive income	-	-	-	(0.28)	(0.28)
Total other comprehensive income for the year	-	144.23	1,849.29	(0.28)	1,993.24
<i>Transactions with owners in their capacity as owners</i>					
Employee stock option expense	8.20	-	-	-	8.20
Balance as at 31 March 2021	8.20	233.19	(412.27)	0.68	(170.20)

See accompanying notes to IND AS Financial Statements

The accompanying notes are an integral part of the IND AS Financial Statements

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No. 405047W

Nitin Manohar Jumanf
Partner
Membership No: 111700

Place: Pune
Date: July 13, 2021



For and on behalf of the Board of Directors of
Krsnaa Diagnostics Limited
CIN: U74900PN2010PLC138068

Rajendra Mutha
Chairman
DIN: 01066737

Place: Pune
Date: July 13, 2021

Yash Mutha
Executive Director
DIN: 07285523

Place: Pune
Date: July 13, 2021

Pallavi Bhatevara
Managing Director
DIN: 03600332

Place: Pune
Date: July 13, 2021

Pawan Daga
Chief Financial Officer

Place: Pune
Date: July 13, 2021



Summary of Significant accounting policies and other explanatory information
(Amount in Rupees million except per share data and unless otherwise stated)

1 General Information

Krsnaa Diagnostics Limited (formerly known as Krsnaa Diagnostics Private Limited) is a company domiciled in India and was incorporated on December 22, 2010 under the provisions of the Companies Act, 1956 applicable in India. Its registered and principal office of business is located at Pune. The Company is primarily engaged in the business of providing Diagnostic Services Centres all over India. The company is providing Radiology and Pathology services for X Ray, CT Scan, MRI, Mammography, Tele- Reporting Services, and all type of Blood and Urine Investigation.

The Company was converted to a public limited Company with effect from May 6th, 2021.

2 Significant accounting policies

Significant accounting policies adopted by the company are as under:

2.1 Basis of Preparation of IND AS Financial Statements

(a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements up to year ended 31 March 2020 were prepared in accordance with the accounting standards notified under the section 133 of the Act, read with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

These financial statements for the year ended 31 March 2021 are the first set of financial statements prepared in accordance with Ind AS. Refer note 5 for an explanation of how the Company has adopted Ind AS.

The financial statements were approved by the Company's Board of Directors and authorised for issue on July 13, 2021.

(b) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:-

- i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)
- ii) Share based payments

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

(c) Use of estimates

The preparation of financial statements requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.



Summary of Significant accounting policies and other explanatory information

(Amount in Rupees million except per share data and unless otherwise stated)

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	Life Used by Company	Life as per Schedule II
Plant & Machinery	13 years	15 years
Furniture and Fixtures	10 years	10 years
Office Equipment	5 years	5 years
Vehicle	8 years	8 years
Computers (End user devices such as, desktops, laptops etc.)	3 years	3 years

Leasehold improvements are amortised over the estimated useful economic life i.e. the duration of lease (ranging from 5 to 10 years)

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.3 Other Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	
Computer Software	6 years

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.



Summary of Significant accounting policies and other explanatory information
(Amount in Rupees million except per share data and unless otherwise stated)

Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.5 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.6 Revenue Recognition

Revenue is primarily generated from Radiology, Pathology services and Tele- Reporting Services.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised at a point in time when the Company satisfies performance obligations by transferring the promised services to its customers. Generally, each test represents a separate performance obligation for which revenue is recognised when the test report is generated i.e. when the performance obligation is satisfied.

The Company has assessed that it is primarily responsible for fulfilling the performance obligation and has no agency relationships. Accordingly the revenue has been recognised at the gross amount and fees to hospitals and others has been recognised as an expense.

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met as described below.

Amounts disclosed as revenue are net of indirect taxes, trade allowances, rebates and amounts collected on behalf of third parties and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection.

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

Dividends are recognized in statement of profit and loss on the date on which the Company's right to receive payment is established.



Summary of Significant accounting policies and other explanatory information
(Amount in Rupees million except per share data and unless otherwise stated)

2.7 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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.

2.8 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for Machinery. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.



Summary of Significant accounting policies and other explanatory information
(Amount in Rupees million except per share data and unless otherwise stated)

2.9 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

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. In determining the cost, weighted average cost method is used.

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.

2.10 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.11 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The Company records a provision for decommissioning costs. 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. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks less bank and book overdraft.



Summary of Significant accounting policies and other explanatory information
(Amount in Rupees million except per share data and unless otherwise stated)

2.13 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.



Summary of Significant accounting policies and other explanatory information
(Amount in Rupees million except per share data and unless otherwise stated)

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(iv) **Derecognition of financial assets**

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) **Financial liabilities**

(i) **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.



Summary of Significant accounting policies and other explanatory information
(Amount in Rupees million except per share data and unless otherwise stated)

(c) **Embedded derivatives**

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract - with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. Derivatives embedded in all other host contract are separated if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

(d) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.14 Employee Benefits

(a) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) **Other long-term employee benefit obligations**

(i) **Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) **Defined benefit plans**

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.



Summary of Significant accounting policies and other explanatory information
(Amount in Rupees million except per share data and unless otherwise stated)

(c) Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.15 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.16 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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 during the year is adjusted for the effects of all dilutive potential equity shares.

2.17 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest million as per requirement of Schedule III of the Act except for per share data and unless otherwise stated.

3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 42.



Summary of Significant accounting policies and other explanatory information
(Amount in Rupees million except per share data and unless otherwise stated)

(b) Valuation for liabilities of compulsory convertible preference shares

Estimating fair value of liabilities of compulsory convertible preference shares requires determination of the most appropriate valuation model, which is dependent on terms and conditions of the shareholder agreement. This estimate also requires determination of the most appropriate inputs to the valuation model including cash flow forecasts, discount rate and credit risk. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 48.

(c) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(d) Defined benefit plans (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 41

(e) Intangible asset under development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

(f) Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

(g) Determination of useful lives of Property, plant and Equipments and Intangible asset

Estimation involved is determining the economic useful lives of Property, plant and Equipments and Intangible asset which is based on technical evaluation by the management.

4 Standards (including amendments) issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021

5 First-time adoption of Ind-AS

In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2019, being the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2019 and the financial statements as at and for the year ended March 31, 2020.

5.1 Exemptions availed on first time adoption of Ind AS

Ind AS 101, First-time Adoption of Indian Accounting Standards, allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions.



Summary of Significant accounting policies and other explanatory information
(Amount in Rupees million except per share data and unless otherwise stated)

(a) Deemed Cost

Since there is no change in the functional currency, the Company has elected to continue with carrying value for all of its property, plant and equipment as recognized in its Indian GAAP financial statements as its deemed cost at the date of transition after making adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38, Intangible Assets. Accordingly the management has elected to measure all of its property, plant and equipment and intangible assets at their Indian GAAP carrying value.

5.2 Mandatory Exemption on first-time adoption of Ind AS

(a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Indian GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2019 are consistent with the estimates as at the same date made in conformity with Indian GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Indian GAAP:

- (i) Impairment of financial assets based on expected credit loss model.
- (ii) Fair valuation of compound instrument.
- (iii) Effective interest rate used in calculation of security deposit.

(b) Derecognition of financial assets and financial liabilities

A first-time adopter should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively to transactions occurring on or after the date of transition. Therefore, if a first-time adopter derecognized non-derivative financial assets or non-derivative financial liabilities under its Indian GAAP as a result of a transaction that occurred before the date of transition, it should not recognize those financial assets and liabilities under Ind AS (unless they qualify for recognition as a result of a later transaction or event). A first-time adopter that wants to apply the derecognition requirements in Ind AS 109, Financial Instruments, retrospectively from a date of the entity's choosing may only do so, provided that the information needed to apply Ind AS 109, Financial Instruments, to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognize provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

(c) Classification and measurement of financial assets

Ind AS 101, First-time Adoption of Indian Accounting Standards, requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.



Notes forming part of IND AS Financial Statements
(Amount in Rupees million except per share data and unless otherwise stated)

6. Property, plant and equipment

	Gross block			Accumulated Depreciation			Net block	
	As at 1 April 2019 (Deemed Cost)	Additions/ Adjustments	Deductions/ Adjustments	As at 1 April 2019	For the year	Deductions/ Adjustments	As at 31 March 2020	As at 31 March 2020
Owned assets								
Plant and Machinery	1,799.88	557.14	-	-	214.91	-	214.91	2,142.11
Furniture and Fixtures	6.76	-	-	-	1.09	-	1.09	5.67
Office Equipment	15.87	10.69	-	-	5.79	-	5.79	20.77
Vehicles	-	5.22	-	-	0.52	-	0.52	4.70
Leasehold Improvement	356.32	167.92	-	-	64.28	-	64.28	459.96
Data Processing Equipment	23.93	21.41	-	-	19.54	-	19.54	25.80
Leased assets								
Right of Use Asset - Plant & Machinery	0.80	-	-	-	0.79	-	0.79	0.01
* Data Processing Equipment	20.33	-	-	-	8.99	-	8.99	11.34
* Plant and Machinery	-	67.77	-	-	2.31	-	2.31	65.46
Total	2,223.89	830.15	-	-	318.22	-	318.22	2,735.82

* Data Processing Equipments and Plant and Machinery classified under Leased assets are taken on Finance Lease

	Gross block			Accumulated Depreciation			Net block	
	As at 1 April 2020	Additions/ Adjustments	Deductions/ Adjustments	As at 1 April 2020	For the year	Deductions/ Adjustments	As at 31 March 2021	As at 31 March 2021
Owned assets								
Plant and Machinery	2,357.02	474.90	30.61	214.91	247.86	6.24	456.53	2,344.78
Furniture and Fixtures	6.76	-	-	1.09	1.09	0.00	2.18	4.58
Office Equipment	26.56	8.84	0.12	5.79	7.05	0.06	12.78	22.50
Vehicles	5.22	21.53	-	0.52	3.12	0.00	3.64	23.11
Leasehold Improvement	524.24	69.69	12.78	64.28	67.88	12.15	120.01	461.14
Data Processing Equipment	45.34	23.15	0.01	19.54	14.40	0.01	33.93	34.55
Leased assets								
Right of Use Asset - Plant & Machinery	0.80	-	-	0.79	0.01	-	0.80	0.00
* Data Processing Equipment	20.33	6.74	-	8.99	10.81	-	19.80	7.27
* Plant and Machinery	67.77	118.02	-	2.31	8.61	-	10.92	174.87
Total	3,054.04	722.87	43.52	318.22	360.83	18.46	660.60	3,072.80

* Data Processing Equipments and Plant and Machinery classified under Leased assets are taken on Finance Lease



Notes forming part of IND AS Financial Statements
(Amount in Rupees million except per share data and unless otherwise stated)

7 Intangible assets

	Gross block		Accumulated Amortisation		Net block	
	As at 1 April 2019 (Deemed Cost)	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2020	For the year For the year	As at 31 March 2020
Computer Software	7.00	14.03	-	21.03	5.89	15.14
Total	7.00	14.03	-	21.03	5.89	15.14
	Gross block		Accumulated Amortisation		Net block	
	As at 1 April 2020	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2021	For the year For the year	As at 31 March 2021
Computer Software	21.03	10.70	-	31.73	13.56	12.28
Total	21.03	10.70	-	31.73	13.56	12.28

8 Capital Work in Progress

	Amount	Amount
As at 01 April 2019	416.58	1.32
Add: Additions during the period	203.65	-
Less: Capitalised during the period	(528.93)	(1.32)
As at 31 March 2020	91.30	-
Add: Additions during the period	104.59	-
Less: Capitalised during the period	(156.71)	-
As at 31 March 2021	37.18	-

9 Intangible assets under development

	Amount
As at 01 April 2019	1.32
Add: Additions during the period	-
Less: Capitalised during the period	(1.32)
As at 31 March 2020	-
Add: Additions during the period	-
Less: Capitalised during the period	-
As at 31 March 2021	-



Krsnaa Diagnostics Limited
(Formerly known as Krsnaa Diagnostics Private Limited)

Notes forming part of IND AS Financial Statements
(Amount in Rupees million except per share data and unless otherwise stated)

10 Financial Assets- Investments

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Investment at fair value through profit & loss (FVTPL)			
Investment in Equity shares (unquoted)			
29,000 Equity shares of Rs. 100 each fully paid-up in Janata Sahakari Bank Limited, Pune	2.90	2.90	2.90
Total	2.90	2.90	2.90
Current	-	-	-
Non- Current	2.90	2.90	2.90
	2.90	2.90	2.90
Aggregate book value of:			
Quoted investments	-	-	-
Unquoted investments	2.90	2.90	2.90
Aggregate amount of impairment in value of Investments	-	-	-



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(Amount in Rupees million except per share data and unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
11 Non-current financial assets - Loans			
Unsecured loan at amortised cost			
Credit Impaired			
Loans to related party	31.01	31.01	31.01
Less: Provision for doubtful advances	(31.01)	(31.01)	(31.01)
Unsecured security deposit at amortised cost			
Considered Good			
Security Deposits	135.44	104.28	55.63
	<u>135.44</u>	<u>104.28</u>	<u>55.63</u>
12 Other financial assets			
In Fixed deposit accounts with maturity for more than 12 months from balance sheet date	24.08	60.23	146.46
	<u>24.08</u>	<u>60.23</u>	<u>146.46</u>
13 Other non-current assets			
Unsecured, considered good			
Capital advance	67.52	42.17	27.80
Prepaid Rent	56.89	45.47	24.83
Prepaid Expenses	19.46	9.37	6.78
Advance tax and tax deducted at source [Net of provision for income tax]	135.37	135.11	54.95
Total other non-current other assets	<u>279.24</u>	<u>232.12</u>	<u>114.36</u>
* Value of contracts in capital account remaining to be executed	741.01	579.72	372.53
14 Inventories			
<i>At lower of cost and net realisable value</i>			
Inventory in Hand - Consumables	72.10	50.67	42.12
	<u>72.10</u>	<u>50.67</u>	<u>42.12</u>
15 Trade receivable			
Unsecured			
-Considered good	724.74	614.32	562.23
-Considered doubtful	50.00	50.00	25.16
Less-Allowance for bad and doubtful debts	(50.00)	(50.00)	(25.16)
	<u>724.74</u>	<u>614.32</u>	<u>562.23</u>
Further classified as:			
Receivable from related parties			
Receivable from others	724.74	614.32	562.23
	<u>724.74</u>	<u>614.32</u>	<u>562.23</u>
All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.			
16 Cash and cash equivalents			
Balances with banks:			
On current accounts	237.98	82.18	73.38
Bank Overdraft Account (Debit Balance)	3.12	-	-
Cash on hand	5.65	1.41	12.58
	<u>246.75</u>	<u>83.59</u>	<u>85.96</u>



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(Amount in Rupees million except per share data and unless otherwise stated)

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Cash and cash equivalents			
Balances with banks:			
On current accounts	237.98	82.18	73.38
Bank Overdraft Account (Debit Balance)	3.12	-	-
Cash on hand	5.65	1.41	12.58
Less: Bank and book overdraft	-	(559.43)	(231.18)
	<u>246.75</u>	<u>(475.84)</u>	<u>(145.22)</u>
17 Bank balances other than Cash and cash equivalent			
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date	61.17	46.16	660.24
Deposits with original maturity for more than 12 months but less than 12 months from reporting date	1,221.20	1,143.08	370.00
	<u>1,282.37</u>	<u>1,189.24</u>	<u>1,030.24</u>
18 Other financial assets			
Interest accrued on fixed deposits	71.06	45.66	18.72
Unbilled revenue	-	101.50	2.53
Other receivables	3.01	2.60	2.26
Security deposits	16.01	33.83	114.23
	<u>90.08</u>	<u>183.59</u>	<u>137.74</u>
19 Other current assets			
Prepaid Expenses	52.25	2.57	1.72
Prepaid Rent	12.07	10.10	16.27
Advance to Suppliers	0.02	1.31	7.02
Advance to Employees	0.92	0.84	2.49
Other Advances	0.08	0.08	0.08
Total	<u>65.34</u>	<u>14.90</u>	<u>27.58</u>



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Notes forming part of IND AS Financial Statements

(Amount in Rupees million except per share data and unless otherwise stated)

20 Share capital

(A) Equity shares

Authorized

2,12,24,000 (previous year: 52,00,000) Equity Shares of Rs 10 each

Issued, subscribed and paid up

64,94,964 (previous year: 51,63,100) Equity Shares of Rs 10 each

Total

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Authorized	212.24	52.00	52.00
Issued, subscribed and paid up	212.24	52.00	52.00
Total	64.95	51.63	51.63
	64.95	51.63	51.63

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

	Number of shares	Amount
Outstanding as on April 01, 2019	5,163,100	51.63
Add: Issued during the period		
Outstanding as on March 31, 2020	5,163,100	51.63
Add: Issued during the period	1,331,864	13.32
Outstanding as on March 31, 2021	6,494,964	64.95

(ii) 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. 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.

During the year ended 31st March 2021, the company has held rights issue for the existing equity shareholders. Accordingly, 7,30,904 shares having par value of Rs. 10 each were allotted to the existing shareholders at Rs. 10 each. The rights shares shall carry such voting rights as are exercisable by person's holding other equity shares in the company and shall be treated pari-passu with the equity shares on all voting matters.

During the year ended 31 March 2021, Series B-CCPS have been converted to equity shares of Rs. 10 each as per the terms in the offer letter. Accordingly, 6,00,960 equity shares having par value of Rs. 10 have been issued to the holders of Series B - CCPS at Rs. 250 each.

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

Name of the shareholder	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares						
Rajendra Mutha	4,014,960	61.82%	3,333,360	64.56%	3,333,360	64.56%

(iv) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end (i.e. March 31, 2021).

(v) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

21 Instrument entirely equity in nature

	Series A	Series B	Series C	Total
Compulsory Convertible Preference Shares				
Balance as on April 01, 2019	-	150.24	-	150.24
Changes in Compulsory Convertible Preference Shares				
Balance as on March 31, 2020	-	150.24	-	150.24
Changes in Compulsory Convertible Preference Shares	1,386.57	(150.24)	1,037.34	2,273.66
Balance as on March 31, 2021	1,386.57	-	1,037.34	2,423.90

Disclosures on Compulsory Convertible Preference Shares

(i) Authorized Capital

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
40,61,914 Series A Compulsory Convertible Preference Shares ('Series A -CCPS') of Rs.123 each	499.62	499.62	499.62
Nil (previous year: 6,00,960) Series B Compulsory Convertible Cumulative Participating Preference Shares ('Series B -CCCPPS') of Rs.250 each	-	150.24	150.24
3,038,886 Series C Compulsory Convertible Preference Shares of Rs.250 each ('Series C - CCPS') of Rs. 250 each	759.72	759.72	759.72
Total	1,259.34	1,409.58	1,409.58

(ii) Issued, subscribed and paid up

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
40,61,914 Series A Compulsory Convertible Preference Shares ('Series A -CCPS') of Rs.123 each	499.62	499.62	499.62
Nil (previous year: 6,00,960) Series B Compulsory Convertible Cumulative Participating Preference Shares ('Series B -CCCPPS') of Rs.250 each	-	150.24	150.24
3,038,886 Series C Compulsory Convertible Preference Shares of Rs.250 each ('Series C - CCPS') of Rs. 250 each	759.72	759.72	759.72
Total	1,259.34	1,409.58	1,409.58

(iii) Reconciliation of preference shares outstanding at the beginning and at the end of the year/period

	Series A-CCPS		Series B- CCCPPS		Series C- CCPS	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Outstanding as on April 01, 2019	4,061,914	499.62	600,960	150.24	3,038,886	759.72
Add: Issued during the year						
Outstanding as on March 31, 2020	4,061,914	499.62	600,960	150.24	3,038,886	759.72
Add: Issued during the year						
Less: Converted during the year			600,960	150.24		
Outstanding as on March 31, 2021	4,061,914	499.62	-	-	3,038,886	759.72



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(iv) Rights, preferences and restrictions attached to shares

Series A-CCPS :- The Company has allotted 40,61,914 Series A - CCPS of face value of Rs. 123 each in the year 2015. The Series A-CCPS are compulsory convertible into equity shares upon occurrence of any of the following events

- At the latest time permitted under applicable law, when considering the listing of equity shares of the Company pursuant to a Qualified IPO;
- Expiry of 19 (nineteen) years and 11 (eleven) months from the Series A completion date ("Investment Period"); or
- At any time prior to the expiry of the Investment Period at the option of the respective Existing Investor.

Each Series A CCPS shall be converted into one equity share as per the terms mentioned in amended and restated Shareholders Agreement dated December 22, 2018 subject to certain anti-dilution provisions. The equity shares to be allotted on conversion of the Series A- CCPS shall rank pari passu in all respects with the then existing equity shares of the Company.

Each shareholder is entitled to one vote per share held. The Series A CCPS 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.

Series B-CCPPS :- The Company has allotted 6,00,960 Series B-CCPPS of Face Value Rs. 250 each on March 07, 2017 through Right issue offer. These shares shall be converted into equity shares in the conversion ratio which is dependent on future events including subsequent fund raising by the Company, period at which the subsequent funds are raised post issue of Series B-CCPPS and valuation at which these new funds are raised.

Until conversion of Series B-CCPPS, each Series B-CCPPS shall carry voting rights equivalent to 1 vote per CCPPS-B. The equity shares to be allotted on conversion of the Series B- CCPPS 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-CCPPS.

During the year ended 31 March 2021, Series B-CCPS have been converted to equity shares of Rs. 10 each as per the terms in the offer letter. Accordingly, 6,00,960 equity shares having par value of Rs. 10 have been issued to the holders of Series B - CCPS at Rs. 250 each.

Series C-CCPS :- The Company has allotted 30,38,886 of Series C-CCPS of face value of Rs. 250/- at an offer price of Rs. 328.96 each (including Security Premium of Rs. 78.96 each). Series C-CCPS are compulsory convertible into equity shares upon occurrence of any of the following events.

- At the latest time permitted under applicable law, when considering the listing of equity shares of the Company pursuant to a Qualified IPO;
- Expiry of 19 (nineteen) years and 11 (eleven) months from the Series A completion date ("Investment Period"); or
- Any time prior to the expiry of the Investment Period at the option of the respective Existing Investor.

Each Series C- CCPS shall be converted into one equity share as per the terms mentioned in Shareholders Agreement dated December 22, 2018 subject to certain anti-dilution provisions. The equity shares to be allotted on conversion of the Series C- CCPPS shall rank pari passu in all respects with the then existing equity shares of the Company.

Until conversion of Series C-CCPS, each Series C-CCPS shall carry voting rights equivalent to 1 vote per Series C- CCPS. 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-CCPS shall be entitled to pro-rata participate in any dividend declaration on the Equity Shares on an as converted Basis.

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

	As at 31 March 2021		As at 31 March 2020		As at 01 April 2019	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Series A-CCPS						
Somerset Indus Healthcare	2,026,142	49.88%	2,026,142	49.88%	2,026,142	49.88%
Kitara PIIN 1104	2,026,142	49.88%	2,026,142	49.88%	2,026,142	49.88%
Series B-CCPPS						
Rajendra Mutha	-	-	163,957	27.28%	163,957	27.28%
Somerset Indus Healthcare	-	-	200,000	33.28%	200,000	33.28%
Kitara PIIN 1104	-	-	200,000	33.28%	200,000	33.28%
Series C-CCPS						
Phi Capital Growth Fund I	3,038,886	100.00%	3,038,886	100.00%	3,038,886	100.00%

22 Other equity

(A) Employee Stock options outstanding account (ESOOA)*

Balance at the beginning of the year
Add: Employee stock option expense

Closing balance

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
	-	-	-
	8.20	-	-
	8.20	-	-

*ESOOA recognizes the fair value of options as at the grant date spread over the vesting period. (Refer note 35)

The employee stock options reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 47 for details of these plans.

(B) Securities premium

Opening balance
Add : Securities premium credited on share issue
Less: Transfer to liability on compulsory convertible preference shares
Less: Securities premium utilised to write off the share issue expenses
Closing balance

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
	88.96	89.53	129.89
	144.23	-	240.27
	-	(0.57)	(240.27)
	-	-	(40.36)
	233.19	88.96	89.53



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(C) Surplus/(deficit) in the Statement of Profit and Loss

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Opening balance	(2,261.56)	(1,142.05)	98.97
Opening Impact of application of IND AS			(1,241.02)
Add: Profit for the year	1,849.29	(1,119.51)	-
Closing balance	(412.27)	(2,261.56)	(1,142.05)

(D) Others reserves

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
-As at beginning of year	0.96	1.44	0.77
-Re-measurement gains/ (losses) on defined benefit plans (net of tax)	(0.28)	(0.48)	0.67
Closing balance	0.68	0.96	1.44
Includes cumulative impact of amounts (net of tax effect) recognized through other comprehensive income and has not been transferred to Equity or Profit and loss, as applicable.			
Total other equity	(170.20)	(2,171.64)	(1,051.08)

23 Non-current borrowings

Secured

(a) Term loan

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
From Bank	1,504.55	983.84	596.81
From NBFC	298.02	331.93	536.16

(b) Long term maturities of finance lease obligation

	167.78	73.92	19.53
	<u>1,970.35</u>	<u>1,389.69</u>	<u>1,152.50</u>

Less: Amount disclosed under the head "Other financial liabilities" (Refer note 30)

	290.81	162.56	232.27
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Total non current maturities of long term borrowings

	<u>1,679.54</u>	<u>1,227.13</u>	<u>920.23</u>
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Terms of repayment

Term Loan from Banks:

- (a) During the 2017-18, the company had taken five term loans for financing of Gemset from Kotak Bank Ltd of INR 4.40 million repayable in 36 instalments at a fixed interest rate of 12.5% per annum. The loan was secured against Gemset financed by Kotak Bank Ltd. Out of the five loans three loans have been fully repaid during the period ended December 2020.
- (b) During the year 2017-18, the Company had taken term loan for equipment financing from Yes Bank Ltd of INR 50.74 million at an interest rate of 10.74% per annum repayable in 84 instalments. The loan was secured against pathology machineries financed by Yes Bank Ltd. This loan was taken over by IndusInd Bank in year 2019-20.
- (c) During the year 2018-19, the Company had taken two term loans from IndusInd Bank totalling INR 1000 million at a floating interest rate of 1 year MCLR plus 0.85 % margin per annum. The loans were taken for the purpose of taking over the existing term loans of various facilities (Yes Bank Ltd- INR 42.2 million, India Infoline Ltd INR 56.1 million, Hero Fincorp INR 81.7 million outstanding balances of all loans taken over during the year 2019-20) and also for the purchases of the capital assets at few centers. The loans shall be repaid in 9 years. The loans are secured by the First and Exclusive charge on the assets funded by the facility out of these term loans exclusive Charge over the immovable properties which were offered to the existing lenders, first and exclusive charge over the current assets and pledge over 30% of the shareholdings of the borrower.
- (d) During the year 2018-19, the Company had taken two loans for equipment financing from HDFC Bank Ltd. totalling INR 95.51 million for the purchase of the MRI and CT Scan Machine (INR 31.51 million and .64 million respectively) at a floating interest rate of HDFC Bank 1 year MCLR plus 2.3% margin per annum repayable in 60 and 80 instalments respectively. The loans are secured against machineries financed by HDFC Bank Ltd.
- (e) During the year 2019-20, the company had taken term loan for the purchase of two Multiutility Vehicles from Kotak Bank Ltd of INR 4.21 million to be repaid in 36 instalments. The loan is secured against Vehicles financed by Kotak Bank Ltd.
- (f) During the year 2019-20, the Company had taken two loans for the purchase of CT Scan Machine & MRI Machine from HDFC Bank Ltd. totalling INR 100.06 million. The loan will be repaid in 84 instalments respectively at a floating interest rate of HDFC Bank 1 year MCLR plus 2.3% margin per annum. The loans are secured against machineries financed by HDFC Bank Ltd.
- (g) During the year 2020-21, the company has taken a vehicle loan from ICICI Bank of INR 21.06 million for financing of 8 COVID mobile vehicles. The loan will be repaid in 36 equal instalments at a fixed interest rate of 11% per annum starting from the month of June 2020. The loans are secured by the way of hypothecation of the asset in favour of the bank.
- (h) During the year 2020-21, the company has taken a loan of INR 69 million for the purchase of healthcare equipment from Yes Bank Limited at a fixed interest rate of 10.50% per annum to be repaid in 60 equal instalments starting from the month of June 2020. The loans are secured through the hypothecation of the asset financed by the Bank.
- (i) During the year 2020-21, the company has taken a loan of INR 4.86 million from Kotak Mahindra Bank for the purchase of the DG Gemset at a fixed interest rate of 13.28% per annum to be repaid in 36 instalments from the month of December 2020. The loan is secured by way of the hypothecation of the asset in favour of the bank.
- (j) During the year 2020-21, the company has taken a loan of INR 250 million from IndusInd Bank for procuring equipment and incurring capex at a floating interest rate of 1 year MCLR + 0.75% per annum to be repaid in 8 years from the month of December 2020.
- (k) During the year 2020-21, the company has taken a loan of INR 42 million from Axis Bank for purchase of MRI machine at a floating interest rate of Repo Rate + 4.50% per annum to be repaid in 7 years from the month of January 2021. The loan is secured by way of the hypothecation of the asset in favour of the bank.
- (l) During the year 2020-21, the company has taken a loan of INR 220 million from IndusInd Bank for working capital term loan at a floating interest rate of MCLR + 1% per annum to be repaid in 5 years from the month of March 2021.



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Loan from NBFC:

- (a) During the year 2014-15, the Company had taken two term loans from Clix Capital (formerly known as GE Capital Services India) for the purpose of purchasing various medical equipment of INR 55.18 million at a floating interest rate of SBI Base Rate plus 2.6% margin per annum. The loans are repayable in 72 monthly instalments including a 6 months moratorium period. The loan is secured by machinery financed by GE Capital Services and by personal guarantees of the director Mr. Rajendra Mutha and his spouse Mrs Sunita Mutha. These loans were fully repaid During the year 2020-21.
- (b) During the year 2017-18, the company had taken a loan from Clix Financial India for the purchase of CT Scanner and MRI Machines of INR 167.85 million at a floating interest rate of RBI Reference Rate plus 2.15% margin per annum to be repaid in 84 monthly instalments. The loan is secured by way of the hypothecation of the equipment in favour of the lender.
- (c) During the year 2017-18, the Company had taken a term loan for equipment financing from Hero Fin Corp Limited of INR 9.27 Million at a fixed interest rate of 12.50% per annum. The loan is repayable in 67 monthly instalments. The loan is secured against machineries financed by Hero Fincorp Limited. The loan was taken over by IndusInd Bank in the year 2019-20.
- (d) During the year 2017-18, the Company had taken a loan for medical equipment financing from Dewan Housing Finance Ltd. of INR 50.62 million at an interest rate of 11.75% per annum repayable in 60 instalments. The loan is secured against machineries financed by Dewan Housing Finance Ltd. This loan was prepaid in April 2021
- (e) During the year 2017-18, the Company had taken loan for equipment financing from India Infoline Ltd of INR 62.72 million at an interest rate of 12.10% per annum repayable in 82 instalments. The loan is secured against machineries financed by India Infoline Ltd. The loan was taken over by IndusInd Bank in the year 2019-20
- (f) During the year 2018-19, the Company had taken five loans for equipment financing from DLL Financial Services Pvt. Ltd. aggregating to INR 77.3 million at a fixed interest rate of 9.50% per annum repayable in 84 instalments totalling INR 1.33 million per month The loan is secured against machineries financed by DLL Financial Services Pvt. Ltd.
- (g) During the year 2018-19, the Company had taken two loans for equipments financing from Reliance Commercial Finance Ltd. of INR. 67.83 million and INR 32.05 million at a floating interest of 1 year RCFL PLR Rate minus 6% margin per annum and RCFL PLR Rate minus 5.5% margin per annum respectively repayable in 84 instalments. The loans are secured against machineries financed by Reliance Commercial Finance Ltd.

Long term maturities of finance lease obligation:

- (a) During the year 2019-20, the company has taken MRI Machine for D Y Patil Kolhapur centre, worth INR 67.80 million on lease for a period of Seven years from Philips India Ltd.
- (b) During the year 2020-21, the company has taken a MRI Scanner Machine for Sutar Hospital worth INR 44.70 million on lease for a period of Seven years from Philips India Ltd.
- (c) During the year 2020-21, the company has taken a CT Scanner Machine for KDMC centre, worth INR 14.44 million on lease for a period of Seven years from Philips India Ltd.
- (d) During the year 2020-21, the company has taken data processing units and printers worth INR 11.30 million on lease for a period of three years from Hewlett Packard Financials Services India Pvt Ltd.
- (e) During the year 2020-21, the company has taken a MRI Scanner Machine for S B Road center worth INR 44.70 million on lease for a period of Seven years from Philips India Ltd.

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
24 Liability on compulsory convertible preference shares (Refer Note No. 21(iv))			
Liability on compulsory convertible preference shares - Series A	-	7,749.56	1,933.98
Liability on compulsory convertible preference shares - Series C	-	2,202.19	1,247.46
Total liability on compulsory convertible preference shares	-	4,951.75	3,181.44
25 Other financial liabilities			
Deposit from hospitals	63.89	75.16	70.11
Payable for capital purchases	0.00	158.36	180.98
Lease Liability	-	-	0.30
Total other financial liabilities	63.89	233.52	251.39
26 Employee benefit obligations			
		Non Current	
	As at	As at	As at
	31 March 2021	31 March 2020	01 April 2019
Provision for employee benefits (Refer note 41)			
Provision for gratuity (funded)			
Provision for leave encashment (unfunded)	5.19	3.23	1.62
Total Provisions	5.19	3.23	1.62
		Current	
	As at	As at	As at
	31 March 2021	31 March 2020	01 April 2019
Provision for employee benefits (Refer note 41)			
Provision for gratuity (funded)	7.76	6.16	4.94
Provision for leave encashment (unfunded)	1.52	1.04	0.53
Total Provisions	9.28	7.20	5.47
27 Other non-current liabilities			
	As at	As at	As at
	31 March 2021	31 March 2020	01 April 2019
Deferred Revenue	33.03	45.97	51.16
Total other long term liabilities	33.03	45.97	51.16



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	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
28 Short-term borrowings			
Secured, from bank			
Cash credit loan from banks	327.71	350.76	299.82
Bank Overdraft	-	550.03	231.18
Unsecured, Loans from related parties	19.73	22.01	8.57
Total short-term borrowings	347.44	922.80	539.57

Secured, from bank

- (a) During the year 2018-19, the company availed a Cash credit facility of Indusind Bank of INR 300 million at a floating interest of 1 year MCLR plus 0.85% margin. The facility is secured by the loans are secured by the First and Exclusive charge on the assets funded by the facility out of these term loans, exclusive Charge over the immovable properties which were offered to the existing lenders, first and exclusive charge over the current assets and pledge over 30% of the shareholdings of the borrower.
- (b) During the year 2019-20, the company has utilised FD-OD facility of INR 550 million from Janta Sahakari Bank Limited against Fixed Deposits facility of INR 600 million availed with them at an interest rate of 8.2 % per annum.
- (c) During the year 2019-20, the company has availed the Cash credit facility of Janata Sahakari Bank Ltd of INR 50 million at the interest rate of 11% per annum. The facility is secured against inventory and Book Debts.

Unsecured, Loans from related parties:

- (a) Short term borrowings from directors includes loan taken from Mr. Rajendra Mutha, which carries no interest. It is an interest free loan, repayable on demand and hence considered as a short term borrowing.
- (b) The Company has taken a loan from Mrs Pallavi Bhatwara at an interest rate of 12% per annum repayable on demand. During the year 2020-21 an additional loan for INR 17.5 million was taken. There was a repayment of INR 17.5 million during the year.

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
29 Trade payables			
Total outstanding dues of micro enterprises and small enterprises	5.37	3.44	0.84
Total outstanding dues of creditors other than micro enterprises and small enterprises	780.19	377.49	416.47
Total trade payables	785.56	380.93	417.31

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

Particulars	As at	As at	As at
	31 March 2021	31 March 2020	01 April 2019
(a) Amount remaining unpaid to any supplier at the end of each accounting year:			
Principal	5.37	3.44	0.84
Interest	0.43	0.29	0.34
Total	5.79	3.73	1.17
(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.	1.05	0.62	0.34
(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.	0.62	0.34	-

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
30 Other financial liabilities			
Other financial liabilities at amortised cost			
Current maturity of long term loans	290.81	162.56	232.27
Interest accrued	11.27	6.05	5.26
Security deposits received	0.07	1.06	2.00
Book overdraft	-	9.40	-
Foreclosure charges payable	-	-	0.85
Payable for capital purchases	300.16	263.75	476.69
Lease liability	0.00	0.08	0.64
Employee benefits expenses payable	59.92	33.65	25.71
Employee reimbursement payable	2.58	1.20	1.37
Payable to related parties	0.73	1.60	1.47
Total other financial liabilities	665.54	479.35	746.26
Total financial liability	1,798.54	1,783.08	1,703.14

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
31 Other current liabilities			
Statutory due payable	17.16	8.65	9.24
Advance from customer	5.98	-	-
Deferred Revenue	7.09	9.06	15.37
Total other current liabilities	30.23	17.71	24.61



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	Year ended 31 March 2021	Year ended 31 March 2020
32 Revenue from operations		
Sale of services	3,964.56	2,584.27
Total revenue from operations	3,964.56	2,584.27
33 Other income		
Interest income		
on fixed deposits	99.09	99.95
on other deposits	0.44	0.67
on income tax refund	2.87	-
on other financial assets at amortised cost	19.85	17.49
Dividend income	-	0.12
Amortisation of deferred revenue in respect of security deposit	-	9.16
Miscellaneous income	0.11	2.13
Total other income	122.36	129.52
34 Cost of material consumed		
Inventory at the beginning of the year	50.67	42.12
Add: Purchases	858.90	285.78
Less: Inventory at the end of the year	(72.10)	(50.67)
Cost of material consumed	837.47	277.23
35 Employee benefits expense		
Salaries, wages, bonus and other allowances	248.88	199.78
Contribution to provident and other funds	16.66	12.38
Gratuity expenses	4.51	2.72
Employee stock option scheme compensation (Refer note 42)	8.20	-
Staff welfare expenses	17.61	16.46
Total employee benefits expense	295.86	231.34



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	Year ended 31 March 2021	Year ended 31 March 2020
36 Finance costs		
Interest on borrowing		
On bank and NBFC	232.84	214.02
On loans from related parties	4.08	3.09
On finance lease	12.35	7.00
On Other financial liabilities at amortised cost	0.00	7.76
Bank Charges	3.92	9.10
Other borrowing costs	6.21	5.67
Total finance costs	259.40	246.64
37 Depreciation and amortization expense		
Depreciation (Refer note 6)	360.83	318.22
Amortization (Refer note 7)	13.56	5.89
Total depreciation and amortization expense	374.39	324.11
38 Other expenses		
Power & Fuel	47.92	58.90
Rent	76.06	61.17
Repairs and maintenance - Machinery	111.74	105.35
Insurance	7.70	4.81
Rates and taxes	5.49	4.08
Logistics expenses	28.16	32.49
Travelling and lodging expenses	44.28	33.43
Auditors' remuneration (Refer note below)	0.88	0.80
Security and facility management expenses	39.23	25.86
Business promotion expenses	10.33	12.46
Printing & Stationery	18.81	24.95
Communication expenses	16.86	15.99
Corporate social responsibility expenses (Refer Note 52)	6.71	-
Office expenses	15.15	11.80
Legal and professional charges	82.52	44.18
Provision for doubtful debt	-	24.84
Reporting Charges	269.22	214.93
Loss on sale/disposal of fixed assets	5.06	-
Service Charges	15.04	11.26
Miscellaneous expenses	9.94	4.86
Total other expenses	811.10	692.16



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	Year ended 31 March 2021	Year ended 31 March 2020
As auditor:		
Gross amount payable to auditors:	6.05	0.80
Less: Payable for IPO related expenses	5.17	0.00
Payable for Audit & related services as:	0.88	0.80
Statutory audit	0.80	0.80
Other services	0.08	-
Total	0.88	0.80

39 Income Tax

(A) Deferred tax relates to the following:

	31 March 2021	31 March 2020
Deferred tax assets		
On Expenses provided but allowable in Income Tax on payment basis - Provision for employee benefits	3.64	3.04
On convertible preference shares	-	993.87
On Deduction available u/s 80JJAA	4.47	-
On Provision for doubtful debts and advances	12.58	14.56
MAT Credit Asset	-	21.66
Total Deferred tax assets	20.69	1,033.13
Deferred tax liabilities		
On Difference between book depreciation and tax depreciation	127.64	111.41
Total Deferred tax liabilities	127.64	111.41
Deferred tax (liability) / asset, net	(106.95)	921.72

(B) Reconciliation of deferred tax assets/ (liabilities) (net):

	As at 31 March 2021	As at 31 March 2020
Opening balance as of 1 April	921.72	435.84
Tax liability recognized in Statement of Profit and Loss	(16.23)	(36.30)
Tax liability recognized in OCI	-	-
On re-measurements gain/(losses) of post-employment benefit obligations	0.10	0.20
Utilisation of MAT Credit	-	-
Tax asset recognized/(reversed) in Statement of Profit and Loss	(1,012.54)	521.98
Closing balance as at 31st March	(106.95)	921.72



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(C) Movement in deferred tax assets/ liabilities recognized in Statement of Profit and Loss

	As at 31 March 2021	As at 31 March 2020
Deferred tax charge on account of difference between book depreciation and tax depreciation	16.23	36.30
Deferred tax charge/(credit) on expenses allowed on payment basis		
- Provision for employee benefits	(0.51)	0.16
- On Provision for doubtful debts and advances	1.98	(7.23)
MAT credit entitlement	-	0.59
MAT credit reversal	21.66	-
Deferred tax asset on deduction u/s 80JJAA	(4.47)	-
Deferred tax charge/(credit) on movement in fair value of compulsory convertible preference shares	993.87	(515.50)
	<u>1,028.76</u>	<u>(485.68)</u>
	Year ended 31 March 2021	Year ended 31 March 2020
(D) Income tax expense		
- Income tax expense	76.47	21.87
- Deferred tax charge / (income)	1,028.76	(485.68)
	<u>1,105.23</u>	<u>(463.81)</u>
Income tax expense reported in the statement of profit or loss		
	Year ended 31 March 2021	Year ended 31 March 2020
(E) Income tax expense charged to OCI		
Net loss/(gain) on remeasurements of defined benefit plans	(0.10)	(0.20)
	<u>(0.10)</u>	<u>(0.20)</u>
Income tax charged to OCI		
	Year ended 31 March 2021	Year ended 31 March 2020
(F) Reconciliation of tax charge		
Profit before tax	2,954.52	(1,583.32)
Income tax expense at tax rates applicable	743.59	(461.06)
Tax effects of:		
- Item not deductible for tax	3.15	1.30
- Others	(1.41)	(3.79)
- Tax/MAT adjustment of earlier year	-	(0.26)
Change in Tax Rate	87.17	-
Reversal of deferred tax asset on CCPS	257.77	0.00
Minimum Alternate Tax (MAT) Lapsed due to Lower Tax Rate availed	21.66	8.57
MAT Credit Entitlement	-	(8.57)
80 JJA	(6.70)	-
Income tax expense	<u>1,105.23</u>	<u>(463.81)</u>



40 Earnings / (Loss) per share

Basic earnings / (loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings / (loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	Year ended 31 March 2021	Year ended 31 March 2020
Profit / (Loss) attributable to equity holders	1,849.29	(1,119.51)
Less: preference dividend after-tax	-	(0.57)
Less: Share issue expenses debited to securities premium account	1,849.29	(1,120.08)
Profit / (Loss) attributable to equity holders net of above adjustment	(1,533.96)	-
Add: Change in fair value of compulsory convertible preference share	315.33	(1,120.08)
Profit / (Loss) attributable to equity holders adjusted for the effect of dilution	5,766,062	5,163,100
Weighted average number of equity shares for basic EPS		
Effect of dilution:		
Share options	7,100,800	-
Convertible preference shares	12,866,862	5,163,100
Weighted average number of equity shares adjusted for the effect of dilution		
Basic earnings / (loss) per share (INR)	20.72	(216.94)
Diluted earnings / (loss) per share (INR)	24.51	(216.94)

The Company is having following potential equity shares :

- (a) Shares allotted to employees in pursuance of the Employee Stock Option Plan (ESOP).
(b) Compulsory convertible preference shares

Since conversion of compulsory convertible preference shares would decrease loss per share, these are anti-dilutive in nature and thus the effects of anti-dilutive potential equity shares are ignored in calculating diluted earning per share. However, the same are considered in calculating EPS for the year ended March 31, 2021 as the effect is not anti-dilutive. Further, ESOPs are considered to be anti-dilutive as the exercise price is out of money.

Computation of EPS after share split

Weighted average number of equity shares for basic EPS after share split	5,766,062	5,163,100
Weighted average number of equity shares outstanding during the year	5,766,062	5,163,100
Add: Impact of share split	11,532,124	10,326,200
Weighted average number of equity shares for basic EPS after share split		
Weighted average number of equity shares adjusted for the effect of dilution after share split	5,766,062	5,163,100
Weighted average number of equity shares outstanding during the year/period		
Effect of dilution:		
Share options	7,100,800	-
Convertible preference shares	12,866,862	5,163,100
Add: Impact of share split	25,733,724	10,326,200
Weighted average number of equity shares adjusted for the effect of dilution after share split		
Basic profit/(loss) per share after share split (INR)	60.36	(108.47)
Diluted profit/(loss) per share after share split (INR)	12.25	(108.47)

Pursuant to Shareholder's resolution passed at the Extraordinary General Meeting held on April 25, 2021 the equity share capital (Authorised, Issued and Paid-up) of the Company was subdivided from Rs. 10.00 (Rupees ten) each to equity shares of Rs. 5.00 (Rupees five) each. Accordingly, the calculation above reflect the effect of share split retrospectively for both the periods presented.

Description of change in ordinary share transaction or potential ordinary share transaction post the reporting date

Split of equity shares

The Company, pursuant to shareholders' resolution dated April 25, 2021, sub-divided its equity share capital by sub-dividing the face value of the Equity Shares from ₹ 10 to ₹ 5 per Equity Share. Accordingly, the issued and paid-up capital of our Company was sub-divided from 6,494,964 Equity Shares of ₹ 10 each to 12,989,928 Equity Shares of ₹ 5 each (including the equity shares issued upon conversion of Series B-CCPPS and Rights Issue).

The Company is having following potential equity shares :

- (a) Shares allotted to employees in pursuance of the Employee Stock Option Plan (ESOP).
(b) Compulsory convertible preference shares

Since conversion of compulsory convertible preference shares would decrease loss per share, these are anti-dilutive in nature and thus the effects of anti-dilutive potential equity shares are ignored in calculating diluted earning per share. However, the same are considered in calculating EPS for the year ended March 31, 2021 as the effect is not anti-dilutive.

41 Employee benefits

(A) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss -

Employers' Contribution to Provident Fund (Refer note 35)
Employers' Contribution to Employee State Insurance (Refer note 35)
Employers' Contribution to Labour Welfare Fund (Refer note 35)

	Year ended 31 March 2021	Year ended 31 March 2020
	13.42	9.74
	3.20	2.62
	0.04	0.02
	16.66	12.38

(B) Defined benefit plans

Gratuity payable to employees

	As at 31 March 2021	As at 31 March 2020
	7.76	6.36

(1) Actuarial assumptions

Discount rate (per annum)
Rate of increase in Salary
Expected average remaining working lives of employees (years)
Attrition rate
Expected rate of return on plan assets

	As at 31 March 2021	As at 31 March 2020
	6.10%	6.20%
	6.00%	6.00%
	4.93	4.90
	20%	20%
	6.20%	7.10%



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ii) Changes in the present value of defined benefit obligation

	Employee's gratuity	
	As at 31 March 2021	As at 31 March 2020
Present value of obligation at the beginning of the year	10.63	7.02
Interest cost	0.61	0.50
Past service cost		
Current service cost	4.24	2.45
Curtailments		
Settlements		
Benefits paid	(1.56)	(0.06)
Actuarial (gain)/ loss on obligations	0.43	0.72
Present value of obligation at the end of the year*	14.35	10.63

*Included in provision for employee benefits (Refer note 26)

iii) Expense recognized in the Statement of Profit and Loss

	Employee's gratuity	
	Year ended 31 March 2021	Year ended 31 March 2020
Current service cost	4.24	2.45
Past service cost		
Interest cost		
Expected return on plan assets	0.27	0.27
Actuarial (gain) / loss on obligations		
Settlements		
Curtailments		
Total expenses recognized in the Statement Profit and Loss*	4.51	2.72

iv) Amounts Recognised in Statement Of Other Comprehensive Income (OCI):

	Employee's gratuity	
	Year ended 31 March 2021	Year ended 31 March 2020
Opening amount recognised in OCI outside profit and loss account	(1.33)	(2.02)
Remeasurement for the year - obligation (Gain) / Loss	0.43	0.72
Remeasurement for the year - plan asset (Gain) / Loss	(0.05)	(0.03)
Total Remeasurements Cost / (Credit) for the year recognised in OCI	0.38	0.68
Closing amount recognised in OCI outside profit and loss account	(0.95)	(1.33)

*Included in Employee benefits expense (Refer Note 35). Actuarial (gain)/loss of INR (March 31, 2021 : INR 0.38 million, March 31, 2020 : INR 0.68 million) is included in other comprehensive income.

vi) Changes in the Fair Value of Plan Assets

	As at	
	31 March 2021	31 March 2020
Present value of obligation at the beginning of the year	4.46	2.08
Acquisition adjustments		
Transfer In / (Out)		
Interest Income	0.34	0.23
Contributions	1.99	2.30
Mortality Charges and Taxes	(0.26)	(0.18)
Benefits paid		
Amount paid on settlement		
Return on plan assets, excluding amount recognized in Interest Income - Gain / (Loss)	0.05	0.03
Fair value of plan assets at the end of the year	6.58	4.46

vi) Assets and liabilities recognized in the Balance Sheet:

	As at	
	31 March 2021	31 March 2020
Present value of unfunded obligation as at the end of the year	(14.35)	(10.63)
Fair value of the plan assets at the end of the year	6.58	4.46
Surplus / (Deficit)	(7.76)	(6.17)
Current liability	7.76	6.17
Non-current liability		
Unfunded net asset / (liability) recognized in Balance Sheet*	(7.76)	(6.17)

*Included in provision for employee benefits (Refer note 26)

vii) Reconciliation Of Net Asset / (Liability) Recognised:

	As at	
	31 March 2021	31 March 2020
Net asset / (liability) recognised at the beginning of the year	(6.17)	(6.94)
Company contributions	1.99	2.30
Benefits directly paid by Company	1.56	0.06
Amount recognised outside	(0.38)	(0.68)
Expense recognised at the end of year	(4.51)	(2.72)
Mortality Charges and Taxes	(0.26)	(0.18)
Net asset / (liability) recognised at the end of the year	(7.77)	(6.16)

viii) Expected contribution to the fund in the next year

	As at	
	31 March 2021	31 March 2020
Gratuity	7.80	6.20

ix) A quantitative sensitivity analysis for significant assumption is as shown below:

Impact on defined benefit obligation

	Employee's gratuity	
	As at 31 March 2021	As at 31 March 2020
Discount rate		
1.00% increase	(13.68)	(10.15)
1.00% decrease	15.08	11.13
Rate of increase in salary		
1.00% increase	14.93	11.03
1.00% decrease	(13.80)	(10.24)
Impact of change in withdrawal rate		
1.00% increase	14.28	(10.66)
1.00% decrease	14.41	10.58

x) Maturity profile of defined benefit obligation

Employee's gratuity	
As at	As at



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Year	31 March 2021	31 March 2020
Apr 2020- Mar 2021		1.83
Apr 2021- Mar 2022	1.82	1.50
Apr 2022- Mar 2023	2.17	1.93
Apr 2023- Mar 2024	2.55	2.13
Apr 2024- Mar 2025	2.79	2.35
Apr 2025- Mar 2026	3.26	-
Apr 2026 to Mar 2030	-	13.04
Apr 2027 to Mar 2031	28.75	-

42 Employee Stock Option Scheme 2020 (ESOP)

The board vide its resolution dated July 01, 2020 approved ESOP 2020 for granting Employee Stock Options in form of equity shares linked to the completion of a minimum period of continued employment to the eligible employees of the Company, monitored and supervised by the Board of Directors. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period

Particulars	As at March 31, 2021	
	Number	WAEP (INR)
Options outstanding at beginning of year:		
Add:		
Options granted during the year:		
Tranche 1	776,279	450
Tranche 2	247,054	700
Less:		
Options exercised during the year		
Options forfeited during the year*		
Options outstanding at the end of year:		
Tranche 1	776,279	450
Tranche 2	247,054	700

In accordance with the above mentioned ESOP Scheme, Rs 8.20 million has been charged to the Statement of Profit and Loss in relation to the options granted during the year ended 31 March 2021 as Employee Stock Option Scheme Compensation. (Refer note 35)

The options outstanding at the period ending on 31 March 2021 with exercise price of Rs 450 are 7,76,279 & of Rs.700 are 2,47,054 options and a weighted average remaining contractual life of all options are between 1 to 4 years.

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs to the [Option pricing model] used for the years ended:

Vesting year- Tranche 1	1	2	3	4
	Weighted average fair value of the options at the grant dates (INR)	15.28	22.48	31.20
Compounded Risk-Free Interest Rate (%)	3.73%	4.21%	4.81%	5.10%
Number of periods to Exercise in years	1.25	2.25	3.25	4.25
Expected volatility (%)	27.39%	22.06%	19.25%	17.91%
Weighted average share price (INR)	341.35	341.35	341.35	341.35
Vesting year- Tranche 2	1	2	3	4
Weighted average fair value of the options at the grant dates (INR)	16.16	53.12	71.17	91.20
Compounded Risk-Free Interest Rate (%)	3.93%	4.41%	4.91%	5.32%
Number of periods to Exercise in years	1.25	2.25	3.25	4.25
Expected volatility (%)	26.89%	22.33%	19.80%	18.18%
Weighted average share price (INR)	572.35	572.35	572.35	572.35

43 Leases where company is a lessee

ii) Amounts recognised in the Balance Sheet:

Particulars	As at	As at	As at
	31 March 2021	31 March 2020	1st April 2019
Right to use Assets			
Plant and Machinery (Net block)			0.01
Lease Liability			
Current Liability		0.08	0.64
Non Current Liability			0.30

iii) Maturity analysis of lease liabilities

Particulars		
Less than one year	0.31	0.92
One to five years		0.08
More than five years		
Total closing undiscounted lease liabilities	0.31	0.99

iii) Amounts recognised in Statement of Profit or Loss

Particulars		
Depreciation on Right to use assets		
Plant and Machinery	0.01	0.79
Interest expense on lease liabilities (included in finance cost)	0.00	0.05



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iv) Finance leases

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 FY 2019-20, 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.
During the year 2020-21, the company has taken a MRI Scanner Machine for Sutar Hospital worth INR 44.70 million on lease for a period of Seven years from Philips India Ltd., a CT Scanner Machine for KDMC centre, worth INR 14.44 million on lease for a period of Seven years from Philips India Ltd., data processing units and printers worth INR 11.30 million on lease for a period of three years from Hewlett Packard Financials Services India Pvt Ltd., a MRI Scanner Machine for S & Road center worth INR 44.70 million on lease for a period of Seven years from Philips India Ltd.

Particulars	As at	As at	As at
	31 March 2021	31 March 2020	1st April 2019
a) Minimum lease rentals payable			
i) not later than one year	36.31	22.31	11.28
ii) later than one year but not later than five years	151.63	58.79	13.05
iii) later than five years	50.79	24.47	-
Total	238.73	105.57	24.33
b) Present value of minimum lease payments			
i) not later than one year	17.49	13.51	8.09
ii) later than one year but not later than five years	103.71	38.12	11.44
iii) later than five years	46.57	22.29	-
Total	167.77	73.92	19.53
c) Reconciliation of minimum lease payments and present value			
Minimum lease rentals payable as per (a) above	238.73	105.57	24.33
Less: Finance charges to be recognized in subsequent periods	70.97	31.65	4.80
Present value of minimum lease payments payable as per (b) above	167.77	73.92	19.53

44 Related Party Disclosures:

(A) Names of related parties and description of relationship as identified and certified by the Company:

Entity under common control
Krsna International Limited-Yemen
KDPL Diagnostics (Amritsar) Private Limited
KDPL Diagnostics (Bhatinda) Private Limited
KDPL Diagnostics (Jalandhar) Private Limited
KDPL Diagnostics (Ludhiana) Private Limited
KDPL Diagnostics (Patiala) Private Limited
KDPL Diagnostics (SAS Nagar) Private Limited

Key Management Personnel (KMP)

Rajendra Mutha-Director
Narayanan Balasubramanyam-Nominee Director (w.e.f. 31st January, 2019)
Yash Prithvira) Mutha-Wholetime Director (w.e.f. 31st January, 2019)
Pallavi Bhatewara-Managing Director
Sunita Mutha- Relative of KMP
Pawan Balkisan Daga (w.e.f. 18th January, 2021)

(B) Details of transactions with related party in the ordinary course of business for the year ended:

	Year Ended	Year Ended
	31 March 2021	31 March 2020
(i) Key Management Personnel (KMP)		
Compensation of key management personnel		
Pallavi Bhatewara	4.88	5.09
Rajendra Mutha	6.28	8.38
Yash Mutha	3.53	1.80
Pawan Daga	0.37	-
(ii) Expenses Incurred:		
Sunita Mutha - Rent Expenses	35.64	22.66
Pallavi Bhatewara -Interest Expenses	4.08	3.09
(iii) Loans repaid during the year		
Rajendra Mutha	10.00	28.05
Pallavi Bhatewara	17.50	-
(iv) Loans taken during the year		
Rajendra Mutha	7.72	31.49
Pallavi Bhatewara	17.50	10.00
(v) Advances repaid during the year		
Pallavi Bhatewara	-	2.02
(C) Outstanding Balances		
(i) Entity under common control		
Krsna International Limited-Yemen -Accounts Receivable	31.01	31.01
(ii) Key Management Personnel (KMP)		
(a) Director Loans		
Pallavi Bhatewara -Loans Payable (Unsecured)	18.54	18.54
Rajendra Mutha - Loan Payable (Unsecured)	1.19	3.47
(b) Other Payables		
Sunita Mutha	6.29	2.04

(i) Terms and conditions of transactions with related parties

The Company has outstanding balance receivable from Krsna International Limited for Rs.31.01 million 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 FY 2016-17 has made provision of Rs. 31.01 million towards doubtful advances.



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45 Segment reporting

The Company's operations predominantly relate to providing Radiology and Pathology services for X Ray, CT Scan, MRI, Mammography, Tele- Reporting Services, and all type of Blood and Urine Investigation. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

46 Fair Value Measurement

Financial Instruments by Category:

Financial Asset	March 31, 2021		March 31, 2020		April 01, 2019	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Investment						
- Share of Janta Sahakari Bank	2.90	-	2.90	-	2.90	-
Security Deposit (Current + Non Current)	-	151.44	-	60.23	-	146.46
Fixed deposit accounts with maturity for more than 12 months	-	24.08	-	138.11	-	169.86
Trade receivables	-	724.74	-	614.32	-	562.23
Cash and cash equivalents	-	246.75	-	83.59	-	85.96
Bank balances other than cash and cash equivalent	-	1,282.37	-	1,189.24	-	1,030.24
Interest accrued on fixed deposits	-	71.06	-	45.66	-	18.72
Unbilled revenue	-	-	-	101.50	-	2.53
Other receivables	-	3.01	-	2.60	-	2.26
Total Financial Asset:	2.90	2,503.45	2.90	2,235.25	2.90	2,018.26
Financial Liabilities						
Borrowings (including current maturities of long term borrowings and short term borrowings)		2,317.79	4,951.75	2,312.49	3,181.44	1,692.06
Liability on compulsory convertible preference shares		63.89		75.16		70.11
Deposits from Hospitals		785.56		380.93		417.31
Trade Payable		11.27		6.05		5.26
Interest accrued		0.07		1.06		2.00
Security deposit received		-		9.40		-
Book Overdraft		300.16		422.10		657.66
Payable for capital purchases		0.73		1.60		1.47
Other Payable		-		-		0.85
Foreclosure Charges Payable		0.02		0.08		0.94
Lease Liabilities		59.92		33.65		25.71
Employee Benefits Expenses Payable		2.58		1.20		1.37
Employee Reimbursements Payable		-		-		-
Total Financial Liabilities	0.00	3,541.99	4,951.75	3,243.72	3,181.44	2,874.74

47 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

No financial assets/liabilities have been valued using level 1 fair value measurements.

a The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

	Level 1	Level 2	Level 3	Total
As at April 01, 2019				
Financial Asset				
Investment in Share of Janta Sahakari Bank			2.90	2.90
Total Financial Asset			2.90	2.90
Financial Liabilities				
Liability of compulsory convertible preference shares - Series A			1,933.98	1,933.98
Liability of compulsory convertible preference shares - Series C			1,247.46	1,247.46
Total Financial Liabilities			3,181.44	3,181.44
As at March 31, 2020				
Financial Asset				
Investment in Share of Janta Sahakari Bank			2.90	2.90
Total Financial Asset			2.90	2.90
Financial Liabilities				
Liability of compulsory convertible preference shares - Series A			2,749.56	2,749.56
Liability of compulsory convertible preference shares - Series C			2,202.19	2,202.19
Total Financial Liabilities			4,951.75	4,951.75
As at March 31, 2021				
Financial Asset				
Financial Asset			2.90	2.90
Total Financial Asset			2.90	2.90
Total Financial Liabilities				0.00



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b Valuation technique used to determine fair value

The valuation technique used to determine the fair value of liability of compulsory convertible preference share of Series A and Series C is discounted cash flow method (DCF Method).

The investment in share of Janta Sahakari Bank is fair valued basis the best estimate and information available and the fair value approximates its carrying value

c Valuation Process

In respect of fair value of liability of compulsory convertible preference share of Series A and Series C for the DCF method, the projected free cash flows of the Company/ business are discounted at a discount rate which reflects perceived riskiness of the projected cash flows in order to arrive at their present value. Then, the terminal value of the Company/ business is calculated based on the free cash flow of the last year of the forecast period, which is based on the future long term growth of the revenues. This terminal value is then discounted to get the present terminal value. The present value of free cash flows for the projected period and present value of terminal value is added to arrive at the enterprise value. Thereafter, adjustment for non-operating assets/liabilities, surplus Cash and Cash Equivalents is made to arrive at the fair value of the Company/business. The fair value of liability of compulsory convertible preference share - Series A and Series C is based on expected settlement of equity value considering the anti-dilution clauses to the instrument

d Fair Value of financial assets and liabilities measured at amortised cost

The fair value of other current financial assets, cash and cash equivalents, trade receivables, trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits and of non-current financial liabilities consisting of borrowings and security deposit received are not significantly different from the carrying amount.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

48 Fair value movement of compulsory convertible preference shares

These amounts represent the fair value changes in respect of liability of Compulsory Convertible Preference Share - Series A & Series C which have certain anti-dilution clauses. Preference shareholders have granted waiver in respect of these anti-dilution in July 2020 and hence necessary accounting adjustments due to significant modification of the instruments have been passed in the period ended March 31, 2021.

49 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments. The Company have certain debt obligations with floating interest rates. Further, the Company is not exposed to currency risk as the Company does not have any significant foreign currency outstandings/receivables neither is the Company exposed to price or commodity risk.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Interest Rate Sensitivity	March 31, 2021	March 31, 2020
Increase by 100 basis point	12.30	10.26
Decrease by 100 basis point	(12.30)	(10.26)

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk from its operating activities (primarily trade receivables and security deposit to hospitals), from its financing activities, including deposits with banks and other statutory deposits with regulatory agencies. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Company does not foresee any credit risks on deposits with regulatory authorities. Customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain

The movement in the provision for bad and doubtful debts for the year ended are as follows:

	Year Ended 31 March 2021	Year Ended 31 March 2020
Opening balance	50.00	25.16
Changes in loss allowance:		
1. Loss allowance based on Expected credit loss		24.84
2. Write off as bad debts		
Closing Balance	50.00	50.00

Company has one customer as at March 31, 2021 and March 31, 2020 who account for 10% or more of the total trade receivables at each reporting date.



(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of the Company's financial liabilities:

	Less than 1 year	1 to 5 years	More than 5 years	Total
As at April 01, 2019				
Short term borrowings	539.57	-	-	539.57
Long-term borrowings	-	514.91	405.31	920.23
Trade payables	417.31	-	-	417.31
Liability on compulsory convertible preference shares	-	-	3,181.44	3,181.44
Other financial liability	746.26	189.59	61.80	997.65
	<u>1,703.14</u>	<u>704.50</u>	<u>3,648.55</u>	<u>6,056.20</u>
As at March 31, 2020				
Short term borrowings	922.80	-	-	922.80
Long-term borrowings	-	748.49	478.64	1,227.13
Trade payables	380.93	-	-	380.93
Liability on compulsory convertible preference shares	-	-	4,951.75	4,951.75
Other financial liability	479.35	181.12	52.39	712.87
	<u>1,783.08</u>	<u>929.61</u>	<u>5,482.78</u>	<u>8,195.48</u>
As at March 31, 2021				
Short term borrowings	347.44	-	-	347.44
Long-term borrowings	-	1,263.15	416.39	1,679.54
Trade payables	785.55	-	-	785.55
Liability on compulsory convertible preference shares	-	-	-	0.00
Other financial liability	665.56	14.76	49.13	729.43
	<u>1,798.53</u>	<u>1,277.91</u>	<u>465.52</u>	<u>3,541.96</u>

50 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, instrument entirely equity in nature, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current and current borrowing including current maturities of long term borrowings and liability on compulsory convertible preference share. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		Year Ended 31 March 2021	Year Ended 31 March 2020	Year Ended 01 April 2019
Equity		7,318.65	(1,969.77)	(849.21)
Total equity	(i)	<u>7,318.65</u>	<u>(1,969.77)</u>	<u>(849.21)</u>
Borrowings		2,317.79	7,264.24	4,873.50
Less: cash and cash equivalents		(246.75)	(83.59)	(85.96)
Net debt	(ii)	<u>2,071.04</u>	<u>7,180.65</u>	<u>4,787.55</u>
Overall financing	(iii) = (i) + (ii)	<u>4,389.69</u>	<u>5,210.88</u>	<u>3,938.34</u>
Gearing ratio	(ii) / (iii)	0.47	1.38	1.22

No changes were made in the objectives, policies or processes for managing capital during year ended March 31, 2021 and March 31, 2020 and April 1, 2019



51 First time adoption of IND AS

A First IND AS Financial Information

The financial statement for the year ended March 31, 2021 is the first set of financial statements prepared in accordance with Ind AS. Accordingly, the transition date to IND AS is April 01, 2019. The financial statement for the year ended March 31, 2021, March 31, 2020 are prepared in accordance with the requirements of IND AS 101 - First time adoption of Indian Accounting Standards. The accounting policies considered for making these IND AS adjustments are consistent with that used by the Company on the date of transition to IND AS i.e. April 01, 2019.

The impact of IND AS adjustments to the equity as at April 01, 2019, March 31, 2020 and on total comprehensive income for year ended April 01, 2019, March 31, 2020 have been explained as under.

An explanation of how the transition from Indian GAAP to Ind AS has affected the Company's financial position, financial performance is as follows:

(i) Exemptions availed on first time adoption of Ind AS

Set out below are the applicable Ind AS 101 optional exemption and mandatory exemption applied in the transition from Indian GAAP to Ind AS. The Company has applied the following exemptions /exceptions.

Deemed Cost

Since there is no change in the functional currency, the Company has elected to continue with carrying value for all of its property, plant and equipment as recognized in its Indian GAAP financial statements as its deemed cost at the date of transition after making adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38, Intangible Assets. Accordingly the management has elected to measure all of its property, plant and equipment, and intangible assets at their Indian GAAP carrying value.

(ii) Mandatory Exemption on first-time adoption of Ind AS

Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Indian GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at transition date are consistent with the estimates as at the same date made in conformity with Indian GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Indian GAAP:

- (i) Impairment of financial assets based on expected credit loss model.
- (ii) Fair valuation of compound instrument.
- (iii) Effective interest rate used in calculation of security deposit.

De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the derecognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Company has complied with the same.

Impairment of financial assets

Ind AS 101 provides relaxation from applying the impairment related requirements of Ind AS 109 retrospectively. At the date of transition, it requires an entity to use reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised and compare that to the credit risk at the date of transition to Ind AS or recognise a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until financial instrument is de-recognised, if at the date of transition to Ind AS, determination of credit risk involves undue cost or effort. The Company has elected to apply Ind AS 109 prospectively from the date of transition to Ind AS.



B First time adoption reconciliation

Equity Reconciliation:

Particulars	Notes	Equity as at March 31, 2020	Equity as at April 01, 2019
Equity as per Indian GAAP (A)		2,014.15	1,889.98
Ind AS adjustments			
Impact of EIR of borrowings measured at amortised cost	A.1	(22.83)	(30.08)
Impact on account of lease accounting as per Ind AS 116	A.2	(0.06)	(0.14)
Financial asset measured at amortised cost	A.3	(9.42)	(10.71)
Financial liabilities measured at amortised cost	A.4	6.27	4.81
Change in fair value movement of Compulsory Convertible Preference Shares	A.7	(3,452.14)	(1,681.82)
Reclassification of Compulsory convertible preference shares to Liability (Including Securites Premium on CCPS)	A.7	(1,499.61)	(1,499.61)
Deferred tax on above adjustments	A.6	993.87	478.36
Total adjustments		(3,983.92)	(2,739.19)
Equity as per Ind AS (A)		(1,969.77)	(849.21)

Reconciliation of total comprehensive income:

Particulars	Notes	Year Ended March 31, 2020
Total net profit after tax as per Indian GAAP		124.74
Ind AS adjustments		
Impact of EIR of borrowings measured at amortised cost	A.1	7.25
Impact on account of lease accounting as per Ind AS 116	A.2	0.08
Financial asset measured at amortised cost	A.3	1.29
Financial liabilities measured at amortised cost	A.4	1.46
Remeasurement of gains/(losses) on defined benefit plans	A.5	0.68
Change in fair value movement of Compulsory Convertible Preference Shares	A.7	(1,770.31)
Deferred tax on above adjustments	A.6	515.32
Total adjustments		(1,244.23)
Other Comprehensive Income		
Remeasurement of (gains)/losses on defined benefit plans	A.5	(0.68)
Deferred tax on above adjustment	A.6	0.20
Total		(0.48)
Total comprehensive income as per Ind AS		(1,119.97)

Explanations to reconciliations

- A.1 Under Indian GAAP, the transaction costs related to borrowings were recognised upfront on disbursement and amortised over a period of loan in the statement of profit and loss. Under Ind AS, such costs are amortised over the contractual term of the borrowing and recognised as interest expense using effective interest rate method in the statement of profit and loss.
- A.2 Under the Indian GAAP, lease rentals related to operating lease were accounted as expense in the statement of profit and loss. Under Ind AS, lease liability and right of use is recorded at present value of future contractual rent payment on initial date of lease. Subsequently, finance cost is accrued on lease liability and lease payments are recorded by way of reduction in lease liability. ROU is depreciated over lease term.
- A.3 Under the Indian GAAP, interest free refundable security deposits (given) were accounted at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. On the date of initial recognition, the difference between the transaction amount and the fair value has been recognised as prepaid rent. The security deposits have been subsequently amortised under effective interest rate method and the prepaid rent on a straight line basis over the term of contract.
- A.4 Under the Indian GAAP, interest free refundable security deposits (accepted) were accounted at their transaction value. Under Ind AS, all financial liabilities are required to be recognised at fair value. On the date of initial recognition, the difference between the transaction amount and the fair value has been recognised as deferred revenue. The security deposits have been subsequently amortised under effective interest rate method and the deferred revenue on a straight line basis over the term of contract.



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Notes forming part of IND AS Financial Statements

(Amount in Rupees million except per share data and unless otherwise stated)

- A.5 Under the Indian GAAP, actuarial gains / losses on defined benefit obligations were recognised in the statement of profit and loss. Under Ind AS, remeasurements i.e. actuarial gains and losses, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of the statement of profit and loss.
- A.6 Under the Indian GAAP, deferred tax was accounted as per the income statement approach which required creation of deferred tax asset/ liability on timing differences between taxable income and accounting income. Under Ind AS, deferred tax is accounted as per the balance sheet approach which requires creation of deferred tax asset/ liability on temporary differences between the carrying amount of an asset/ liability in the Balance Sheet and its corresponding tax base.
- A.7 Under the Indian GAAP, compulsory convertible preference share (CCPS) is considered as equity whereas basis the evaluation of the terms of CCPS under IND AS the CCPS - Series A and Series C is considered entirely as liability and is measured at fair value through profit and loss. After initial recognition, the CCPS - Series A and Series C is subsequently measured at fair value and the movement in fair value of CCPS in Series A and Series C is charged/credited to profit and loss.



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Notes forming part of IND AS Financial Statements
(Amount in Rupees million except per share data and unless otherwise stated)

C Effect of Ind AS adoption on the Balance Sheet
Reconciliation of Balance Sheet as on March 31, 2020

	IGAAP ^a	Ind AS adjustments	Ind AS
Assets			
Non-current assets			
Property, plant and equipment	2,735.83	(0.01)	2,735.82
Capital work-in-progress	91.30	-	91.30
Intangible assets	15.14	-	15.14
Intangible asset under development	-	-	-
Financial assets			
Investments	2.90	-	2.90
Loans	171.81	(67.53)	104.28
Other financial assets	60.23	-	60.23
Deferred tax asset (net)	0.00	921.72	921.72
Other non-current assets	214.37	17.75	232.12
Total non-current assets	3,291.58	871.93	4,163.51
Current assets			
Inventories	50.67	-	50.67
Financial assets			
Trade receivables	614.32	-	614.32
Cash and cash equivalents	83.59	-	83.59
Bank balances other than cash and cash equivalent	1,189.24	-	1,189.24
Other financial assets	181.06	2.53	183.59
Other current assets	16.70	(1.80)	14.90
Total current assets	2,135.58	0.73	2,136.31
Total assets	5,427.16	872.66	6,299.82
EQUITY AND LIABILITIES			
Equity			
Equity share capital	51.63	-	51.63
Instruments entirely equity in nature	-	150.24	150.24
Other equity	1,962.52	(4,134.16)	(2,171.64)
Total equity	2,014.15	(3,983.92)	(1,969.77)
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	1,245.37	(18.24)	1,227.13
Liability on compulsory convertible preference shares	-	4,951.75	4,951.75
Other financial liabilities	305.98	(72.46)	233.52
Employee benefit obligations	3.23	-	3.23
Other non-current liabilities	-	45.97	45.97
Deferred Tax Liabilities	72.15	(72.15)	-
Total non-current liabilities	1,626.73	4,834.87	6,461.60
Current liabilities			
Financial liabilities			
Borrowings	922.80	-	922.80
Trade payables			
i) total outstanding dues of micro enterprises and small enterprises	3.44	-	3.44
ii) total outstanding dues of creditors other than micro enterprise and small enterprise	377.49	-	377.49
Other financial liabilities	466.70	12.65	479.35
Other current liabilities	8.65	9.06	17.71
Employee benefit obligations	7.20	-	7.20
Total current liabilities	1,786.28	21.71	1,807.99
Total liabilities	3,413.01	4,856.58	8,269.59
Total liabilities and equity	5,427.16	872.66	6,299.82

^aThe Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



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Notes forming part of IND AS Financial Statements
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Reconciliation of Balance Sheet as on April 01, 2019

	IGAAP*	Ind AS adjustments	Ind AS
Assets			
Non-current assets			
Property, plant and equipment	2,223.11	0.78	2,223.89
Capital work-in-progress	416.58	-	416.58
Intangible assets	7.00	-	7.00
Intangible asset under development	1.32	-	1.32
Financial assets			
Investments	2.90	-	2.90
Trade receivables	-	-	-
Loans	115.83	(60.20)	55.63
Other financial assets	146.46	-	146.46
Deferred tax asset (net)	-	435.84	435.84
Other non-current assets	123.81	(9.45)	114.36
Total non-current assets	3,037.01	366.97	3,403.98
Current assets			
Inventories	42.12	-	42.12
Financial assets			
Trade receivables	562.23	-	562.23
Cash and cash equivalents	85.96	-	85.96
Bank balances other than cash and cash equivalent	1,030.24	-	1,030.24
Other financial assets	129.35	8.39	137.74
Other current assets	21.80	5.78	27.58
Total current assets	1,871.70	14.17	1,885.87
Total assets	4,908.71	381.14	5,289.85
EQUITY AND LIABILITIES			
Equity			
Equity share capital	51.63	-	51.63
Instruments entirely equity in nature	-	150.24	150.24
Other equity	1,838.35	(2,889.43)	(1,051.08)
Total equity	1,889.98	(2,739.19)	(849.21)
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	937.55	(17.32)	920.23
Liability on compulsory convertible preference shares	-	3,181.44	3,181.44
Other financial liabilities	310.98	(59.59)	251.39
Employee benefit obligations	1.62	-	1.62
Other non-current liabilities	-	51.16	51.16
Deferred Tax Liabilities	42.52	(42.52)	-
Total non-current liabilities	1,292.67	3,113.17	4,405.84
Current liabilities			
Financial liabilities			
Borrowings	539.57	-	539.57
Trade payables	-	-	-
i)total outstanding dues of micro enterprises and small enterprises	0.84	-	0.84
ii)total outstanding dues of creditors other than micro enterprise and small enterprise	416.47	-	416.47
Other financial liabilities	754.47	(8.21)	746.26
Other current liabilities	9.24	15.37	24.61
Employee benefit obligations	5.47	-	5.47
Total current liabilities	1,726.06	7.16	1,733.22
Total liabilities	3,018.73	3,120.33	6,139.06
Total liabilities and equity	4,908.71	381.14	5,289.85

*The Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



D Effect of Ind AS adoption on the statement of profit and loss

Statement of profit and loss for year ended March 31, 2020

	IGAAP	Ind AS adjustments	Ind AS
Income			
Revenue from operations	2,584.27	-	2,584.27
Other income	102.86	26.66	129.52
Total income	2,687.13	26.66	2,713.79
Expenses			
Cost of material consumed	277.23	-	277.23
Employee benefits expense	232.02	(0.68)	231.34
Finance costs	246.13	0.51	246.64
Depreciation and amortization expense	323.32	0.79	324.11
Fees to hospitals and others	755.32	-	755.32
Loss on fair value movement of compulsory convertible preference shares (Refer Note 47)	-	1,770.31	1,770.31
Other expenses	676.87	15.29	692.16
Total expenses	2,510.89	1,786.22	4,297.11
Profit /(Loss) before exceptional items and tax	176.24	(1,759.56)	(1,583.32)
Exceptional items			
Profit /(Loss) before tax	176.24	(1,759.56)	(1,583.32)
Tax expense			
Current Tax	21.87	-	21.87
Deferred Tax	29.64	(515.32)	(485.68)
Total income tax expense	51.51	(515.32)	(463.81)
Profit for the year	124.73	(1,244.24)	(1,119.51)
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of net defined benefit liability	-	(0.68)	(0.68)
Income tax effect	-	0.20	0.20
	-	(0.48)	(0.48)
Other comprehensive income for the year, net of tax	-	(0.48)	(0.48)
Total comprehensive income for the year	124.73	(1,244.72)	(1,119.99)



Notes forming part of IND AS Financial Statements
(Amount in Rupees million except per share data and unless otherwise stated)

52 Corporate Social Responsibility (CSR)

	Year Ended 31 March 2021	Year Ended 31 March 2020
Gross amount required to be spent	3.48	2.39
Amount spend during the year	6.71	-
Amount spent during the year	31 March 2021	
Particulars	In cash	Yet to be paid in cash
i. construction/acquisition of any asset		
-under control of the Company for future use	-	-
-not under control of the Company for future use	-	-
ii. On purpose other than (i) above*	6.71	-
	6.71	6.71
Less: Amount capitalized as CSR assets		-
		6.71

* Ventilators donated to various Municipal Corporations

53 Contingent Liabilities

	As at 31 March 2021	As at 31 March 2020
Other money for which the Company is contingently liable (Note 1)	36.50	36.50
Dividend (Note 2)	-	-
Total	36.50	36.50

Note 1 : The company had availed Bank Gurantee facility of Rs. 334 million with Janata Sahakari bank limited against the property of Mr. Narayan Chighlikar and Mrs. Shubhangi Chighlikar, for which the company had paid the sum of Rs. 36.50 million to Mr. Narayan Chighlikar, the proprietor of Yash Construction.

Note 2 :The shareholders have waived all accrued and future liability with respect to dividend on Series A - CCPS

- 54 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. This pandemic and response thereon have impacted most of the industries. Consequent to the nationwide lock down on March 24, 2020, the Company's operations were scaled down in compliance with applicable regulatory orders. Subsequently, during the year, the Company's operations have been scaled up in a phased manner taking into account directives from various Government authorities. The impact on future operations would, to a large extent, depend on how the pandemic further develops and it's resultant impact on the operations of the Company. The Company continues to monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations.

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, 2021 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.

- 55 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- 56 The company has subscribed to 99.99% of the equity share capital of six special purpose vehicles (SPV's) namely KDPL Diagnostics (Amritsar) Private Limited, KDPL Diagnostics (Bhatinda) Private Limited, KDPL Diagnostics (Jalandhar) Private Limited, KDPL Diagnostics (Patiala) Private Limited and KDPL Diagnostics (SAS Nagar) Private Limited incorporated on March 24, 2021 and KDPL Diagnostics (Ludhiana) Private Limited incorporated on March 22, 2021.

The Company has remitted the amount towards subscription of share capital in these SPV's on April 12, 2021.



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Notes forming part of IND AS Financial Statements

(Amount in Rupees million except per share data and unless otherwise stated)

57 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.

58 Previous year figures have been regrouped/ reclassified wherever considered necessary to conform to the figures presented in current period.

The accompanying notes are an integral part of the IND AS Financial Statements

As per our report of even date

For MSKA & Associates

Chartered Accountants

Firm Registration No.: 105047W

Nitin Manohar Jumanani

Partner

Membership No: 111700

Place: Pune

Date: July 13, 2021



For and on behalf of the Board of Directors

Krsnaa Diagnostics Limited

CIN:U74900PN2010PLC138068

Rajendra Mutha

Chairman

DIN: 01066737

Place: Pune

Date: July 13, 2021

Yash Mutha

Executive Director

DIN: 07285523

Place: Pune

Date: July 13, 2021

Pallavi Bhatevara

Managing Director

DIN: 03600332

Place: Pune

Date: July 13, 2021

Pawan Daga

Chief Financial Officer

Place: Pune

Date: July 13, 2021

Manisha Chitgopekar

Company Secretary

M.No:A27816

Place: Pune

Date: July 13, 2021

