

Date: September 02, 2023

To, BSE Limited Corporate Relationship Department 25th Floor, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400001 Scrip Code: 543328	To, National Stock Exchange of India Limited Exchange Plaza, Plot No. C-1, Block G, Sandra Kurla Complex, Bandra (East) Mumbai – 400051 NSE Symbol: KRSNAA
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Dear Sir/Madam,

Subject: Submission of Notice of the 13th Annual General Meeting of Krsnaa Diagnostics Limited along with the Annual Report for the Financial Year 2022-23

Pursuant to Regulation 30 read with Part A (Para A) of Schedule III and Regulation 34(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Notice of the 13th Annual General Meeting ('AGM') of Krsnaa Diagnostics Limited ('the Company') scheduled to be held on Monday, September 25, 2023 at 11:00 Hrs. (IST) through Video Conferencing or Other Audio Visual Means and the Annual Report of the Company for Financial Year 2022-23.

The Annual Report along with the Notice of the 13th AGM is being sent by e-mail, to all the eligible shareholders whose e-mail ids are registered with the Company / Depository Participant(s).

The Annual Report for Financial Year 2022-23 and Notice of the 13th AGM are also available on the Company's website at <https://krsnaadiagnostics.com/investors/>

You are requested to take the above information on your record.

For **Krsnaa Diagnostics Limited**



Sujoy Sudipta Bose
Company Secretary and Compliance Officer

Encl: as above



Powering Expansion and Accelerating Growth

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To view our report online,
please visit:
<https://krsnaadiagnostics.com>

Forward-looking Statement

This document contains statements about expected future events and financials of Krsnaa Diagnostics Limited ('Krsnaa' or 'KDL' or 'Our Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred in the document.

Powering expansion and accelerating growth

Healthcare is an ever-evolving and dynamic sector that consistently confronts new opportunities as well as unforeseen challenges as healthcare providers tirelessly strive to preserve lives and promote the well-being of individuals. With people's health concerns shifting radically in the aftermath of the COVID-19 pandemic, there has been a remarkable change in how healthcare is accessed and provided. Customers today seek more accessible and affordable solutions to address their immediate healthcare needs. The pandemic has also accelerated the adoption of digital health technologies, opening doors to innovative approaches in diagnostics, treatment, and preventive care. Amid these transformative times, healthcare providers must remain adaptable and agile, embracing technology and fresh paradigms to effectively address present and future healthcare requirements.

Over the past few years, Krsnaa Diagnostics has evolved into a fast-growing and esteemed diagnostic care provider, serving communities throughout the country. Our robust capabilities enable us to deliver affordable and superior healthcare services to the remotest and underserved regions of the country. Our unflinching focus on quality and care has been instrumental in our ability to remain resilient and relevant to people, positioning us as one of the leading providers in the diagnostic services segment. By seamlessly blending dependable diagnostic services with affordability, we have garnered high customer trust, paving the way for an exciting and promising future.

Today, we stand at the threshold of infinite possibilities. We remain resolute in our approach to adapt, innovate, and excel. We have charted ambitious plans to unlock opportunities for growth and expansion, ensuring that we continue to make a positive impact on people's lives and contribute to the advancement of the healthcare industry.

We are making relentless efforts to extend our reach by strategically opening new diagnostic centers in the underpenetrated markets across Tier 2 and Tier 3 cities.

Our aim is to ensure that even individuals in remote areas can benefit from our advanced diagnostic services. We remain steadfast in our commitment to actively participate in new Public-Private Partnership (PPP) tenders, forging strategic alliances that will expand our network and enable us to serve broader communities.

Leveraging our extensive infrastructure of pathology diagnostics centers is a key component of our strategy to expand our retail offerings. By strengthening our footprint across the country, we can reach out to serve more communities and individuals. Our overarching aim is to steadily grow our customer base and meet their unique healthcare needs. During the year, we witnessed exponential growth in our pathology labs, collection centers, and radiology centers. This strategic expansion positions us well to meet the growing demand for diagnostic services in the healthcare sector.

Our commitment to providing personalized and top-notch services remains at the core of our mission. We strive to improve customer experience with exceptional healthcare solutions tailored to individual requirements. As part of our continuous improvement efforts, we are constantly exploring new testing capabilities to cater to the evolving needs of our patients and customers. We are aggressively embracing cutting-edge technologies to provide a comprehensive range of diagnostic services that meet the highest standards of accuracy and efficiency. This is how we are



Krsnaa Diagnostics

One of India's largest differentiated diagnostics service providers

We are one of India's fastest-growing, differentiated diagnostics service providers. Our comprehensive range of technology-enabled diagnostic services includes imaging (including radiology), pathology/clinical laboratory, and tele-radiology services. We have proven capabilities and the largest presence in the PPP (Public-Private Partnership) diagnostics segment and extend our services to private and public hospitals, medical colleges, and community health centers pan-India.

Since our inception in 2011, starting with just two radiology centers, we have relentlessly expanded our footprint across India. Currently, we operate an extensive network of 2,850 centers spanning 15 states and 2 Union Territories. What truly distinguishes us is our unwavering commitment to delivering top-notch diagnostic services that are both inclusive and of superior quality at significantly lower rates compared to the leading players in the diagnostics industry.



OUR OFFERINGS

Radiology

- MRI (0.3 Tesla to 3.0 Tesla)
- CT (2 Slice to 128 Slice)
- X-ray (CR Systems and Digitizer) (100 mA to 500 mA)
- Mammography (CR Mammography / Digital Mammography)
- Ultrasound and Color Doppler (2D to 4D)
- Bone Densitometry

Pathology

- Routine Testing (including but not limited to Microbiology, Histopathology, Serology and Immunoassay)
- Specialized Testing (including but not limited to Biochemistry, Molecular Biology, Oncology Genomics and personalized precision-based medicine)

Tele-radiology



VISION

To offer world-class healthcare diagnostics services at affordable rates with the approach of **“Let’s Do Good...”**



MISSION

“To make a difference in healthcare” by offering technologically superior diagnostic solutions, and with that, reach out to the masses even in the remotest of locations, and provide services at a rate 50% lesser than the general market price. **“Let’s Do Good...”**

KEY NUMBERS THAT DEFINE US

2,850

Total Centers and Labs

133

CT/MRI Centers

1,528

Tele-reporting
Centers

99

Pathology
Processing Labs

1,090

Pathology Collection
Centers

220+

Doctors

120+

District Locations

17+

States & Union Territory

India's 1st NABH accredited Teleradiology hub

OUR BUSINESS DIFFERENTIATORS

One of the fastest-growing diagnostics Service providers

We take pride in being recognised as one of India's fastest-growing Differentiated diagnostics Service providers. Our growth trajectory has been remarkable, with our total centre count increasing at a CAGR of 33% from 682 in FY 2017-18 to over 2,850 centers in FY 2022-23. This growth is a testament to our strong market presence and the trust placed in our high-quality services.

Scalable and agile business model

Our business model has been designed to be agile and scalable. With our asset-light approach, we are

able to generate robust revenue and achieve consistent growth. Our diversified product portfolio encompasses radiology, pathology and teleradiology services catering to a wide range of diagnostic requirements. Further, building upon our impressive track record, we have consistently secured contracts with a strong bid rate of 78%, backed by a 100% technical qualification rate. This trend is expected to continue and reinforce our position as an unrivaled market leader. Our agreements are typically long-term in nature and ensure higher and consistent visibility of revenues. In a market which has seen uncertainties due to pricing pressure, deep discounting a newer entrants.

High brand recall

Our brand has earned a formidable reputation by delivering healthcare services that are both affordable and reliable aligning with the government's vision of providing equitable and inclusive healthcare. Our disruptive pricing offers remarkable value for money, with rates nearly 60% lower than the prevailing market rates. By catering to the diagnostic needs of individuals in semi-urban and rural areas within Tier II and Tier III cities, we ensure that access to high-quality healthcare is not just limited to metropolitan areas. We prioritize adherence to the highest quality standards, using certified testing reagents and employing qualified radiologists and pathologists to ensure unparalleled accuracy and precision in our diagnostic services.

Strong financial position

Our consistent growth in revenues and profitability is a testament to the effectiveness of our robust pricing strategy. Our ability to maintain cost competitiveness stems from several factors including economies of scale, large pool of captive customers, strong balance sheet, efficient working capital management, and an optimised cost structure. These factors enable us to pursue sustainable growth opportunities and drive continued success.

Extensive footprint

Our extensive geographic footprint spans 17 states and Union Territories in India, allowing us to effectively cater to the diagnostic needs of a wide customer base. We procure cutting-edge diagnostic equipment from leading OEMs (Original Equipment Manufacturers) which ensures utmost accuracy and reliability of our diagnostic services. We have a significant presence in 120+ out of 700 districts giving us ample headroom to grow and reach out to the underpenetrated and underserved corners of the country.

Unwavering focus on quality

Our diagnostic centers and labs have received NABH (National Accreditation Board for Hospitals & Healthcare Providers) and NABL (National Accreditation Board for Testing and Calibration Laboratories) accreditations. These accreditations are important as they validate our commitment to maintaining quality patient care services.

Operating India's largest tele-radiology reporting hub

We operate one of India's largest teleradiology reporting hubs in Pune which efficiently processes large volumes of X-rays, CT scans, and MRI scans round the clock and 365 days a year. This hub plays a pivotal role in extending our diagnostic services to patients in remotest areas with limited access to comprehensive diagnostic facilities. The scalability of our business model enables us to penetrate deeper into tier II and tier III cities, reaching a wider population. Through the conversion of analog images into digital format, these images are securely transmitted to the hub for examination and report preparation by our team of experienced radiologists and lab technicians. Stringent quality control measures are firmly in place, ensuring the highest standards of reporting accuracy and precise diagnosis. Furthermore, our hub boasts sufficient capacity to effectively process large volumes of diagnostic data in the coming years.

During FY 2022-23, our teleradiology hub was accredited by the esteemed National Accreditation Board of Hospitals and Healthcare Providers (NABH). This distinction holds great significance, as we have become the first teleradiology hub in India to receive such prestigious recognition from NABH. This accreditation reflects our unwavering commitment to delivering uncompromising quality in healthcare by leveraging cutting-edge technologies. It reinforces our dedication and will further enhance the quality of our radiology reports transmitted through the NABH-accredited teleradiology hub to our centers.

8,500+ sq. ft.

Well-designed facility in Pune

220+

Team of in-house tele-reporting radiologists

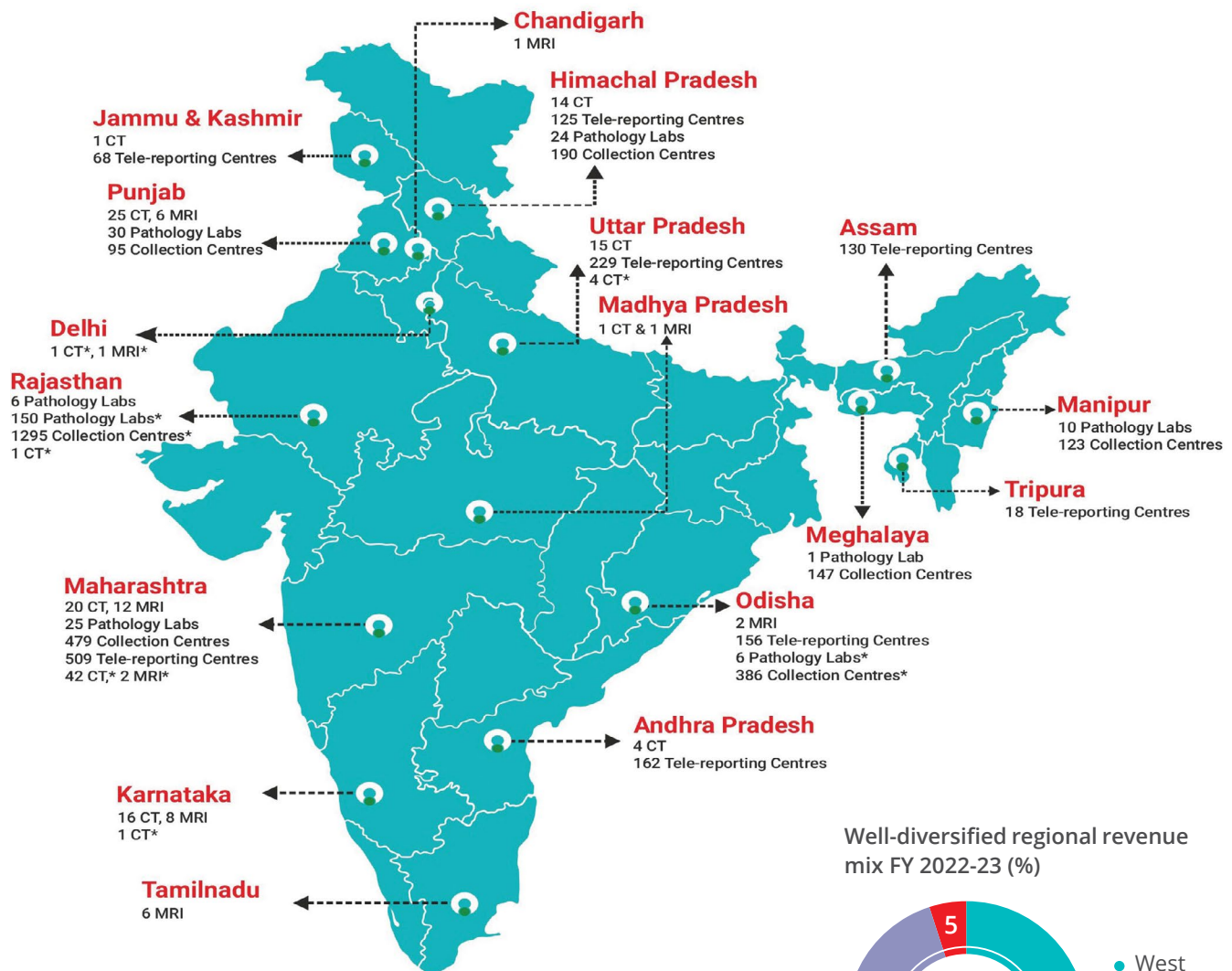


Uninterrupted connectivity between diagnostic centers and the hub

Geographic presence

Our Pan-India Footprint

We are the only Company with a pan-India presence, offering comprehensive services in both radiology and pathology.



Map is for representation purpose and not as per scale

*Under Implementation

Note: USG, Dexa, Mammography and TMT Centers are not marked in this map

Journey

Our Journey of Growth and Expansion



Chairman's Message



Throughout the years, our unwavering commitment to serving the healthcare needs of society has propelled us to be at the forefront of the industry. From imaging to pathology, we've continuously expanded our reach, bringing essential diagnostic services to every corner of our nation. It also gives me immense pride in achieving a significant milestone of serving more than 10 million people during the year.

Dear Shareholders,

I hope you and your families are safe and doing well. It gives me immense pleasure to present the Annual Report of Krsnaa Diagnostics for FY 2022-23.

Throughout the years, our unwavering commitment to serving the healthcare needs of society has propelled us to the forefront of the industry. From imaging to pathology, we've continuously expanded our reach, bringing essential diagnostic services to every corner of our nation. But our true pride lies in our focus on tier II and tier III locations, where the absence of quality diagnostic services has been mainly felt. In these regions, we've stepped in to bridge the gap, bringing the promise of better health to those who need it most. Today, we are amongst the leading premium quality integrated diagnostics service

providers in India with an extensive network of over 2,850 locations across the nation. We stand apart in the diagnostics industry, with our substantial share in Public Private Partnerships. This has allowed us to make a tangible difference in the lives of countless individuals. By providing premium diagnostic services at extremely affordable prices which are at par with center government health scheme and even lower than CGHS in many regions, we embarked our journey to reach at the remotest locations across our Country ensuring no one is denied of quality healthcare service. Every report we generate, every diagnosis we make, is a step towards a healthier, happier society and a healthier India.

The strong foundation we have built serves as the bedrock for achieving remarkable growth, strategically and

sustainably, in the years ahead. We are the undisputed leaders in the PPP diagnostics segment and are well-positioned to seize the burgeoning and underpenetrated diagnostics landscape, address challenges, and make a lasting impact in the healthcare delivery ecosystem. By leveraging our expertise, embracing technological advancements, and continuously expanding our network, we aim to strengthen our reach, enhance our service offerings, and cater to evolving customer needs even in the remotest regions of the country.

Indian Diagnostics Industry: Poised for Exponential Growth

India's healthcare industry, including diagnostics, has made considerable progress in recent years. Technological advancements in the diagnostics services industry have

been particularly striking, bringing substantial improvements. Moreover, India boasts a significant pool of skilled healthcare practitioners, doctors, nurses, and technicians contributing to the growth and advancement of the healthcare sector.

The COVID-19 pandemic has further emphasized the need for efficient healthcare infrastructure, especially in tertiary and specialty care. This has led governments worldwide to focus on the development of the healthcare sector with various initiatives and investments boosting sectoral growth. Providing impetus to the development of healthcare infrastructure in India, the Indian Government has allocated ₹ 8,91,550 million to the Ministry of Health and Family Welfare (MoHFW) in the Union Budget 2023-24.

Today, customer preferences have changed drastically, prompting a shift in healthcare delivery models to cater to current and future demands effectively. Growing awareness about the importance of preventive healthcare among the population has been driving demand for top-notch diagnostic services. Additionally, the burden of diseases is on the rise, prompting an increased need for accurate and timely diagnostic testing. The expanding middle-class population and growing disposable incomes have been the major contributors to the growth in the demand for diagnostic services. Advancements in diagnostic technologies and testing methods have not only improved accuracy and efficiency but have also made diagnostic services more accessible to a larger segment of the population. There is an increasing preference for wellness packages as they help detect problems early thereby preventing the onset of chronic diseases. Additionally, there

has been a remarkable rise in the adoption of home diagnostics.

Growth in the diagnostics industry has also been supported by the expansion of insurance coverage in the country. Increased penetration of healthcare insurance has led to greater affordability and accessibility of diagnostic services. With a vast untapped market and a growing focus on preventive healthcare, the diagnostics sector is poised for continued expansion, making it an attractive segment within the healthcare industry.

With Government of India's focus on adoption of PPPs in the healthcare sector, particularly within diagnostics, has the potential to revolutionize healthcare delivery in India. By collaborating with private entities, the government leverages the expertise, technology, and resources of the private sector to enhance the reach and efficiency of healthcare and diagnostic services, leading to sustainable healthcare models. One of the significant advantages of PPPs is their potential to enhance access to diagnostic services in underserved areas. In recent times, the focus of our Government has been on strengthening the health care infrastructure at facilities, especially in rural and remote regions, the PPP model aims to ensure the citizens of our country get best quality services and helps saving lives.

Our Performance Review

I am delighted to share that we delivered a strong and commendable performance in FY 2022-23. Our core revenue reached ₹ 4,864 million compared to ₹ 4,236 million in FY 2021-22, marking a growth of 15%. Profit after Tax (PAT) for the year stood at ₹ 621 million as against ₹ 684 million in the previous year. Notably, our EBITDA stood

at ₹ 1,240 million, showcasing an impressive margin of 25%.

We are optimistic about the positive trajectory of our margins as our recently launched center's continue to mature and contribute significantly to the overall performance. I am quite confident that these strategic expansions will pave the way for our sustained growth in the future.

We have achieved a robust cash flow from operations of ₹ 894 million in FY 2022-23. Our EBITDA to cash flow conversion rate stands at an impressive 72%. We take pride in our continuous efforts to streamline our systems and processes, leading to a significant improvement in receivables days. At the end of FY 2022-23, our receivables days reduced to 56 days from 97 days at the end of FY 2017-18. This highlights our focus on the timely collection of dues from national health agencies. We maintain a net debt-free position, with a net cash position of ₹ 2,394 million as of March 31, 2023. This strong financial position provides us the strength to pursue growth opportunities and deliver value to our stakeholders.

Major accomplishments in FY 2022-23

Let me share an achievement that fills us with pride. At highly competitive rates, Krsnaa has touched over 10 million lives, offering accessible and affordable diagnostic services. Our best-in-class diagnostic center's have not just set benchmarks but have become beacons of hope in communities across the country. Keeping quality as our top priority, we ensure to make our facilities world class, and endeavor to get the required accreditations further ensuring to follow the best operating standards. I feel extremely proud to share that Krsnaa has the

largest number of NABL & NABH accredited center's in spite of being in government facilities and at Rural locations. This achievement stands as a testament to the trust that our patients have placed in us for providing quality diagnostic services at disruptive prices. Our extensive expertise, brand reputation, and the establishment of trust among both medical professionals and consumers have firmly positioned us as the preferred diagnostic service provider. With the increasing prevalence of diseases and the normalization of non-COVID testing, organized players like us are poised to capitalize on this trend and experience faster growth. Our dedication to excellence and commitment to delivering reliable services enable us to adapt to evolving healthcare needs of the country.

What is even noteworthy is that our Teleradiology hub in Pune has achieved prestigious accreditation from the National Accreditation Board for Hospitals & Healthcare Providers (NABH) during the year. This remarkable recognition marks a significant milestone in the history of Indian healthcare, as our teleradiology hub becomes the first to receive such esteemed accreditation from NABH. The accreditation underscores our dedication to patient-centric care, and we are incredibly proud of this achievement. It will also elevate the quality of our radiology reports transmitted to our center's through the teleradiology hub.

Expanding our network

Our growth strategy involves expanding our network of diagnostics centers in underpenetrated markets. We plan to achieve this by participating in new Public-Private Partnership (PPP) tenders and establishing modern diagnostic center's in strategic locations. Our exceptional healthcare services have

made us the preferred partner for public as well as private players in the healthcare industry seeking to establish diagnostic center's within their facilities, particularly in rural and remote areas. Through this collaborative partnership model, we leverage the existing infrastructure and resources of these healthcare providers, thereby expanding our reach and making a more significant impact in underserved regions. To further bolster our presence, we intend to penetrate deeper into key markets by deploying and operating diagnostic center's in tier II and III cities and towns. This approach will allow us to bridge the gap in healthcare services, reaching a broader population and positively impacting healthcare accessibility across the country.

We are thrilled to announce the successful operationalization of 26 radiology centers, 50 pathology labs, and 556 collection center's during FY 2022-23. This strategic expansion has enabled us to enhance our reach and service offerings. Our efforts have led to a remarkable increase in the number of pathology labs from 49 to 99, almost 100% growth and pathology collection centers from 534 to 1,090 as of March 31, 2023. We have also achieved an exceptional 24% growth rate in establishing new radiology centers, taking our total count to 133 centers by the end of FY 2022-23. This substantial growth in our labs, collection center, and radiology center positions us well to cater to the increasing demand for diagnostic services in the healthcare sector.

Going forward, we are actively pursuing an extensive pipeline of projects, focusing on pathology labs, collection center's, CT and MRI center's, particularly in the states of Maharashtra, Karnataka, and Madhya Pradesh. Over the past 12 months,

we have secured nine tenders across various states, comprising 53 CT and MRI centers, 158 pathology labs, and 2,281 pathology collection centers. These marquee projects are set to substantially strengthen our growth prospects, enabling us to expand our presence in newer regions while deepening operations within the existing states.

Strengthening wellness testing and home collection services

We firmly believe that wellness will play a vital role in driving our future growth. In line with this vision, we have introduced a wide range of Ayaksham wellness packages at extremely pocket-friendly prices offering a comprehensive array of tests and healthcare services. We believe everyone has the right to good health and these budget-friendly packages will motivate individuals to focus on preventive and periodic check-ups of their loved ones and themselves. In the era of Gifting Gift cards these wellness packages can be an ideal gift showcasing care, love and empathy for our loved ones. These packages encompass both basic and special tests, providing a wide range of healthcare solutions in a single, affordable package, catering to individuals' diverse needs.

We recognize the significance of home visits as a convenient and essential aspect of healthcare delivery. Therefore, we aim to increase our penetration of in-home visits, ensuring that our services are accessible to individuals from the comfort of their homes. Furthermore, to bolster our presence in the B2C segment, we intend to expand our network of collection centers. By opening more collection centers, we can enhance our pathology service offerings and better serve our customers with convenient and reliable access to our diagnostic services.

Focusing on specialized tests

We have an extensive range of test menus available under one umbrella, and we are continually expanding our offerings by adding more tests to meet evolving healthcare needs. Our collection centers are well-equipped to provide a wide array of specialized services, encompassing genetics, genomics, and molecular diagnostics. Alongside these advanced tests, we also offer routine investigations like biochemistry, serology, and histopathology. In our pursuit of providing comprehensive healthcare solutions, we are dedicated to offering specialized services including hormone analysis, PCOD management, diabetes monitoring, cardiac health assessments, and cancer care for women's health.

As we continue to expand our operations, our primary goal remains providing quality diagnostic services to patients at highly attractive rates. We strive to make advanced healthcare accessible and affordable for all and enhance the overall healthcare experience for the citizens of our country.

Social Impact

While an appreciation of the central role that diagnostic plays has increased substantially in recent years, diagnostic companies still face many challenges, one of such challenge with growing demands on healthcare and shortage of skilled staff and other resources. Education and training of clinicians to enhance understanding of research, data science and diagnosis, digital is the need of the hour. We, at Krsnaa, feel proud to contribute in the upliftment of the society, by creating a employment opportunity.

The Krsnaa Family which started its journey with a handful individuals has now grown to a family of 5,000+ and we are soon going to add another 3,000+ people to our growing family.

With our geographical spread, we ensure we create opportunities for the people of that region and give them a stability. Also we ensure all our personnel are regularly trained, which improves productivity of the employee.

Krsnaa has served more than 10 million patients in the year FY 2022-23. With our disruptive pricing and high quality service, we have enabled these patients save more than 45% cost in their diagnosis expenditure. This enables the patients served by Krsnaa to have more spending capacity on their well-being and day to day activities. These initiatives combines with our vision of "Let's do Good"...

Developing advanced diagnostic technologies

The healthcare industry has witnessed an unprecedented surge in the adoption of digital technologies, particularly after the pandemic. This shift has been instrumental in enhancing the efficiency and effectiveness of healthcare operations. We continuously seek opportunities to introduce cutting-edge testing mechanisms that leverage state-of-the-art technologies, thereby providing our customers with the most advanced and reliable diagnostic solutions.

Within our mobile application, we have introduced online programs that facilitate easy bookings, instant access to reports, and comprehensive patient and family history. In response to the evolving business landscape, we have incorporated teleconsultation services, enabling remote consultations that provide convenient access to medical expertise whenever needed. Moreover, our commitment to harnessing the power of data, drives us to leverage advanced analytics capabilities and artificial intelligence-based solutions to offer value-added services. Our

primary focus is on improving patient experience by establishing a robust digital ecosystem that delivers quality services at optimal costs while ensuring faster results in shorter turnaround times.

The Path Ahead

As we move forward, our vision and strategic approach will guide us to achieving greater heights and building a stronger future. Our steadfast commitment to delivering high-quality diagnostic services at affordable prices has positioned us strongly to capitalize on the abundant opportunities in the Indian healthcare delivery ecosystem. With a well-charted strategy in place, we look forward to a future marked by success, growth, and a profound impact on the well-being of the individuals and communities we serve.

Thank you, our esteemed stakeholders, for being a part of our journey!

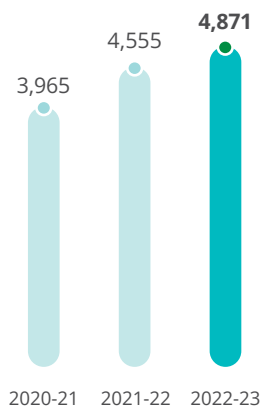
Warm Regards,

Rajendra Mutha
Executive Chairman

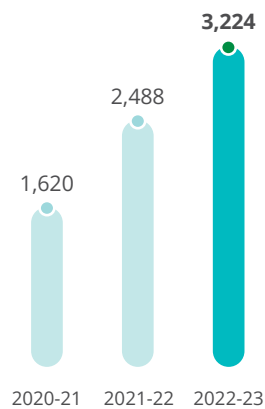
Our Performance

Key Financial Highlights

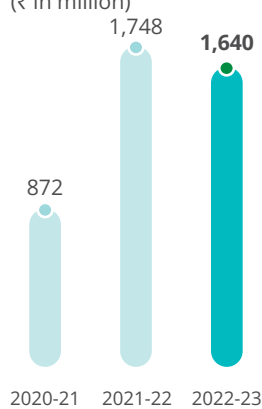
Revenue from Operations
(₹ in million)



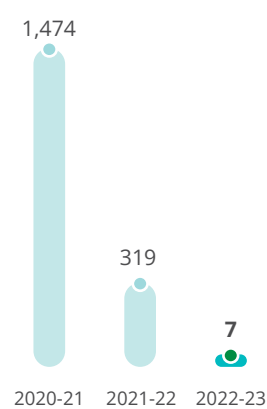
Radiology Revenue
(₹ in million)



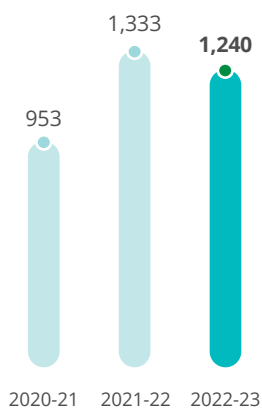
**Pathology Revenue
excluding COVID-19**
(₹ in million)



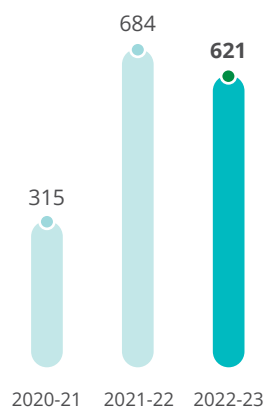
COVID-19 Revenue
(₹ in million)



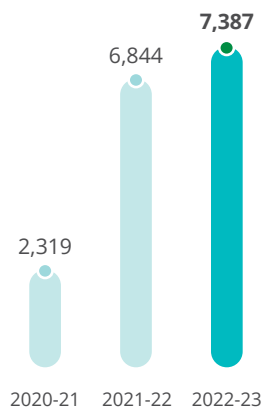
EBITDA
(₹ in million)



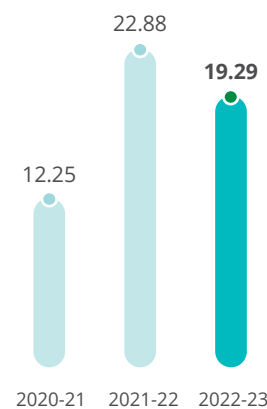
PAT
(₹ in million)



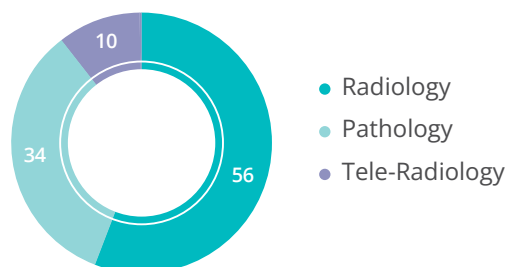
Net Worth
(₹ in million)



Earnings Per Share
(₹)

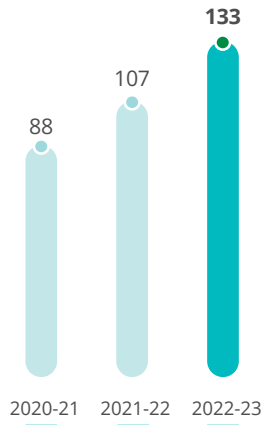


Revenue mix as on FY 2022-23 (%)

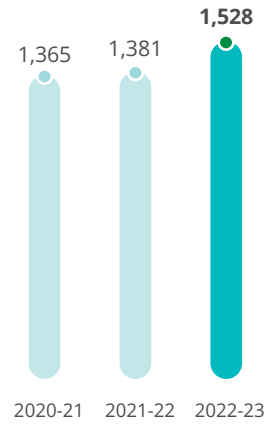


Operational Highlights

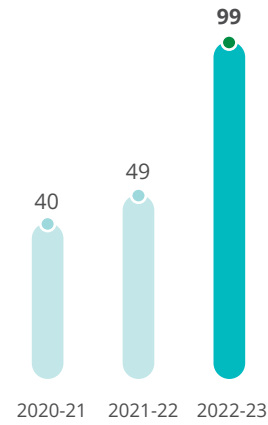
CT/MRI Centers
(Number)



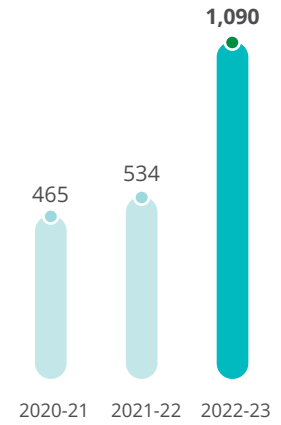
Tele-Radiology Centers
(Number)



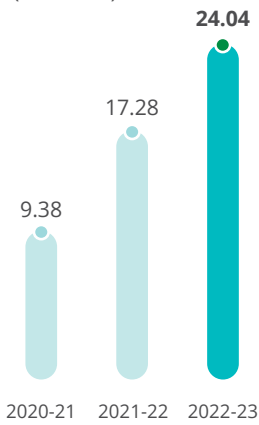
Pathology Labs
(Number)



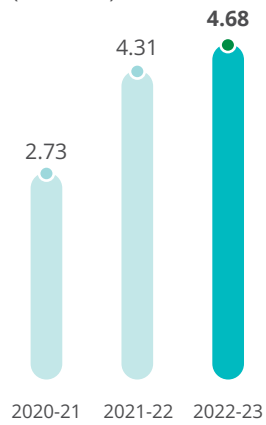
Pathology Collection Centers
(Number)



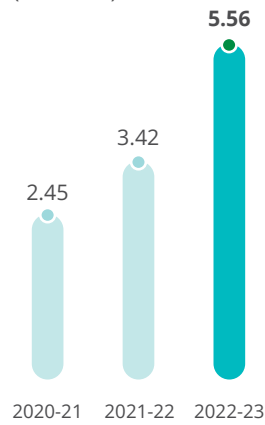
Total Tests
(in million)



Number of Patients*
(in million)



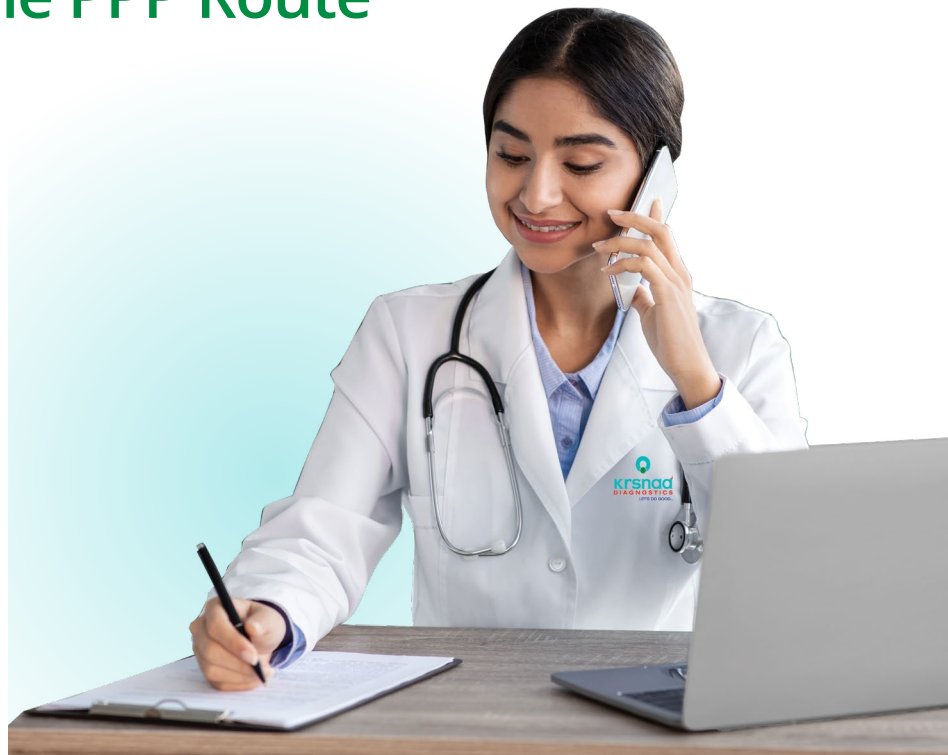
Tele-Reporting Patients
(in million)



* Exclusive Tele-Reporting

Capitalizing on the Growing Diagnostics Market through the PPP Route

With a strong foundation and proven track record, we are poised to capitalize on the growing and underpenetrated diagnostics market. We plan to achieve this by actively participating in new PPP tenders and strategically establishing additional diagnostic centers. Our capabilities, partnerships, and commitment to excellence position us for success as we expand our footprint and serve the evolving healthcare needs of underserved populations.



The Indian diagnostics industry has witnessed significant growth in recent years, driven by factors such as increasing healthcare awareness, rising disease burden, growing middle-class population, and advancements in diagnostic technologies. The prevalence of lifestyle diseases is increasing, emphasizing the importance of raising awareness about preventive health check-ups. Furthermore, the growth of the diagnostics industry in India has been influenced by factors such as the expansion of insurance coverage and favorable government initiatives. Given the size and demographics of India, there is a huge untapped market for diagnostic services, presenting substantial opportunities for both organized and unorganized players.

Increasing population

The burgeoning population of India is driving demand for quality healthcare services.

Rising disposable incomes

The significant rise in disposable incomes has resulted in increased affordability for diagnostic tests.

KEY MARKET DRIVERS

Higher awareness of the importance of preventive healthcare

Greater awareness about the importance of preventive healthcare is resulting in growing demand for diagnostic tests, leading to a surge in the need for diagnostic services.

Growing penetration of insurance

The growing penetration of health insurance in India is facilitating greater access to affordable and high-quality diagnostic tests for the population. With more individuals being covered by health insurance, the financial burden of diagnostic tests is alleviated, making them more accessible and affordable.

Unlocking Opportunities: Exploring the Potential of PPPs in Healthcare

The Government of India has implemented several initiatives to ensure that high-quality healthcare and diagnostic services are accessible and affordable to the general population. Various state governments are actively considering Public-Private Partnerships (PPPs) as a viable and optimal approach to achieve their objective of delivering quality healthcare and diagnostics at affordable prices. PPPs in Indian healthcare are emerging as game-changers, particularly within the diagnostics industry. PPPs can overcome the current diagnostic challenges in India and shape the country's healthcare landscape for the next decade.

By engaging in PPPs, the government aims to leverage the expertise and resources of both the public and private sectors. This collaboration allows for the efficient utilization of infrastructure, technology, and management capabilities to expand the reach of healthcare and diagnostic services. PPPs can contribute to enhancing the quality and accessibility

of services, particularly in underserved areas. The involvement of the private sector brings innovation, operational efficiency, and specialized expertise, while the government ensures the provision of affordable services such as pathology, radiology, etc. and regulatory oversight.

Through PPP initiatives, the government aims to bridge the gap between the demand and supply of healthcare and diagnostic services with the establishment of diagnostic centers, hospitals, and healthcare facilities, especially in rural and remote areas. By promoting affordability, accessibility, and quality, these partnerships play a significant role in improving the overall healthcare ecosystem and contributing to the goal of achieving good health and well-being for all. PPP's also help to reduce the 'out-of-pocket' expense (OPE) of common man which is one of the core policies of the government as higher OPE's push people in economically weaker section to poverty.

Growing importance of the PPP model



Shift towards clinical services and integration of care

Healthcare systems are facing significant pressure to enhance care quality, efficiency, and preventive measures by leveraging data, technology, and integrated care. Public-Private Partnerships (PPPs) have evolved beyond the traditional focus on hospital infrastructure to embrace integrated and clinical service-focused models. These models aim to drive innovative care approaches, manage costs, and deliver holistic services for improved healthcare outcomes.



Focus on services across the continuum of care

With the shift towards quality-based reimbursement models in healthcare, PPPs that prioritize care coordination across the continuum of care can play a crucial role in reducing unnecessary hospital visits. PPPs in mental health services and skilled nursing facilities serve as examples that highlight the potential for private sector involvement in addressing diverse healthcare needs. However, to regulate these partnerships effectively, evolving policies and oversight from governing bodies are necessary.



Technology to extend access to healthcare

Technology plays a crucial role in healthcare, encompassing a wide range of applications from administrative systems to virtual care solutions. Incorporating technology into PPP projects requires diverse expertise, long-term planning, and collaboration between public and private entities. It is essential to assess the suitability and scalability of existing solutions, whether adapting high-income solutions or developing new ones tailored to resource-limited environments. This can lead to new markets, innovation, and improved access to healthcare while addressing the unique challenges of healthcare delivery in lower-income countries.

Harnessing the PPP Opportunity

As a leader in the PPP diagnostics space, we have steadily expanded our presence across India, ensuring that high-quality diagnostic services are available and affordable even in the remotest corners of the country.

We enter into long-term PPP agreements that ensure predictability of revenues does not make us a preferred partner. It's because of long term, consistent high quality of services, round the clock availability and transparency in doing business with Government by leveraging digital dashboards has made us a preferred partner.

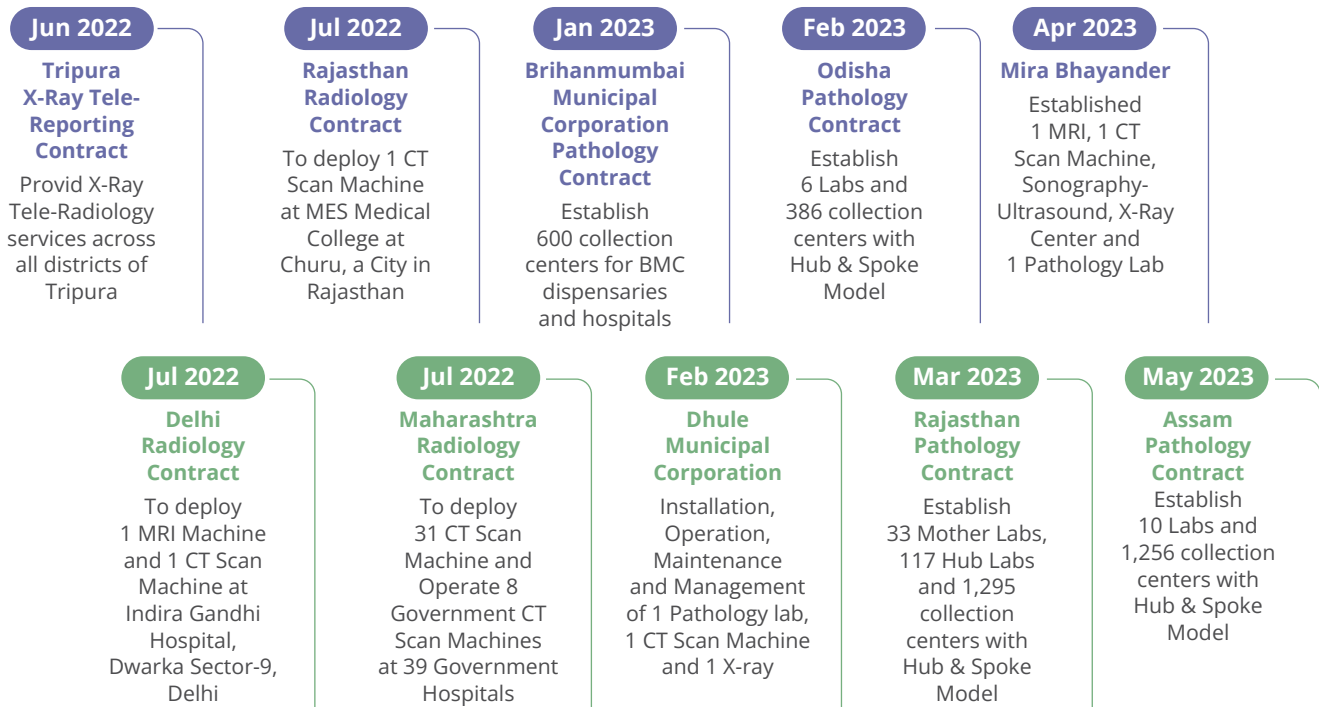
Over the years, we have significantly expanded our network of diagnostic centers, allowing us to reach a wider population and serve their diagnostic needs. We place a sharp emphasis on partnerships with Trust hospitals and corporate hospitals. Along-with the same we also tie up with public hospitals through public-private partnerships. These collaborations aim to bridge the healthcare gap and enhance access to reliable and affordable diagnostic services for lower-income families.

During FY 2022-23, we successfully operationalized 26 radiology centers, 50 pathology labs, and 556 collection

centers, further expanding our reach and service offerings. To support our future growth plans, we are actively pursuing an extensive pipeline of projects, focusing on pathology labs, collection centers, CT and MRI centers across various states, which present significant opportunities. We have secured nine tenders across various states encompassing 53 CT and MRI centers, 158 pathology labs, and 2,281 pathology collection centers, strengthening our growth prospects for the future.

Furthermore, in the field of radiology, we have achieved an impressive 24% growth rate in establishing new centers, resulting in an expansion to a total of 133 centers by the end of FY 2022-23. The doubling of our labs, collection centers, and radiology centers will significantly enhance our capacity to cater to a large number of patients in the coming years and enable us to sustain the growth momentum. We remain dedicated to delivering exceptional services and maximizing our impact as we continue to expand our footprint across the country. The recently installed centers, new tender wins, and ongoing evaluation of pipeline projects indicate a promising growth trajectory for our Company.

Tenders won in the last 12 Months - Strong pipeline for growth in a competitive market



Radiology Tenders and Assets to be deployed

Assets to be Deployed	5 States and UT	51 CT Scan	2 MRI Scan
<p>Maharashtra Radiology Contract</p> <ul style="list-style-type: none"> 39 CT Scan Machines Centers - 39 Government Hospitals 	<p>Tripura Tele-Reporting Contract</p> <ul style="list-style-type: none"> X-Ray Tele-Radiology Services Centers - Presence across all districts of Tripura 	<p>Uttar Pradesh Radiology Contract</p> <ul style="list-style-type: none"> 8 CT Scan Machines Centers - 8 Government Hospitals 	<p>Dhule Municipal Cooperation Radiology Contract</p> <ul style="list-style-type: none"> 1 CT Scan Machine, and X-Ray Centers - late R. R. Patil Commercial Complex
<p>Rajasthan Radiology Contract</p> <ul style="list-style-type: none"> 1 CT Scan Machine Centers - MES Medical College at Churu, a City in Rajasthan 	<p>Delhi Radiology Contract</p> <ul style="list-style-type: none"> 1 MRI Machine, 1 CT Scan Machine Centers - Indira Gandhi Hospital, Dwarka Sector-9, Delhi -110077 	<p>Mira Bhayander Radiology Contract</p> <ul style="list-style-type: none"> 1 MRI, 1 CT Scan Machine, Sonography - Ultrasound and X-Ray Centers - Mira-Bhayander Municipal Hospital 	

Pathology Tenders and Assets to be deployed

Assets to be Deployed	3 States	158 Labs	2,281 Collection Centers
<p>Dhule Municipal Corporation Pathology Contract</p> <ul style="list-style-type: none"> 1 Pathology lab Center - late R. R. Patil Commercial Complex 	<p>Odisha Pathology Contract</p> <ul style="list-style-type: none"> 6 Labs and 386 collection centers Center - At various Government Health Institution in the state of Odisha 	<p>Brihanmumbai Municipal Corporation Pathology Contract</p> <ul style="list-style-type: none"> 600 collection centers Center - 600 BMC dispensaries and hospitals 	
<p>Mira Bhayander Pathology Contract</p> <ul style="list-style-type: none"> 1 Pathology Lab Center - Mira-Bhayander Municipal Hospital 	<p>Rajasthan Pathology Contract</p> <ul style="list-style-type: none"> 33 Mother Labs, 117 Hub Labs and 1,295 collection centers Center - Presence across all districts of Rajasthan 		

PPP Project Implementation

RADIOLOGY CENTERS GROWTH

State	Total Centers	Operational	Under Implementation
Uttar Pradesh	8	4	4
Delhi	1	-	1
DMC	1	-	1
Mira Bhayander MC	1	-	1
Rajasthan	1	-	1
Maharashtra	39	-	39
Total Radiology	51	4	47

PATHOLOGY CENTERS GROWTH

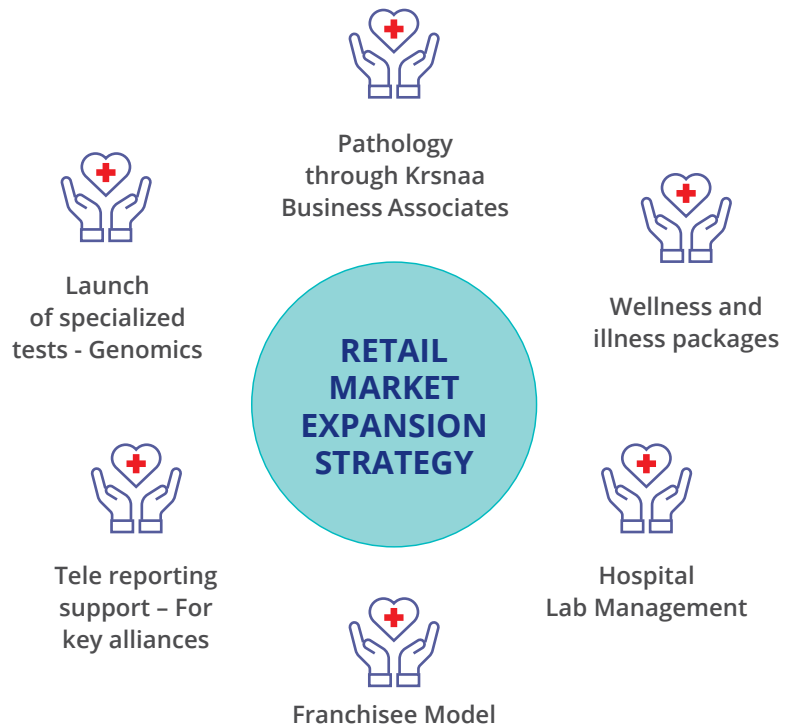
State	Total Centers	Operational	Under Implementation
Mira Bhayander MC (Lab)	1	-	1
OD (Lab)	6	-	6
OD (Collection Centers)	386	-	386
DMC (Lab)	1	-	1
BMC (Collection Centers)	347	347	-
Rajasthan (Lab)	150	-	150
Rajasthan (Collection Centers)	1,295	-	1,295
Total Pathology	2,186	347	1,839

Strengthening Offerings in the B2C Segment

We are excited about the abundant growth opportunities that lie ahead in the B2C business. With a well-charted strategy in place, we aim to not only expand our retail offerings but also grow our customer base significantly. Our primary objective is to leverage our extensive infrastructure of existing diagnostics centers to reach out to end-consumers and deliver exceptional solutions through a range of value-added services.



With our extensive operations spanning diverse locations, including tier II and tier III cities, ability to offer competitive pricing to customers, and ensure affordability without compromising on quality and accuracy, we possess a substantial scale. Moreover, our service delivery through tele-reporting coupled with effective branding and marketing activities collectively facilitate high brand recall, expansion of our offerings, and growth in customer base.



Expanding Footprint through Franchisee Model

As on March 31, 2023, we have 1,189 pathology centers, of which 99 are processing labs and 1,090 are collection centers. Our strategy involves entering the markets by adopting a franchisee model, aiming to establish 1,600 collection centers throughout India. These centers allow us to expand our presence in Maharashtra, Himachal Pradesh, Punjab, and Rajasthan, providing services at competitive rates. Our phased approach encompasses metropolitan areas as well as tier 2 and tier 3 cities.

These collection centers will be well-equipped to offer a wide range of specialized services, including genetics, genomics, and molecular diagnostics, in addition to routine investigations such as biochemistry, serology, and histopathology. We also intend to provide comprehensive healthcare services for women, including hormone analysis, PCOD management, as well as diabetes monitoring, cardiac health, and cancer care. By expanding our operations, we aim to deliver quality diagnostic services to patients at highly attractive rates.

Empowering Customers with Tailored Testing & Home Collection Services

Aligned with our commitment to serving the B2C segment, we have recently launched cost-effective wellness packages designed to meet the diverse needs of our customers. We offer a wide range of basic and specialized tests under the Ayaksham wellness packages, ensuring delivery of comprehensive healthcare solutions for individuals.

Our steadfast commitment to the illness-to-wellness approach remains intact as we focus on providing tailored profiles and panels to cater to both B2B and B2C customers. We are prepared for the advent of advanced diagnostic technologies that will pave the way for precision medicine through our meticulously designed genomics and proteomics testing facility.

The demand for home collection services has seen a significant rise, especially in the wake of the pandemic and the growing needs of individuals. People are

increasingly opting for the convenience and safety of getting their tests done in the comfort of their own homes. Recognizing this increased need, we are dedicated to providing reliable and efficient home collection services to cater to our customer's requirements. To achieve this, we leverage technology-enabled processes through our Krsnaa Mobile App. This user-friendly application allows customers to conveniently book their appointments and effortlessly receive, share, and store their test results. By offering these advanced services, we aim to swiftly establish a strong presence in the market and contribute to the overall well-being of individuals.

Strengthening the HLM Model

Our business model revolves around the highly successful Hospital Lab Management (HLM) model, which contributes to approximately 90%+ of our revenues. We have set strategic plans to expand the HLM model, specifically targeting the private segment. In line with this expansion, we aim to share our technical expertise to assist in the establishment of labs and diagnostics within hospitals and nursing homes nationwide. This collaboration would operate on a commercial revenue-sharing model.

With our unique experience in managing diagnostic centers within hospitals, ranging from small-scale (100-200 bedded hospitals) to large-scale (150-300 bedded hospitals), we possess the proficiency to create significant value through our partnerships with healthcare facilities. We achieve this by leveraging our expertise, providing state-of-the-art technology and equipment from top OEMs, ensuring timely and accurate reporting to enhance the patient experience, and deploying our extensive pool of skilled radiologists, pathologists, and well-trained technicians. Furthermore, our ability to offer comprehensive radiology and pathology services sets us apart as a preferred partner for hospitals. This allows us to cater to the diverse needs of healthcare institutions and further solidify our presence in the industry.

Driving Customer Engagement through Technology-led Innovations

We Pro-actively embrace technology to foster increased customer engagement, streamline service provision, and facilitate seamless interaction with our vendors. Our aim is to consistently deliver unmatched diagnostic services while maximizing customer touchpoints through a range of digital and technology-driven initiatives. By leveraging these advancements, we aim to enhance brand visibility and strengthen our relationships with customers.



Leveraging Technology for Improved Customer Experience and Service Excellence

We have undertaken significant initiatives to enhance the customer experience, including the development of online programs within our mobile application. These programs allow for easy bookings, report access, and provide comprehensive patient and family history. Additionally, we have incorporated teleconsultation services to offer convenient remote consultations.

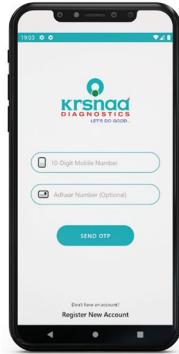
To harness the power of data, we are leveraging advanced analytics capabilities through an intelligent dashboard to analyze historical trends and offer value-added services based on the insights derived. The rich granularity of available data enables us to explore and support artificial intelligence-based solutions in radiology and pathology, driving further innovations.



Further, as part of our commitment to technological advancement, we are implementing digital pathology

and integrated lab management solutions. These technology-led initiatives, initiated in phase one, aim to enhance overall efficiency and the quality of our services. Through these initiatives, we are at the forefront of utilizing technology to revolutionize and improve the diagnostic experience for our customers.

Re-Launch Mobile Application

- Digitalize reports and provide Smart Health Reports with next steps and recommendations
- Real-time availability of reports
- One roof for Radiology and Pathology
- Conveniently book appointments for Radiology tests
- Book appointments for home collection



Application available on  

Social Media Engagement

- Organize social media engagement campaigns on health awareness & free cancer camps
- Participate in health and talk shows
- Increasing touchpoints through regular social media engagement and sharing of information

Wellness and Illness Packages

- Increase awareness about preventive health check-ups at disruptive prices
- Customize test health packages according to the region and states
- Launch home collection and homecare services

Patient Testimonials

- Encourage patients to provide feedback and write testimonials about the experience with Krsnaa
- Post testimonials on social media platforms to create awareness and visibility
- Collect feedback on scope of improvement areas

CUSTOMER ENGAGEMENT STRATEGY

Enhancing Brand Visibility and Awareness

In recent years, we have enhanced our brand recall through aggressive promotional campaigns and branding and marketing activities. Our brand communication strategies encompass various digital and social media channels to maximize the impact of our marketing efforts and drive higher customer engagement.



Board of Directors



Rajendra Mutha
Executive Director

Mr. Rajendra Mutha is the Executive Chairman of the Company. He has over 10 years of experience in the field of pharmacy and diagnostics. He is a registered pharmacist certified by the Maharashtra State Pharmacy Council.



Pallavi Bhatevara
Managing Director

Ms. Pallavi Bhatevara is the Managing Director of the Company. She has over 8 years of experience in the field of diagnostic services and is responsible for the expansion and growth of the Company. She is involved in the tendering process and implementation and execution of projects.



Yash Mutha
Whole-Time Director

Mr. Yash Mutha is the Whole-Time Director of the Company. He has overall 14+ years of experience including 12+ years of experience in the field of audit, risk management and Management Consulting. He is a Chartered Accountant, Certified Information Systems Auditor (CISA), and Certified Fraud Examiner (CFE) and was previously associated with KPMG, Deloitte, and Credit Suisse.



Chetan Desai
Independent Director

Mr. Chetan Desai is an Independent Director of the Company. He is a practising Chartered Accountant with a wide experience of 47 years. He was the Managing Partner of M/s. Haribhakti & Co. LLP, Chartered Accountants till March 2018. He also serves as the Chairman of the Audit Committee and is a member of the Nomination and Remuneration Committee of the Board.



Chhaya Palrecha
Independent Director

Ms. Chhaya Palrecha is the Independent Director of the Company and a member of the Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee of the Board. She is a Chartered Accountant with 25 years of post-qualification experience. Also passed international exams like CISA (ISACA, Illinois USA), US CPA and Dip. IFRS ACCA - UK. She has led finance and accounts functions of various corporate entities for the last 22 years in varied manufacturing and service industries. Since last 8 years she has been serving as an Independent Director on boards of Indian corporates having global footprints.



Rajiva Ranjan Verma
Independent Director

Mr. Rajiva Ranjan Verma is the Independent Director of the Company. He was superannuated as Director General of Police, Railway Protection Force, in 2016, after 38 years of experience. He has held key assignments of Director General, Bureau of Police Research & Development, National Crime Record Bureau, and Civil Defense. He serves as the Chairman of the Risk Management Committee and is a member of the Audit Committee and Corporate Social Responsibility Committee of the Board.



Adesh Kumar Gupta
Independent Director

Mr. Adesh Kumar Gupta is the Independent Director of the Company. He is a qualified Chartered Accountant, Company Secretary, and AMP from Harvard with a rich experience of more than 40 years in Corporate Strategy, M&A, Business Restructuring, Fund Raising, Taxation, etc. He worked for over 3 decades in Aditya Birla Group and held senior positions including board positions in various companies of the group including Indian Rayon, Birla Global Finance, Aditya Birla Nuvo Limited, and Grasim Industries Limited.



Prem Pradeep
Nominee Director

Mr. Prem Pradeep is the Nominee Director of the Company. He holds a B.Tech in Mechanical Engineering from IIT Delhi and a PGDM from IIM Calcutta. He has over 40 years of experience and has held senior management positions with Bharti Infratel (CEO), Bharti Airtel (CEO), PepsiCo India (VP), RPG Group (CEO e-business). Currently, he is engaged as an Operating Partner at Phi Capital and is also mentor and coach to a few start-ups. He serves as a member of the Audit Committee, Nomination and Remuneration Committee, and Corporate Social Responsibility Committees of the Board.

CSR Initiatives



Krsnaa Diagnostics Ltd rolled out Distribution of Nutritional Food Baskets to TB patients

Staff Reporter, Nagaon, Aug 9: The Nikshay Mitra under Pradhan Mantri TB Mukh Bharat Abhiyan that enables people to adopt tuberculosis patients and take care of their nutritional requirements. The goal is to reduce stigma around TB diseases and make TB elimination programme a mass movement, which can only be accomplished with community support, better care, and adoption of TB patients. Government of India is committed to ending tuberculosis by 2025, and the community can play a vital role in supporting



As part of the National TB Elimination Programme (NTEP), Krsnaa Diagnostics Ltd has rolled out the Nikshay Mitra programme today in the conference hall of B.P. District Civil Hospital Nagaon under which Krsnaa Diagnostics have adopted 400 tuberculosis patients and ceremonially distributed the nutritional

supplement kits to the TB patients as per their nutritional requirements. Speaking on the rolling out occasion, Dr Lakshidhar Das, Superintendent of BP civil hospital Nagaon said, "TB is not only a medical disease but a social problem as well. Such multifaceted issues are beyond the efforts of health sector alone and call for comprehensive solutions by meaningful involvement of non-health sectors. We need to focus on motivating people to continue treatment and at the same time take affirmative action towards removal of superstitions and stigma. Hope the initiative of dietary support to TB patients by Krsnaa Diagnostics Ltd will help to destigmatize the disease and support the mission of health prime minister."

Addressing the occasion, Dr. A. J. Kalita, Intersectoral Engagement Expert, STSU, National TB Elimination Programme, Assam, said, "TB is one of the world's leading killer diseases, but it is 100% preventable and curable. Along with proper nutrition, convergence of diverse stakeholders with the National TB Elimination Program is important." He thanked the Krsnaa Diagnostics Ltd for the support in creating awareness and on initiating the nutrition supplement for TB patients.

"The figures of the TB scenario are very concerning, especially since this is a curable disease. Krsnaa Diagnostics Ltd is committed towards its societal responsibilities and our endeavor through this initiative is to proactively create awareness and facilitate dietary support to the Nagaon district and Sonitpur district," said Mr Manoj Kumar Timsina, Manager Operations of Krsnaa Diagnostics Ltd.

Dr Gajjar Hussain District TB Officer, NTEP Nagaon presented vote of thanks in the event and appreciated mission director National Health Mission Assam, State TB Cell team and Krsnaa Diagnostics Ltd for the efforts to provide additional nutrition food baskets and re-emphasized importance of community involvement in meeting India's commitment to end TB by 2025.

The ceremony was attended by Mr. Jitendra Sarma, Ram Sing Choudhan, Hiran, Jyoti Sarma, Partha Pratim Karthak of Krsnaa Diagnostics Ltd, TB patients, representatives of civil society and senior officials of Krsnaa Diagnostics Ltd and District TB Cell Nagaon district.

The Sentinel of this land, for its people

Nutritional supplement kits distributed among TB patients

A CORRESPONDENT

NAGAON, Aug 9: Nikshay Mitra under Pradhan Mantri TB Mukh Bharat Abhiyan enables people to adopt tuberculosis patients and take care of their nutritional requirements. The goal is to reduce stigma around TB diseases and make the TB elimination programme a mass movement, which can only be accomplished with community support, better care, and adoption

Nikhay Mitra programme

of TB patients. The Government of India is committed to ending tuberculosis by 2025, and the community can play a vital role in supporting the National TB Elimination Programme (NTEP).

As part of this Nikshay Mitra programme, Krsnaa Diagnostics Ltd rolled out the Nikshay Mitra programme on Wednesday in the conference hall of BP District Civil Hospital, Nagaon under which Krsnaa Diagnostics has adopted 400 tuberculosis patients. Nutritional supplement kits to the TB patients were ceremonially distributed as per their nutritional requirement.

Speaking on the occasion, Dr Lakshidhar Das, Superintendent of BP Civil Hospital, Nagaon said "TB is not only a disease but a social problem as well. Such multi-faceted issues are beyond the efforts of the health sector alone and call for comprehensive solutions by meaningful involvement of non-health sectors.

"We need to focus on motivating people to continue treatment and at the same time take affirmative action towards removal of superstitions and stigma," he said, adding that the initiative of dietary support to TB patients by Krsnaa Diagnostics Ltd will help to destigmatize the disease and support the mission of the Prime Minister.

Dr AJ Kalita, Intersectoral Engagement Expert, STSU, National TB Elimination Programme, Assam, said TB is one of the world's leading killer diseases, but it is 100% preventable and curable. Along with proper nutrition, convergence of diverse stakeholders with the National TB Elimination Programme is important.

Nutritional food baskets distributed to TB patients Krsnaa Diagnostics Ltd initiates Nikshay Mitra programme

HT Correspondent

NAGAON, Aug 9: Krsnaa Diagnostics Ltd has launched the Nikshay Mitra programme under the Pradhan Mantri TB Mukh Bharat Abhiyan, aimed at fostering community support for tuberculosis (TB) patients by adopting and caring for their nutritional needs. The initiative seeks to diminish the stigma surrounding TB, turning the elimination of TB into a community-driven movement. The Indian government is committed to eradicating tuberculosis by 2025, and community engagement is crucial in supporting the National TB Elimination Programme (NTEP).

As part of the Nikshay Mitra programme, Krsnaa Diagnostics Ltd has introduced the initiative in the conference hall of BP District Civil Hospital Nagaon. Under this program, Krsnaa Diagnostics has

adopted 400 TB patients and ceremonially distributed nutritional supplement kits to them according to their dietary requirements. Dr Lakshidhar Das, superintendent of BP Civil Hospital Nagaon, stated that TB is not just a medical issue but also a social one. Such multifaceted challenges require comprehensive solutions beyond the healthcare sector's efforts, involving meaningful participation from non-health sectors. Encouraging people to continue treatment and dispelling superstitions and stigma are crucial. Krsnaa Diagnostics Ltd's initiative to provide dietary support to TB patients will help destigmatize the disease and support the Prime Minister's mission.

Dr AJ Kalita, intersectoral engagement expert, STSU, National TB Elimination Programme,

Assam, highlighted the importance of proper nutrition and collaboration among diverse stakeholders within the National TB Elimination Programme. Manoj Kumar Timsina, manager operations of Krsnaa Diagnostics Ltd, expressed the company's commitment to its societal responsibilities and its aim to create awareness and provide dietary support to Nagaon and Sonitpur districts.

The event was attended by Krsnaa Diagnostics Ltd representatives, TB patients, civil society members, and senior officials from Krsnaa Diagnostics Ltd and District TB Cell Nagaon district. The initiative has garnered appreciation for its role in enhancing community involvement and contributing to India's goal of ending TB by 2025.

Corporate Information

Board Committees

Audit Committee

Mr. Chetan Desai (Chairperson)
Ms. Chhaya Palrecha
Mr. Adesh Kumar Gupta
Mr. Rajiva Ranjan Verma
Mr. Yash Mutha
Mr. Prem Pradeep

Nomination & Remuneration Committee

Mr. Adesh Kumar Gupta (Chairperson)
Ms. Chhaya Palrecha
Mr. Chetan Desai
Mr. Prem Pradeep

Corporate Social Responsibility Committee

Mr. Rajendra Mutha (Chairperson)
Ms. Pallavi Bhatevara
Mr. Rajiva Ranjan Verma
Mr. Prem Pradeep

Risk Management Committee

Mr. Rajiva Ranjan Verma (Chairperson)
Mr. Adesh Kumar Gupta
Mr. Yash Mutha

Stakeholders Relationship Committee

Mr. Adesh Kumar Gupta (Chairperson)
Ms. Chhaya Palrecha
Mr. Yash Mutha

Operation Committee

Mr. Rajendra Mutha (Chairperson)
Mr. Yash Mutha
Ms. Pallavi Bhatevara

Chief Financial Officer

Mr. Pawan Daga

Company Secretary

Mr. Sujoy Bose
(Appointed w.e.f. August 12, 2023)
Mr. Nikhil Deshpande
(Resigned w.e.f. April 24, 2023)

Auditors

Statutory Auditors

MSKA & Associates, Chartered Accountants

Internal Auditors

Mahajan & Aibara, Chartered Accountants LLP

Secretarial Auditor

Dinesh Birla & Associates,
Company Secretaries

Cost Auditors

Harshad S. Deshpande & Associates,
Cost and Management Accountants

Bankers

IndusInd Bank Limited
State Bank of India
Janata Sahakari Bank Limited

Registered Office & Corporate Office

S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1,
Near Chinchwad Station, Chinchwad,
Taluka - Haveli, Pune - 411019
Website: www.krsnaadiagnostics.com

Registrar and Transfer Agent

KFin Technologies Limited

Selenium, Tower B, Plot No. 31 & 32, Financial
District, Nanakramguda, Serilingampally, Hyderabad
Rangareddi, Telangana - 500032

Email: einward.ris@kfintech.com

Website: www.kfintech.com

13th Annual General Meeting

Monday, September 25, 2023 at 11.00 A.M. through
Video Conference/Other Audio-Visual Means

Record Date: Friday, September 15, 2023

Corporate Identification Number

L74900PN2010PLC138068

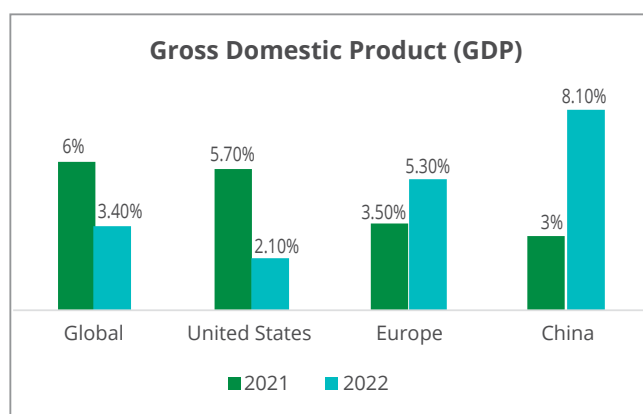
Management Discussion & Analysis

Economic Overview

Global Economy:

The global economy experienced a deceleration in 2022 following a strong recovery in the previous year. This slowdown can be attributed to several factors, including the conflict in Eastern Europe and China's economic slowdown. Despite these challenges, there were positive drivers such as increased trade, higher vaccination rates, robust consumer spending, and favourable government monetary and fiscal policies that supported global economic activity.

According to the April 2023 report from the International Monetary Fund (IMF), the global gross domestic product (GDP) for 2022 grew at a rate of 3.4%. However, this growth rate was lower compared to the previous year. The United States witnessed a GDP growth of 2.1% in 2022, down from the robust growth of 5.7% in 2021. Similarly, the European economy recorded GDP growth of 3.5% in 2022, showing a deceleration from the 5.3% growth observed in 2021. In Asia, China's GDP growth was 3.0% in 2022, significantly lower than the 8.1% growth seen in 2021.



Europe faced sluggish growth due to output declines in several economies in Central and Eastern Europe, as well as the impact of soaring energy prices on energy-intensive industries. However, the United States experienced increased economic activity later in 2022, as its labour market remained resilient, mitigating the effects of higher interest rates on private investment.

Source: World economic outlook- 2023

Despite these obstacles, there are positive indications for the global economy in 2023. Many countries are experiencing a robust labour market, and corporate profits are still increasing. Additionally, a rebound in China's economy is expected to provide a significant boost to global growth.

Outlook:

The outlook for the global economy is expected to exhibit slower growth in 2023 compared to the previous year, as projected by the IMF. The global growth rate is anticipated to be 2.8% in 2023, down from 3.4% in 2022.

Looking ahead, the global economy 2023 is mixed, characterized by a combination of risks and opportunities. It is crucial to consider key risks, such as the ongoing geopolitical tension disrupting trade flows and causing energy price surges. Central banks worldwide are implementing rising interest rates to combat inflationary pressures, the lingering effects of the COVID-19 pandemic continue to disrupt economic activities in some regions, and a disorderly unwinding of global imbalances. If any of these risks materialize, they could lead to a more pronounced deceleration of global growth. However, effective management of these risks could still result in moderate growth in 2023.

Inflation is projected to gradually ease globally throughout 2023 and 2024, but it is expected to remain above central bank targets in most countries until the latter half of 2024. This is primarily due to significant increases in service prices and cost pressures arising from tight labour markets. Geopolitical conflicts pose a significant risk that will influence monetary policy adjustments, highlighting the importance of addressing and mitigating inflationary pressures.

On the other hand, there are notable opportunities for the global economy in 2023. These include the continued recovery of labour markets in various countries, the advancement of digital technologies, and the emergence of new markets, particularly in Africa and Asia. Realizing these opportunities has the potential to counterbalance

some of the risks facing the global economy and contribute to the growth in 2023.

The outlook for the global economy in 2023 presents both challenges and potential opportunities. It is essential for businesses and policymakers to closely monitor and address the risks while harnessing the opportunities to navigate and drive sustainable growth in the coming year.

Indian Economy:

The Indian economy demonstrated a resilient recovery in 2022, with a noteworthy GDP growth rate of 6.8%, positioning it as one of the fastest-growing economies worldwide. However, this growth trajectory experienced setbacks due to the impact of two pandemic waves and geopolitical tensions in Eastern Europe. These challenges significantly affected economic growth and inflation expectations for 2023.

During 2022, retail inflation consistently exceeded the tolerance range set by the Reserve Bank of India (RBI) for ten consecutive months. However, it gradually subsided and fell below the upper limit of the target range by November 2022. Looking ahead, the International Monetary Fund (IMF) projects that the Indian economy will maintain its robust performance, building upon the impressive growth achieved in 2022. The IMF's growth projections indicate a GDP growth rate of 5.9% in 2023, followed by a further increase to 6.3% in 2024.

Despite prevailing global economic volatility, India is well-positioned to sustain its status as one of the fastest-growing economies due to robust consumer demand and the government's heightened emphasis on infrastructure development. The Indian economy showcased a robust recovery in 2022, despite facing challenges along the way. Looking ahead, it is anticipated to maintain its strong performance in the coming years, driven by consumer demand and infrastructure development initiatives. India aims to consolidate its position as one of the world's fastest-growing economies by implementing strategic measures and focusing on sustainable growth.

Government Initiatives:

The Indian government has unveiled a series of initiatives in the 2023 budget to bolster the economy and address key challenges. These initiatives are poised to have a positive impact on various sectors and drive sustainable growth.

Infrastructure development takes centre stage, with a substantial allocation of ₹ 7.5 trillion. This investment

is expected to generate employment opportunities and provide a significant boost to economic growth. Furthermore, the government has emphasized the manufacturing sector by introducing a production-linked incentive (PLI) scheme across ten sectors. This initiative aims to attract investment, foster job creation, and enhance the manufacturing ecosystem in India.

Source: World economic outlook- 2023

Recognizing the importance of startups, the government has introduced measures to support their growth, including a seed fund of ₹ 1,00,000 million. This support is anticipated to nurture the startup ecosystem, promote innovation, and create employment opportunities.

The government's focus on digitalization is evident through the announcement of a national e-commerce policy and a digital industrial policy. These initiatives are designed to foster the growth of the digital economy, enable digital transformation, and stimulate job creation.

The government is actively working to improve the ease of doing business in India. This involves streamlining regulatory processes, simplifying licensing requirements, and facilitating access to credit. By enhancing the business environment, India aims to attract more investment, foster entrepreneurship, and drive economic growth.

The government has taken significant initiatives healthcare industry, evident in the Union Budget 2023-24. The Ministry of Health and Family Welfare (MoHFW) received a substantial allocation of ₹ 891,550 million, and the National Health Mission was granted ₹ 290,850 million. Furthermore, the Department of Health Research earmarked ₹ 23,600 million to support collaborative research and innovation by the Indian Council of Medical Research (ICMR).

Additionally, the government approved the continuation of the 'National Health Mission' with a budget of ₹ 370,000 million and allocated ₹ 51,560 million to the newly introduced PM-ABHIM program, which aims to bolster healthcare infrastructure and enhance primary, secondary, and tertiary care services in India. These initiatives collectively underscore the government's steadfast commitment to enhancing healthcare services and promoting medical research and innovation throughout the country. While challenges such as inflation, fiscal deficit, and manufacturing slowdown persist, the government's initiatives demonstrate a proactive approach to address these issues and enhance the

economy's long-term prospects. The implementation of these measures is expected to stimulate growth, create employment opportunities, and position India as an attractive investment destination.

Outlook:

The Indian economy is projected to experience moderate growth in 2023, with several positive indicators contributing to its performance. The labour market remains strong, and corporate profits continue to grow. Furthermore, the government's initiatives to improve the ease of doing business are anticipated to attract investment and stimulate economic activity.

However, the Indian economy faces a set of challenges that are influencing its performance in 2023. These challenges include a sharp increase in inflation, which could potentially result in reduced consumer spending. Fluctuations in commodity prices and a slowdown in global growth are also impacting India's export sector. Additionally, there might be hurdles in implementing the government's initiatives aimed at improving the ease of doing business. Furthermore, the outcome of upcoming state elections poses another factor that could shape the economic landscape.

Overall, the economic outlook for India in 2023 is characterized by a mix of opportunities and risks. It underscores the challenges posed by rising inflation, and manufacturing slowdown, as well as the positive factors such as a strong labour market, government initiatives continued growth of the digital economy. Assessing and managing risks while capitalizing on opportunities will be essential for the Indian economy to navigate the challenges and strive for sustainable growth.

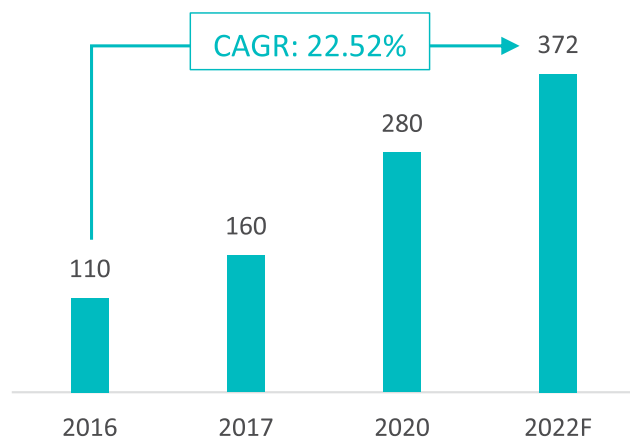
Industry Overview

Indian Healthcare Industry:

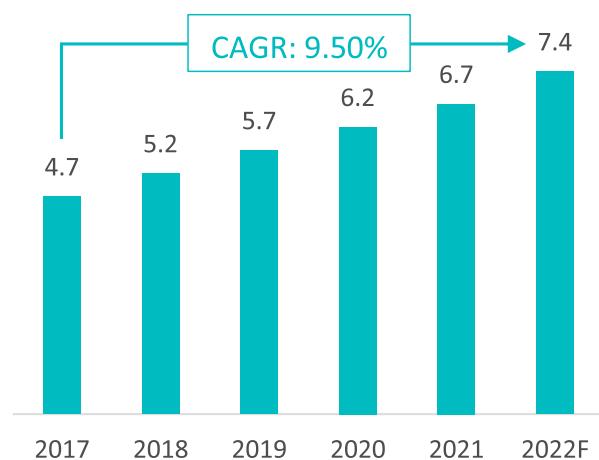
The Indian healthcare industry is projected to demonstrate a remarkable Compound Annual Growth Rate (CAGR) of 22.52%, reaching an estimated valuation of USD 372 billion. This significant growth is attributed to numerous factors, including the expanding population, rising income levels, and the increasing prevalence of chronic diseases such as diabetes and heart disease, which are driving the demand for healthcare services. Furthermore, there is a growing awareness of preventive healthcare practices and a wider availability of healthcare insurance options. The Indian government's focus on enhancing the healthcare infrastructure through a substantial allocation of funds in the Union Budget 2023-24, reflecting a 13% increase compared to the previous year, further contributes to

this growth. It is worth noting that the healthcare industry has become one of the largest employers in India, with an estimated workforce of 7.4 million individuals with a CAGR of 9.50% since 2017.

**Healthcare Sector Growth
Trend (US\$ Billion)**



Workforce in Million



The Indian healthcare industry encompasses diverse segments, including hospitals, pharmaceuticals, diagnostics, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance, and medical equipment. Among these segments, hospitals constitute the largest portion, accounting for approximately 80% of the market. The medical devices segment is also experiencing rapid growth due to the escalating demand for innovative medical technologies.

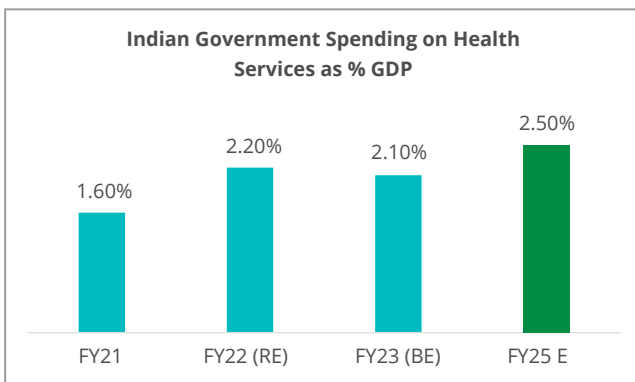
The sector offers attractive opportunities with growing investments, initiatives, and innovation, focusing on cost leadership, differentiation, and co-development. The industry has witnessed active mergers and acquisitions,

with foreign players establishing research and development centres and hospitals in India. The government’s policy support, including tax incentives and liberalization of foreign direct investment (FDI), further enhances the investment climate.

Source: IBEF

A notable trend in the industry is the shift towards multiple healthcare services under one roof, accompanied by the adoption of advanced technologies such as telemedicine and artificial intelligence. The rising adoption of digital platforms and the introduction of a digital vaccine delivery system have further strengthened the sector. Moreover, the penetration of health insurance and the focus on universal immunization programs are driving the demand for healthcare services.

Nevertheless, the Indian healthcare industry faces certain challenges, including a shortage of skilled healthcare professionals, limited access to healthcare in rural areas, high healthcare costs, and insufficient awareness about preventive healthcare practices. To address these challenges, the Indian government is actively supporting the healthcare sector through policies and initiatives. These initiatives include the development of India as a global healthcare hub, strengthening public health surveillance, and the passage of bills to regulate healthcare professionals. The expenditure of Indian government on health service is increasing year on year from INR 3,176 billion in FY21 to ₹ 5,488 billion FY23 (BE), a growth of ~73%. With focus on improving the health care services in India, the government is on a mission to provide affordable and easily accessible health services to population at large. The government aims to increase public health spending to 2.5% of GDP by 2025 and is implementing measures such as increasing the number of medical schools, providing financial assistance to rural healthcare providers, and promoting preventive healthcare initiatives.



Source: pib.gov

Looking ahead, the Indian healthcare industry is expected to sustain its growth momentum. Factors contributing to this growth include the escalating demand for healthcare services, the government’s focus on improving healthcare infrastructure, and the increasing availability of healthcare insurance coverage.

The Indian healthcare industry is a dynamic and evolving sector, poised for robust growth and offering attractive opportunities. The government’s support, increasing healthcare expenditure, rising income levels, and technological advancements are driving the sector’s development. However, challenges such as infrastructure expansion and skill shortages need to be addressed. It is crucial for stakeholders within the Indian healthcare industry to monitor and adapt to these trends to capitalize on opportunities and navigate potential challenges in the years ahead.

Indian Diagnostic Industry:

The Indian diagnostic sector is experiencing rapid growth and has emerged as one of the fastest-growing segments within the healthcare industry. The Indian diagnostic industry is projected to exhibit a CAGR of 15% in 2023, with an estimated valuation of INR 980 Billion. Common types of diagnostics encompass a broad range of services and products employed for disease and medical condition identification. These include:

Source: World Economic Outlook, Crisil, Pib.gov

- **Pathology:** Involves studying tissues and cells to identify diseases using techniques like microscopy, biochemical analysis, and molecular testing.
- **Radiology:** Uses imaging technology like X-rays, CT scans, and MRIs to diagnose diseases and injuries.
- **Nuclear medicine:** Utilizes radioactive materials, PET scans, SPECT scans, and radiopharmaceuticals to diagnose and treat diseases.
- **Microbiology:** Studies microorganisms (bacteria, viruses, fungi) using techniques like culture, microscopy, and molecular testing to identify and diagnose infections.
- **Serology:** Focuses on studying the body’s immune response to diseases through blood tests and other techniques to diagnose infections and conditions.

Additional services and products in the diagnostic sector:

- Diagnostic equipment: Devices such as microscopes, X-ray machines, and CT scanners.
- Diagnostic tests: Includes blood tests, urine tests, and stool tests, among others.
- Diagnostic software: Used to analyse diagnostic data and aid in making diagnoses.

Key factors driving the growth of the Indian diagnostic sector:

Increasing awareness of preventive healthcare: There is a growing emphasis on preventive healthcare practices among the Indian population. People are becoming more proactive in managing their health and seeking regular diagnostic tests to detect potential health issues at an early stage. This rising awareness is contributing to the demand for diagnostic services.

Growing disposable incomes of the middle class: The middle-class population in India is witnessing a rise in disposable incomes. With higher purchasing power, individuals are more willing to invest in their healthcare and undergo diagnostic tests for early disease detection and proactive health management.

Rising incidence of chronic diseases: The prevalence of chronic diseases, including diabetes, cancer, cardiovascular diseases, and respiratory disorders, is increasing in India. This rise in chronic diseases necessitates regular diagnostic testing for effective disease management and monitoring, further driving the demand for diagnostic services.

Expansion of government healthcare programs: The Indian government has been actively expanding its healthcare programs, including initiatives focused on improving access to healthcare and increasing health insurance coverage. These programs create a conducive environment for the growth of the diagnostic sector by enhancing the affordability and availability of diagnostic services.

Technological advancements in diagnostics: The diagnostic sector is benefiting from continuous technological advancements, such as improved imaging techniques, automation, point-of-care testing, and molecular diagnostics. These advancements enable more accurate and efficient diagnostic procedures, leading to increased adoption and demand for diagnostic tests.

Growing Penetration of Insurance: The increasing availability of health and medical insurance products

in India has transformed the healthcare landscape, enhancing accessibility and affordability for the population. This proliferation has empowered consumers with customization options, comprehensive coverage, and improved financial preparedness, while also necessitating ongoing efforts to address challenges such as affordability and diverse healthcare needs.

The Indian diagnostic industry encompasses various segments, including stand-alone diagnostic labs, hospital diagnostic labs, and diagnostic chains. Stand-alone diagnostic labs account for the largest portion of the market, while hospital diagnostic labs are also experiencing rapid growth due to the escalating demand for diagnostic services in hospitals. Although, the presence of numerous small and medium-sized players, the sector is observing a trend of consolidation as larger entities acquire smaller ones to expand their market share and streamline operations. This consolidation trend is anticipated to continue, along with the entry of new players, particularly online diagnostics platforms, offering convenience and accessibility to customers.

However, the Indian diagnostic sector faces several challenges. High fragmentation within the sector hinders economies of scale and competitiveness. The lack of standardization makes it difficult for patients to compare prices and quality across different laboratories. Low awareness of preventive healthcare, especially among rural and lower-income populations, limits demand for diagnostic tests. Inflated costs, particularly for complex tests, pose financial barriers for many patients. Additionally, there is a shortage of skilled professionals, inadequate infrastructure, and complex regulatory environments that impact the sector's growth potential.

Source: World Economic Outlook 2023, Crisil, pib.gov

Several strategic measures can be implemented to tackle the challenges faced by the Indian diagnostic sector:

- Pursue consolidation for economies of scale and improved competitiveness
- Undertake efforts towards standardization for easier comparison and quality assurance across different laboratories
- Launch awareness campaigns to promote preventive healthcare and increase demand for diagnostic tests
- Implement cost reduction initiatives through efficient technologies

- Prioritize skill development programs to address the shortage of qualified professionals
- Make infrastructure investments to enhance diagnostic laboratory facilities and capabilities
- Simplify regulations to ensure better compliance and create a favourable operating environment for the sector

Looking ahead, the Indian diagnostic industry is expected to sustain its growth momentum. Factors contributing to this growth include the increasing demand for diagnostic services, the government's focus on enhancing the healthcare infrastructure, and the growing availability of healthcare insurance coverage.

Key trends are anticipated to shape the Indian diagnostic industry in 2023. These include the expansion of digital diagnostics,

- The integration of artificial intelligence (AI) and machine learning (ML) technologies in diagnostics,
- The rise of point-of-care diagnostics, a heightened focus on preventive diagnostics, and the growing importance of patient engagement.

The Indian diagnostic industry is a dynamic and evolving sector, poised for significant growth, driven by increasing awareness of preventive healthcare, rising disposable incomes, and technological advancements. The sector is also likely to witness ongoing consolidation among established players and the entry of new players offering innovative services and technologies. By closely monitoring these trends and adapting to the evolving market dynamics, stakeholders in the Indian diagnostic sector can capitalize on the opportunities and navigate the challenges to drive further growth and success in the years to come.

Company Overview

Business Overview:

Krsnaa Diagnostics is one of the leading differentiated diagnostic service providers in India, specializing in a comprehensive range of technology-enabled diagnostic services. The company's offerings include imaging services (such as radiology), pathology/clinical laboratory services, and tele-radiology services. Krsnaa Diagnostics serves a wide range of clients, including public and private hospitals, medical colleges, trust hospitals and community health centres throughout the country.

Krsnaa Diagnostics provides its services Pan India and has over 130+ radiology centres, 1,500+ tele-reporting centres, 99 pathology labs, 1000+ Pathology Collection centres, and notably operates India's 1st NABH Accredited tele-radiology reporting hub, located in Pune. This cutting-edge facility operates round the clock, 365 days a year, efficiently processing a large volume of X-rays, CT scans, and MRI scans. This establishment has been instrumental in extending diagnostic services to patients residing in remote areas with limited access to diagnostic facilities. This strategic approach minimizes the need for manual intervention, ensuring the generation of accurate reports and comprehensive analyses.

Krsnaa Diagnostics leverages its clinical expertise and IT-based infrastructure, complemented by a disruptive pricing strategy, as key elements of its competitive advantage. The company's radiology tests are priced 45% to 60% lower than the prevailing market rates, while its pathology tests are offered at 40% to 80% lower rates. This approach enables Krsnaa Diagnostics to deliver high-quality reports and in-depth analysis while ensuring affordability and accessibility for patients. The utilization of automated process equipment further enhances the efficiency and reliability of the company's services.

Business Segments:

Krsnaa Diagnostics is a leading provider of radiology, pathology, and tele-radiology services in India. The company offers a comprehensive range of diagnostic imaging services and clinical laboratory tests, encompassing routine as well as specialized tests and studies. These services play a crucial role in disease prediction, early detection, diagnostic screening, confirmation, and monitoring.

Krsnaa Diagnostics operates across 17 states and union territories in India, providing comprehensive diagnostic services. The company has established 130+ radiology centres that offer a wide range of radiology tests. These tests encompass various imaging modalities, including MRI, CT scans, X-Rays, mammography, bone densitometry, ultrasound, and Color Doppler. In the field of pathology, the company offers a complete spectrum of services. This includes all the key disciplines of conventional and specialized lab services, such as biochemistry, hematology, clinical pathology, histopathology, cytopathology, microbiology, serology, and immunology. At the tele-radiology hub located in Pune, Krsnaa Diagnostics has a suite of advanced medico-grade monitors & other technology equipment. This hub holds the distinction of being India's first NABH Accredited tele-radiology reporting hub. Tele-reporting is a critical and distinctive aspect of the company's business model, enabling the provision

of diagnostic services to patients in remote areas where access to diagnostic facilities is limited.

Company follows an operating model where diagnostic centres are operated through partnerships with hospitals. The company's primary focus lies in the public-private partnership (PPP) diagnostics segment, where it holds the largest presence.

The diagnostic services sector is significantly underpenetrated in many parts of the country. To bridge this gap, both the central government (National Health Mission-NHM) and state governments collaborate with private partners to expand the reach of essential diagnostic services. Krsnaa Diagnostics, known for its high-quality services and disruptive pricing, has emerged as a preferred partner for public health agencies. Currently, the company operates over 2,850 dedicated centres under the PPP model.

Under the PPP agreements, the government collaborates with private entities to enhance the healthcare and diagnostic services by providing radiology and pathology services. These services typically involve long-term commitments, ensuring revenue visibility for operations. Government health agencies provide the necessary space for setting up the diagnostic centres, while the company invests in equipping the facilities as per contractual requirements. The contract terms with public health agencies range from 5 to 10 years, often including a clause for term extension based on performance and mutual agreement. Since the commencement of operations, Krsnaa Diagnostics has been awarded 78% of all tenders it has bid. Furthermore, due to the company's competitive service rates, public health agencies have expanded the scope of services to additional centres without the need for supplementary bidding.

In addition to the PPP segment, company has been growing its collaboration and strategic tie-ups with private healthcare providers to operate diagnostic centres within their facilities and operates 42 such diagnostic centres (Krsnaa Business Associate) on a revenue sharing business model, as of March 31, 2023.

Growth Strategy:

Krsnaa Diagnostics adheres to a core philosophy of providing world-class healthcare diagnostic services at affordable rates while simultaneously generating value for shareholders through robust and sustainable growth. The company has identified several key initiatives that will be prioritized in its future endeavours:

- Expanding Public-Private Partnership (PPP) Potential:** The government's ongoing commitment to enhancing healthcare services, coupled with a significant untapped market, creates substantial growth opportunities in PPP projects for diagnostic services. With an impressive 78% bid-win ratio, Krsnaa Diagnostics is strategically positioned to capitalize on these opportunities. The company has successfully secured new projects in Maharashtra, Rajasthan, Uttar Pradesh, Tripura, and Delhi, and has recently entered the new geography of Odisha and the company remains committed to actively participating in upcoming tenders, fostering a robust pipeline for future expansion.
- Successful operationalization of new centres:** Company has demonstrated its ability to execute and deliver on its awarded tenders, securing 9 new tenders in the past twelve months. With a robust pipeline in place, the company is making steady progress in the implementation of these centres, ensuring a phased launch of the new facilities. The focus remains on timely and efficient operationalization to expand the reach and availability of diagnostic services.
- Enhancing Profitability of Centre Portfolio:** Krsnaa Diagnostics has a diversified portfolio of diagnostic centres, with 59% of the total centres being mature and delivering a commendable ROCE of 32%. The remaining centres are a mix of semi-mature and newly launched centres, which also demonstrate a positive ROCE exceeding 1%. As these centres mature, there is a strong anticipation of increased patient footfall and test volumes. This expected growth in patient and test counts is projected to have a substantial positive impact on the company's profitability in the future.
- Strategic Expansion for Retail Market offering:** Company aims for asset light expansion in retail market by leveraging the existing infrastructure of its diagnostic centres. This includes adding more collection centres to enhance accessibility for end consumers. Furthermore, the company has outlined a core strategy that involves the establishment and operationalization of a Home Collection Hub and the promotion of Preventive Health check-ups in two phases. Phase I encompasses state of Maharashtra and Punjab, while Phase II targets state of Odisha, Assam, and Rajasthan
- Expanding Test Menu's:** The company plans to broaden its test menus by incorporating specialized tests at disruptive prices. Also Company has

introduced various Healthcare packages, our Health packages aim to discover medical abnormalities and identify risk factors and infections before they develop difficulties. These packages assist the patient in changing their lifestyle for long-term healthy living and preventing illnesses and complications. Our recently introduced Ayaksham wellness package, offers a vast array of tests and healthcare services. These packages encompass both basic and special tests, providing a wide range of healthcare solutions in a single, affordable package, catering to individuals' diverse needs.

- **Enhancing Brand Visibility:** Company aims to increase brand awareness by effectively promoting its high-quality service offerings and disruptive pricing strategy. The company plans to leverage digital marketing channels and engage in active social media interactions to reach a wider audience. Additionally, company seeks to expand its partnerships with key stakeholders to further enhance brand visibility. In-shop branding and promotional activities will also be utilized as part of the comprehensive strategy to strengthen the company's brand presence in the market.

Performance Review and Outlook:

In FY2023, the Company delivered Revenues of ₹ 4,871 million, registering an increase of 7% on year-on-year basis, one of the highest in the industry. The performance was led by growth in core business of radiology and pathology which grew by 15% and this growth was offset by decline of 98% y-o-y in Covid-19 revenues. Krsnaa is the only listed entity with well diversified business mix where

Radiology and Pathology contributed 66% and 34% to the total revenues respectively. During the year, total number of test conducted were 24.04 million, a growth of 39% on year-on-year basis, and a strong volume growth was visible in all modalities except Covid-19 tests.

EBITDA for the year stood at ₹ 1,240 million, representing a 7% decline compared to the previous year. The EBITDA margin stood at 25%. It is important to note that the margin reduction was a result of the costs incurred in establishing new centres. The company achieved a Profit after Tax of ₹ 621 million.

Over the past five years, Krsnaa Diagnostics has achieved rapid growth, establishing itself as one of the fastest-growing diagnostic service providers in India, outperforming its peers. The company has expanded its geographical presence from 660+ centers in FY18 to 2,850 centres in FY23. During this period, Revenue from Operations exhibited a CAGR of 35%, while Net Profits demonstrated a CAGR of 66%. Radiology and Pathology Revenue experienced robust CAGRs of 36% and 33% respectively during the same period.

Krsnaa Diagnostics is focused on building a strong foundation for long-term sustainable growth. The company remains confident in maintaining its growth momentum. With increasing government emphasis on delivering high-quality healthcare services and the growing prevalence of public healthcare schemes, such as free diagnostics, the PPP model in the diagnostic industry is expected to receive a boost. Krsnaa Diagnostics is well-positioned to seize the opportunities presented by this growing landscape, aligning its business fundamentals to tap into this expanding market.

Board's Report

Dear Members,

Your Directors are pleased to present the 13th Annual Report on the Business and Operations of Krsnaa Diagnostics Limited ("the Company/your Company") along with the Audited Financial Statements for the Financial Year ended March 31, 2023.

FINANCIAL RESULTS

The key highlights of the Standalone and Consolidated Audited Financial Statements of your Company for the year ended March 31, 2023 are summarized below:

(₹ in million)

Particulars	Consolidated		Standalone	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from Operations	4,871.23	4,554.50	4,640.83	4,548.90
Other Income	193.79	149.09	194.10	149.28
Total Income	5,065.02	4,703.59	4,834.93	4,698.18
Operating & Other Expenses	3,648.22	3,239.74	3,398.37	3,203.42
Finance Cost	76.97	184.90	76.83	184.89
Depreciation and Amortization expense	537.82	413.87	537.82	413.87
Total Expenses	4,263.01	3,838.51	4,013.02	3,802.18
Profit before Tax (PBT)	802.01	865.08	821.91	896.00
Tax Expenses	180.90	181.20	186.82	188.97
Profit after Tax (PAT)	621.11	683.88	635.09	707.03

FINANCIAL AND OPERATIONAL PERFORMANCE

During the year under review, the revenue from operations of the Company stood at ₹4,871.23 million with an increase of 7% as against the previous year, which was one of the highest in the industry. The performance was led by the growth in the core business of radiology and pathology which grew by 15% and this growth was offset by decline of 98% y-o-y in Covid-19 revenues.

Your Company was the only listed entity with a well diversified business mix, where Radiology and Pathology contributed 66% and 34% to the total revenue respectively.

EBITDA for the year stood at ₹ 1,239.99 Million, representing a 7% decline against the previous year. The EBITDA margin for the year under review stood at 25%. The company achieved a Profit after Tax of ₹ 621.11 Millions.

During the year under review, the total number of test conducted exceeded 24 million, a growth of 39% on a year-on-year basis. A strong volume growth was visible in all modalities keeping aside the COVID-19 tests.

Over the past five years, your Company has achieved a rapid growth, establishing itself as one of the fastest-growing diagnostic service providers in India, outperforming its peers. The company has expanded its geographical presence from 660+ centers in FY18 to over 2,800 centers in FY23. During this period, the Revenue from Operations exhibited a CAGR of 35%, while Net Profits demonstrated a CAGR of 66%. The revenue from Radiology and Pathology experienced robust CAGRs of 36% and 33% respectively during the same period.

DIVIDEND

Your Directors are pleased to recommend a Final Dividend of ₹ 2.75 (Two Rupees and Seventy Five Paise only) per

equity share of the face value of ₹ 5/- (Rupees Five only) each for the financial year ended March 31, 2023.

The dividend is subject to approval of members at the ensuing AGM. The dividend recommended is in accordance with the Company's Dividend Distribution Policy. The policy includes the parameters as set out in Regulation 43A (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations"). The policy is available on the Company's website at <https://krsnaadiagnostics.com/investors/>

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source.

The total dividend that will be paid out will aggregate to ₹ 86.34 Millions for the financial year ended March 31, 2023, as compared to ₹ 78.49 Millions paid for the financial year ended March 31, 2022.

The dividend pay-out ratio including the proposed final dividend of the Company would be 13.60%

TRANSFER TO RESERVES

Your Directors do not propose to transfer any amount to General Reserves for the financial year 2022-23.

SHARE CAPITAL

During the year under review, there was no change in the issued, subscribed and paid-up share capital of the Company.

During the financial year 2022-23, following Preference shares were cancelled from the Authorised Share Capital of the Company as they were un-issued:

- (i) 40,61,914 (Forty Lakh Sixty-One Thousand Nine Hundred and Fourteen) Compulsory Convertible Cumulative Participating Preference Shares –Series A (CCPS–Series A) of face value of ₹ 123/- (Rupees One Hundred Twenty-Three Only) each, and
- (ii) 30,38,886 (Thirty Lakh Thirty-Eight Thousand Eight Hundred Eighty-Six) 0.0001% (zero point zero zero zero one percent) Compulsory Convertible Cumulative Participating Preference Shares –Series

C (CCPS – Series C) of face value of ₹250/- (Rupees Two Hundred Fifty Only) each.

After the cancellation of above mentioned unissued Preference Shares, the reclassified Authorised Share Capital of the Company are as under:

The Authorized Share Capital of the Company is ₹ 147,15,76,922/- (Rupees One Hundred Forty-Seven Crore Fifteen Lakh Seventy-Six Thousand Nine Hundred Twenty-Two only) divided into –

- 29,43,15,384 (Twenty-Nine Crore Forty-three Lakh Fifteen Thousand Three Hundred Eighty-Four) Equity Shares of face value of ₹ 5/- (Rupees Five Only) and;
- Unclassified Share Capital ₹ 2/- (Rupees Two Only).

CREDIT RATINGS

During the year under review, ICRA, a credit rating agency has given a rating "[ICRA] A1" as short-term rating and "[ICRA] A" with the "Stable" outlook as the Long-term rating.

SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

As on March 31, 2023, the Company had 7 (Seven) Wholly Owned Subsidiaries as mentioned below. There has been no material change in the nature of the business of the subsidiaries during the period under review:

Sr. No.	Name of Subsidiaries	Shareholding / Ownership
1	KDPL Diagnostics (Ludhiana) Private Limited	
2	KDPL Diagnostics (Amritsar) Private Limited	
3	KDPL Diagnostics (Bathinda) Private Limited	100%
4	KDPL Diagnostics (Jalandhar) Private Limited	Wholly Owned
5	KDPL Diagnostics (Patiala) Private Limited	Subsidiaries
6	KDPL Diagnostics (SAS Nagar) Private Limited	
7	Krsnaa Diagnostics (Mohali) Private Limited	

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, (hereinafter referred to as "the Act") your Company has prepared the consolidated financial statements of the Company and all its subsidiary companies, which forms a part of this Annual Report. Further, a statement containing the salient features of the financial statements of the subsidiaries in Form AOC-1 is annexed to this Report as "Annexure 1".

Further pursuant to the provision of Section 136(1) of the Act, the audited financial statements along with the consolidated financial statements, are available on Company's Website at, <https://krsnaadiagnostics.com/investors/>

Your Company has formulated a Policy for determining Material Subsidiaries. Further, as per the Policy, your Company does not have any Material Subsidiary as on March 31, 2023.

The Policy is available on the website of your Company which can be accessed at <https://krsnaadiagnostics.com/investors/>

DIRECTORS

The composition of the Board of Directors of your Company is in accordance with the provisions of Section 149 of the Companies Act 2013 and Regulation 17 of the SEBI Listing Regulations, with an appropriate combination of Executive Director, Non-Executive Directors and Independent Directors. The complete list of Directors of the Company has been provided as part of the Corporate Governance Report.

The appointment and remuneration of Directors are governed by the Policy devised by the Nomination and Remuneration Committee of your Company. The detailed

Nomination and Remuneration Policy is contained in the Corporate Governance Section of the Annual Report.

Further, in terms of the regulatory requirements, the name of every Independent Director is to be registered in the online database of Independent Directors maintained by Indian Institute of Corporate Affairs, Manesar ("IICA"). Accordingly, the Independent Directors of the Company have registered themselves with the IICA for the said purpose.

1. Retirement by rotation and subsequent re-appointment

In terms of the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Pallavi Bhatevara (DIN: 03600332) Managing Director on the Board of the Company, who is liable to retire by rotation at the ensuing AGM and being eligible, offers herself for re-appointment. She has submitted a declaration of her eligibility for appointment. The Board recommends her re-appointment. A resolution seeking shareholders' approval for her re-appointment along with other required details forms part of the Notice of the AGM.

2. Changes during the period under review

Further during the year under review, following changes has taken place in the Board of Directors of the Company.

Sr. No.	Name of Director	Designation	Appointment/Cessation	Date
1	Mr. Prakash Iyer	Independent Director	Cessation	May 28, 2022
2	Mr. Adesh Kumar Gupta	Independent Director	Appointment	May 28, 2022

3. Declaration from the Independent Directors

In accordance with Section 149 of the Act, the Company has received declarations from all Independent Directors confirming that they meet the criteria of Independence as prescribed under the provisions of the Companies Act, 2013 read with the schedules and Rules issued thereunder as well as Regulation 25 of the SEBI Listing Regulations .

There has been no change in the circumstances affecting their status as Independent Directors of the Company.

KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Section 2(51) and 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following persons have been designated as Key Managerial Personnel of the Company as on March 31, 2023.

Sr. No.	Name of Director	Designation
1	Mr. Rajendra Mutha	Chairman and Whole time Director
2	Ms. Pallavi Bhatevara	Managing Director
3	Mr. Yash Mutha	Whole time Director
4	Mr. Pawan Daga	Chief Financial Officer
5	Mr. Sujoy Sudipta Bose *	Company Secretary
6	Mr. Nikhil Deshpande**	Company Secretary

* Mr. Sujoy Sudipta Bose has been appointed as the Company Secretary of the Company w.e.f. August 12, 2023 by the Board at its meeting held on August 12, 2023

** Mr. Nikhil Deshpande has resigned from the Company w.e.f. April 24, 2023.

BOARD MEETINGS

Your Board of Directors met 5 (Five) times during the year under review. The details of the meetings and the attendance of the Directors are mentioned in the Corporate Governance Report.

COMMITTEES OF BOARD

The Board of Directors of your Company have formed various Committees, as per the provisions of the Companies Act, 2013 and as SEBI Listing Regulations and as a part of the best corporate governance practices, the terms of reference and the constitution of these Committees is in compliance with the applicable laws and to ensure focused attention on business and for better governance and accountability. The constituted Committees are as below:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders Relationship Committee;
- Corporate Social Responsibility Committee and;
- Risk Management Committee;
- Operation Committee

The details with respect to the composition, terms of reference, number of meetings held and business transacted by the aforesaid Committees are given in the "Corporate Governance Report" of the Company which is presented in a separate section and forms a part of the Annual Report of the Company.

During the year under review, a separate meeting of the Independent Directors was held on March 25, 2023, with

no participation of Non- Independent Directors or the Management of the Company. The Independent Directors had discussed and reviewed the performance of the Non-Independent Directors and the Board as a whole and also assessed the quality, quantity and timeliness of the flow of information between the Management and the Board, which is necessary for the Board to effectively and reasonably perform its duties

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

In compliance with the provision of Section 178 of the Companies Act, 2013, the Board has, on the recommendation of the Nomination & Remuneration Committee of the Company, framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration. The Nomination and Remuneration Policy is available on the website of the Company at <https://krsnaadiagnostics.com/investors/>

AUDIT COMMITTEE RECOMMENDATIONS

During the year, all the recommendations of the Audit Committee were accepted by the Board. The composition of the Audit Committee is as mentioned in the Report on Corporate Governance, which forms part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company's CSR Policy statement and annual report on the CSR activities undertaken during the financial year ended March 31 2023, in accordance with Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 are annexed to this report as **Annexure 4**.

As per the provisions of Section 135 of the Companies Act, 2013, every Company falling under the applicability of Corporate Social Responsibility is required to spend 2% of its average net profits of previous three years on the activities given under Schedule VII of the Companies Act, 2013, and CSR policy adopted by the Board of Directors. The Company had a total CSR obligation of Rs. 1,02,50,854 during the financial year 2022-23.

During the year under review your Company has been actively involved in CSR activities. Your Company has carried out CSR activities in field of Healthcare. Your Company has spent the requisite amount in line with the recommendations by the CSR Committee and approval of the Board of Directors of your Company.

The Composition of CSR Committee and meetings of the CSR Committee held during the year has been disclosed in the Corporate Governance Report. The CSR Policy is available on the Company's website at <https://krsnaadiagnostics.com/investors/>

VIGIL MECHANISM/WHISTLE BLOWER POLICY

Your Company has a vigil mechanism/whistle blower policy and has established the necessary vigil mechanism for directors and all employees in conformation with Section 177(9) of the Act and Regulation 22 of the SEBI Listing Regulations, to report concerns about unethical behavior. The Policy is available on the Company's Website at <https://krsnaadiagnostics.com/investors/>

AUDITORS

1. Statutory Auditors

Pursuant to the provisions of Section 139(1) of the Act, read with the Companies (Audit and Auditors) Rules, 2014, M/s. MSKA & Associates, Chartered Accountants, were appointed as the Statutory Auditors of the Company in eleventh AGM held on July 13, 2021 for a period of five years from the conclusion of that AGM till the conclusion of the sixteenth AGM to be held in the year 2026.

The Auditors have issued an unmodified opinion on Audited Financial Statements of the Company for the year ended March 31, 2023. The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

2. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, M/s. Dinesh Birla & Associates, Practicing Company Secretaries, Pune, was appointed to conduct a secretarial audit of the Company's Secretarial and related records for the year ended March 31, 2023. The Secretarial Audit Report is annexed as **Annexure 5** to this Report. The same does not contain any qualification, reservation, adverse remark or disclaimer.

3. Internal Auditor

The Company has robust internal audit system for assessment of audit findings and its mitigation. The Internal Audit function includes center audit, inventory audit, process audit, audit of supportive functions, etc.

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, and on the recommendation of the Audit Committee, M/s. Mahajan & Aibara, Chartered Accountant LLP, were appointed by the Board of Directors in their meeting held on August 12, 2023 to conduct internal audit reviews of the Company for the Financial Year 2023-24. The Internal Auditor functionally reports to the Audit Committee to ensure independence of the Internal Audit function.

The Audit Committee reviews internal audit reports in quarterly meetings and ensure independence of auditors. The Company's internal controls are commensurate with the size and operations of the business. Continuous internal monitoring mechanism ensures compliance with internal controls and efficiency and effectiveness of operations as well as the key process risks.

4. Maintenance of Cost Records and Cost Auditors

In terms of the Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost accounting records and get them audited every year. Accordingly, such accounts and records were made and maintained for the financial year 2022-23.

M/s. Harshad S. Deshpande & Associates, Cost and Management Accountants, were appointed as the Cost Auditors of the Company to examine

the Cost Records and submit the Cost Audit Report. The Company has maintained the required cost accounting records as per the Companies (Cost Records and Audit) Rules, 2014 and is in compliance therewith.

The Board of Directors on the basis of recommendations from Audit Committee has appointed M/s Harshad S. Deshpande & Associates, Cost and Management Accountants, as Cost Auditors of the Company for the Financial Year 2023-24 at a fee of ₹ 1,00,000/- plus applicable taxes and out of pocket expenses subject to the ratification of their remuneration by the shareholders of the Company at the ensuing AGM.

INSTANCES OF FRAUD, IF ANY, REPORTED BY THE AUDITORS

During the year under review, no incidence of any fraud has occurred against the Company by its officers or employees. Neither the Audit Committee nor the Board of the Company has received any report involving any fraud from the Statutory Auditors, Internal Auditors, Secretarial Auditors and Cost Auditors of the Company. Your Board has nothing to report, as required under Section 134 (3) (ca) of the Companies Act, 2013.

INTERNAL CONTROL SYSTEMS AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your Company is committed in maintaining the highest standards of internal controls. We have deployed controls through appropriate policies, procedures and implemented a robust Internal Financial Control system that encompasses the following:

- Key processes affecting the reliability of the Company's financial reporting together with the required controls
- Periodic testing of controls to check their operational effectiveness
- Prompt implementation of remedial action plans arising out of tests conducted
- Regular follow-up of these action plans by senior management

In addition, the Internal Auditors performs periodic audits in accordance with the pre-approved plan. They reports on the adequacy and effectiveness of the internal control systems and provides recommendations for improvements. Audit findings along with management response are shared with the Audit Committee. Status of action plans are also presented to the Audit Committee which reviews the steps taken by the management to ensure that there are adequate controls in design and operation.

The Certificate provided by Managing Director and Chief Financial Officer in the Corporate Governance Report discusses the adequacy of the internal control systems and procedures.

The Statutory Auditors of the Company have expressed their opinion on adequacy of internal financial controls with reference to financial statements for the year under review and operating effectiveness of such controls.

CORPORATE GOVERNANCE REPORT AND BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In compliance with Regulation 34 of the Listing Regulations, a separate report on the Corporate Governance and the Business Responsibility and Sustainability Report, forms part of this Annual report.

MANAGEMENT DISCUSSION AND ANALYSIS

A Management Discussion and Analysis Report giving detailed information on operations, performance and future outlook of the Company and its business forms a part of this Report.

PARTICULARS OF EMPLOYEES

Disclosures concerning the remuneration of Directors, KMPs and employees as per Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as well as Details of employee remuneration as required under provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in "Annexure 2" to this Report. Your Directors affirm that the remuneration is as per the remuneration policy of the Company

A statement containing the names of every employee employed throughout the financial year and in receipt of remuneration of ₹ 1,02,00,000 or more, or employed for part of the year and in receipt of ₹ 8,50,000 lakhs or more a month, and other employees as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to this Report as "Annexure 2".

EMPLOYEES STOCK OPTION PLAN / SCHEME

During the year under review, there has been no material change in the ESOP 2020 Scheme of the Company and

this Scheme continue to be in compliance with relevant/ applicable ESOP Regulations / Guidelines.

In compliance with Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, information relating to ESOSs of the Company is annexed to this Report as "Annexure 3".

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

Your Company has a policy on prevention of sexual harassment at workplace and has put in place a Redressal mechanism for resolving complaints received with respect to sexual harassment and discriminatory employment practices for all genders. The Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment. During the year under review, no case was filed with the POSH committee. Thus, there were no complaints pending as on March 31, 2023.

1. Conservation of Energy

- (i) The Steps taken or impact on conservation of energy

The company is fully devoted to implementing energy conservation strategies, which encompass the regular monitoring of energy usage and effective control over energy utilization.

In designing its centers, the company has prioritized minimizing energy wastage.

Efforts have been taken to promote energy conservation within the workplace through education and training initiatives for employees at its centers.

Furthermore, the installation of LED lights has been carried out extensively across Diagnostics Centers, laboratories, and collection centers. Additionally, a majority of the centers have been equipped with inverter air conditioners to enhance energy efficiency.

- (ii) The Steps taken by the Company for utilizing alternate sources of energy

The Company has already installed Solar Systems at its head office in the past for making alternative use of energy.

- (iii) The Capital Investment on energy conservation equipment(s)

Nil

DISCLOSURE RELATED TO INSOLVENCY AND BANKRUPTCY

During the financial year under review, there is no application made and/or no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

PUBLIC DEPOSITS

During the year under review your Company has not accepted any deposits from the public in terms of Section 73 and Section 76 of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules 2014.

INFORMATION ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO STIPULATED UNDER SECTION 134(3)(M) OF THE ACT, READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is set out as under:

2. Technology absorption

<p>(i) The efforts made towards technology absorption</p> <p>(ii) The benefits derived like product improvement, cost reduction, product development or import substitutions</p>	<p>As a player in the field of Diagnostic Services, the Company has adopted the latest technological advancements encompassing both software and hardware. It has also incorporated state-of-the-art equipment and automated processes that align with the current technological landscape. These selections are in harmony with the Company's scope, size, and the intricacy of its operations. The assimilation of technology has significantly contributed to enhancing the quality and precision of the services offered to end users.</p>
<p>(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)</p> <p>(a) The details of technology imported</p> <p>(b) The year of import</p> <p>(c) Whether the technology been fully absorbed</p> <p>(d) If not fully absorbed, areas where absorptions has been taken place, and the reasons thereof</p>	<p>N.A</p>
<p>(iv) The expenditure incurred on Research and Development</p>	<p>There is no expenditure made on Research and Development during the Financial Year.</p>

3. Foreign Exchange Earnings and Outgo

Total foreign exchange earnings during the year was NIL and foreign exchange outgo was ₹ 0.23 million

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT

In terms of the provisions of section 186 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, details of Investments are set out in Note No. 8 and details of Loans are set out in Note Nos. 16 of the Standalone Financial Statements of the Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE ACT

There was no material transaction with related parties during the year under review as defined under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Accordingly, the disclosure of transactions entered into with related parties pursuant to the provisions of Section 188(1) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts), Rules 2014 in Form AOC-2 is not applicable.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

No material changes and commitments, other than disclosed as part of this report, affecting the financial position of the Company have occurred between March 31, 2023 and the date of the report.

CHANGE IN NATURE OF BUSINESS

During the period under review, there is no change in the nature of business of the Company.

ANNUAL EVALUATION OF BOARD'S PERFORMANCE

A formal evaluation of the performance of the Board, its Committees and the Individual Directors was done in for financial year 2022-23 pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The evaluation was carried out by the Board of (i) its own performance; (ii) Individual Directors Performance; (iii) Chairperson of the Board; and (iv) Performance of all Committees of Board.

A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding

the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non-Independent Directors and Chairman of the Board was carried out by the Independent Directors.

The Directors expressed their satisfaction with the evaluation process.

Further, the evaluation process confirms that the Board and its Committees continue to operate effectively and the performance of the Directors and the Chairperson is satisfactory.

SIGNIFICANT AND MATERIAL ORDERS

No significant material orders were passed by the Regulators/ Court /Tribunal which would impact the going concern status of the Company and its future operations.

DEVIATION(S) OR VARIATION(S) IN THE USE OF PROCEEDS OF INITIAL PUBLIC ISSUE (IPO), IF ANY

There were no instances of deviation(s) or variation(s) in the utilization of proceeds of IPO as mentioned in the objects of Offer in the Prospectus dated August 10, 2021, in respect of the IPO of the Company.

COMPLIANCE OF SECRETARIAL STANDARDS

During the period under review, 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).

RISK MANAGEMENT

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risk elements in the internal and external environment, along with the cost of treating such risk elements and incorporates risk treatment plans in its strategy, business and operational plans. As on the date of this report, the Company does not foresee any critical risk, which threatens its existence.

Your Company, strives to contain impact and likelihood of the risks within the risk appetite as agreed from time to time with the Board of Directors. The Company has a Risk Management Committee to identify elements of risk in different areas of operations, the details of the Risk Management Committee are included in the Corporate Governance Report.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2023 is available on the Company's Website at <https://krsnaadiagnostics.com/investors/>

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability confirm that:

- a. in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed along with proper explanation relating to material departures, if any;
- b. they have 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 as at March 31, 2023 and of the profit of the Company for the year ended March 31, 2023;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual financial statements have been prepared on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CEO & CFO CERTIFICATION

Certificate by Ms. Pallavi Bhatevara, Managing Director and Mr. Pawan Daga, Chief Financial Officer, pursuant to the provisions of regulation 17(8) of the SEBI (LODR) Regulations, 2015, for the year under review was placed before the Board of Directors of the Company at its meeting held on May 27, 2023.

A copy of the certificate forms a part of the Report on Corporate Governance.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the year under review, the Company had not transferred any amount or Shares to the Investor Education and Protection Fund.

DIRECTORS & OFFICERS INSURANCE POLICY

The Company has in place an insurance policy for its Directors & Officers with a quantum and coverage as approved by the Board.

PREVENTION OF INSIDER TRADING

Your Company has adopted a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, as amended from time to time.

The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Code is displayed on the Company's website at <https://krsnaadiagnostics.com/investors/>

CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable laws and regulations. Actual results may differ from those expressed in the statements.

ACKNOWLEDGMENTS

Your Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year. Your Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support.

**For and on behalf of the Board of Directors
Krsnaa Diagnostics Limited**

Rajendra Mutha

Chairperson and Whole Time Director
(DIN: 01066737)

Place: Pune

Date: August 12, 2023

Annexure- 1
FORM AOC – 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
 Statement containing salient features of the Financial Statement of Subsidiaries

Sr. No.	Name of Subsidiary	Date on which subsidiary was acquired	Country of Occupation	Reporting Currency	Closing exchange rate against Indian Rupee as on Mar 31, 2023	% of Holding	Capital	Other Equity	Total Assets	Total Liabilities	Investments (in subsidiaries)	Turnover	Profit/ (loss) before taxation	Provision for taxation	Profit/ (loss) after taxation	Proposed Dividend
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
1	KDPL Diagnostics (Amritsar) Private Limited	March 24, 2021	India	INR	NA	100%	0.10	(0.97)	3.55	4.42	0.10	32.10	(0.51)	(0.17)	(0.35)	-
2	KDPL Diagnostics (Bathinda) Private Limited	March 24, 2021	India	INR	NA	100%	0.10	(1.00)	2.99	3.89	0.10	17.12	(1.07)	(0.30)	(0.77)	-
3	KDPL Diagnostics (Jalandhar) Private Limited	March 24, 2021	India	INR	NA	100%	0.10	(0.25)	2.25	2.41	0.10	33.01	0.35	0.06	0.30	-
4	KDPL Diagnostics (Ludhiana) Private Limited	March 22, 2021	India	INR	NA	100%	0.10	(0.31)	3.57	3.78	0.10	41.26	0.50	0.08	0.42	-
5	KDPL Diagnostics (Patiala) Private Limited	March 24, 2021	India	INR	NA	100%	0.10	(0.20)	4.33	4.43	0.10	43.39	0.70	0.12	0.58	-
6	KDPL Diagnostics (SAS Nagar) Private Limited	March 24, 2021	India	INR	NA	100%	0.10	(2.10)	2.23	4.24	0.10	43.94	1.08	0.20	0.88	-
7	Krsnaa Diagnostics (Mohali) Private Limited	July 27, 2021	India	INR	NA	100%	0.10	(32.82)	32.23	64.95	0.10	182.58	(20.94)	(5.92)	(15.02)	-

ANNEXURE 2

a) Statement of employees covered under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Part A: Particulars of employees who were in employment throughout the financial year and are in receipt of remuneration of not less than ₹ 10.20 million p.a. in aggregate.

Employee Name	Age (Yrs.)	Designation	Qualification	Experience (Yrs)	Date of Joining	Remuneration received (₹ in Million)	Particulars of previous employment
Mr. Rajendra Mutha	49	Chairman – Whole-time Director	D Pharmacy	13	December 22, 2010	26.40	Not Applicable

Part B: Particulars of employees who were in employment for part of the financial year and are in receipt of remuneration of not less than ₹ 0.85 million p.m.

Employee Name	Age (Yrs.)	Designation	Qualification	Experience (Yrs)	Date of Joining	Remuneration received (₹ in Million)	Particulars of previous employment
Dr. Ravinder Sethi	50	Chief Operating Officer	Hon. Doctorate Business Administration and Management	24	February 24, 2022	11.83	Oncquest Laboratories Limited

Notes:

1. Remuneration comprises basic salary, allowances and taxable value of perquisites.
2. Remuneration does not include Company's contribution to provident fund and actuarial valuation of gratuity.
3. Employees mentioned above are neither relative of any director of the Company nor hold two percent or more of the paid up equity share capital of the Company as per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ANNEXURE 2
**Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:
 Top ten employees in terms of remuneration drawn during the year**

Employee Name	Age (Yrs.)	Designation	Qualification	Experience (Yrs)	Date of Joining	Remuneration received (₹ in Million)	Particulars of previous employment
Mr. Rajendra Mutha	49	Chairman	D Pharmacy	13	December 22, 2010	26.40	Not Applicable
Dr. Ravinder Sethi	49	Chief Operating Officer	Hon. Doctorate Business Administration and Management	24	February 24, 2022	11.83	Oncquest Laboratories Limited
Dr. Manish Dattatraya Karekar	44	Chief Operating Officer-Pathology	MD - Pathology	16	August 2, 2021	6.84	Metropolis Healthcare Ltd.
Dr. Abhijit Mahavir Patil	44	Vice President	MD-Radiodiagnosis	11	April 6, 2022	4.93	Symbiosis Medical College for Women, Pune
Mr. Yash Prithviraj Mutha	42	Executive Director	Chartered Accountant CISA & CFE	15	September 1, 2017	4.80	Credit Suisse
Ms. Pallavi Bhatewara	45	Managing Director	HSC from Maharashtra State Board of Secondary and Higher Secondary Education	10	January 29, 2013	4.08	Not Applicable
Mr. Kamlesh Khandelwal	37	Senior Manager	Diploma in Medical Laboratory Technology	13	January 1, 2014	3.28	Not Applicable
Mr. Pawan Balkisan Daga	38	CFO	Chartered Accountant	12	November 20, 2020	3.00	SYSKA LED
Mr. Dharmendra Kumar Madan Lal Sharma	49	Vice President	Master Of Science	23	February 7, 2022	2.99	Vantage Laboratories Pvt, Ltd, Nairobi, Kenya
Mr. Pankaj Sharad Wagh	36	GM - HRM	MBA - (Human Resource Management)	15	March 22, 2021	2.51	Symbiosis University Hospital and Research Centre

Annexure 2

DISCLOSURES REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- The percentage increase in the median remuneration of employees during the Financial Year: Median remuneration of employees of the Company as at the end of the year under review was ₹ 1,42,932.00 which increased by 7.57% over the previous year's median remuneration of ₹ 1,32,870.50
- The ratio of the remuneration of each Director to the median remuneration of employees for the Financial Year 2022-23; and

The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary during the Financial Year 2022-23:

Sr. No.	Names	Designation	Remuneration for the financial year 2022-23	Percentage increase/ (decrease) in remuneration in the financial Year 2022-23 (%)	Ratio to median remuneration (in times)
Executive Directors					
i)	Mr. Rajendra Mutha	Chairman and Whole-time Director	2,64,00,297	6%	184.71
ii)	Pallavi Bhatevara	Managing Director	40,96,108	-19.5%	28.66
iii)	Mr. Yash Mutha	Whole-time Director	48,00,033	0%	33.58
Non-executive Directors*					
i)	Mr. Chetan Desai	Independent Director	6,50,000	-	-
ii)	Chhaya Palrecha	Independent Director	7,00,000	-	-
iii)	Mr. Rajiva Ranjan Verma	Independent Director	6,50,000	-	-
iv)	Mr. Adesh Kumar Gupta	Independent Director	5,50,000	-	-
v)	Mr. Prem Pradeep	Nominee Director	-	-	-
Key Managerial Personnel					
i)	Mr. Pawan Daga	Chief Financial Officer	30,05,194	58.17%	21.03
ii)	Mr. Nikhil Deshpande [#]	Company Secretary	16,82,140	0%	11.77

Notes:

*Non-executive Directors, were not paid any remuneration during the financial year under review except sitting fees.

[#] Nikhil Deshpande has resigned from the Company from April 24, 2023.

- | | | |
|----|---|---|
| 4. | The number of permanent employees on the rolls of the Company | 2,562 |
| 5. | Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. | Average percentage increase in salaries of employees other than Managerial Personnel is 5%
Average increase in the remuneration of Directors and Key Managerial Personnel is 8.93% |
| 6. | It is affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company. | |

For and on behalf of the Board of Directors

Place: Pune
Date: August 12, 2023

Rajendra Mutha
Chairperson and Whole Time Director
(DIN: 01066737)

Annexure - 3
DETAILS OF EMPLOYEE STOCK OPTION SCHEME
A. Details related to ESOP

Sr. No.	Particulars	KRSNAA 2020
i)	Description of each ESOP that existed during the year, including the general terms and conditions:	
1.	Date of Shareholders' approval	July 1, 2020
2.	Total number of options / units approved under ESOP	2,046,666
3.	Vesting requirement	1. Options granted under ESOP 2020 would vest not earlier than one year and not later than six years from the date of Grant of such Options. 2. Vesting is subject to continued employment with the Company. 3. Additionally, Compensation Committee (Nomination and Remuneration Committee) may also, if it feels necessary in certain or in all cases, specify certain performance parameters - corporate, individual or a combination - subject to which the Options would vest.
4.	Exercise price or pricing formula	
5.	Maximum term of options / units granted (Years)	NA
6.	Source of shares	
7.	Variation in terms of options / units	
ii)	Method used to account for ESOP	Fair Value
iii)	Movement during the year:	
1.	No. of options / units outstanding at the beginning of the period	19,22,014
2.	No. of options / units granted during the year	-
3.	No. of options / units forfeited/ lapsed during the year	107,114
4.	No. of options / units vested during the year	-
5.	No. of options / units exercised during the year	-
6.	No. of shares arising as a result of exercise of options / units	-
7.	Money realized by exercise of options / units (₹). If scheme is implemented directly by the Company	-
8.	Loan repaid by the Trust during the year from exercise price received	N.A.
9.	No. of options / units outstanding at the end of the year	18,14,900
10.	No. of options / units exercisable at the end of the year	9,07,450
iv)	Weighted-average exercise prices ("WAEP") and weighted-average fair values("WAFV") of Options / Units	
1.	Where the exercise price is less than the market price of the stock	Grant on July 01, 2020: Weighted-average exercise prices ("WAEP") = ₹ 225 and weighted-average fair values("WAFV") = ₹ 16.03 Grant on January 18, 2021: Weighted-average exercise prices ("WAEP") = ₹ 350 and weighted-average fair values("WAFV") = ₹36.04

Sr. No.	Particulars	KRSNAA 2020
2.	Where the exercise price equals the market price of the stock	N.A.
3.	Where the exercise price is more than the market price of the stock	
V)	Employee wise details (name of employee, designation, number of Options / Units granted during the year, exercise price) of Options / Units	
1.	Senior Managerial Personnel	No grants made during the year under review.
2.	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	
3.	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	

Method and Assumptions used to estimate the fair value of options granted during the year: **Black Scholes Model**

The assumption used in the model are as follow:

Vesting year- Tranche 1

Sr. No.	Particulars	Vesting period in years			
		1	2	3	4
1	Risk-Free Interest Rate	3.73%	4.21%	4.81%	5.10%
2	Expected Life	1.25	2.25	3.25	4.25
3	Expected Volatility	27.39%	22.06%	19.25%	17.91%
4	Dividend Yield	-	-	-	-
5	Price* of the underlying share in market at the time of the option grant (H)	341.35	341.35	341.35	341.35

*Weighted average price

Above fair value calculations are for options before split of shares from face value Rs. 10 Rs. 5 while the numbers of options reported above are after split.

Vesting year- Tranche 2

Sr. No.	Particulars	Vesting period in years			
		1	2	3	4
1	Risk-Free Interest Rate	3.93%	4.41%	4.91%	5.32%
2	Expected Life	1.25	2.25	3.25	4.25
3	Expected Volatility	26.89%	22.33%	19.80%	18.18%
4	Dividend Yield	-	-	-	-
5	Price* of the underlying share in market at the time of the option grant (H)	572.35	572.35	572.35	572.35

*Weighted average price

For and on behalf of the Board of Directors

Place: Pune
Date: August 12, 2023

Rajendra Mutha
Chairperson and Whole Time Director
(DIN: 01066737)

Annexure - 4

Annual Report of Corporate Social Responsibility for F.Y. 2022-23

[Pursuant to section 135 of Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules, 2014

1. Brief Outline on CSR Policy of the Company:

Krsnaa Diagnostics Limited (Krsnaa) is fully committed to the social and economic development of the Society / Community in which it operates. Over the years of our journey, as an organization, we have come to believe that the well-being of society is a sum total of the well-being of its individual members. For this to be achieved, we believe that every member of society should have access to effective healthcare and we want to be able to play our part in being part of this transformation

CSR Policy:

The objective of the CSR Policy ("Policy") is to lay down the guiding principles in undertaking various programs and projects by or on behalf of the company relating to Corporate Social Responsibility ("CSR") within the meaning of section 135 of the Companies Act, 2013 read with Schedule VII of the Act and the Corporate Social Responsibility amended Rules 2021 vide the Ministry of Corporate Affairs (MCA) notification dated January 22, 2021.

Major Focused Areas:

- Promoting health care including preventive health care to the most remote corners of the country and also making quality healthcare accessible and affordable for all.
- improvement in the health of fellow citizens, especially the socially and economically marginalized groups.
- Promoting education, including special education and employment enhancing vocation skills, especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- Eradicating hunger, poverty, malnutrition and sanitation
- Promoting gender equality, women empowerment
- Disaster management, including relief, rehabilitation and reconstruction activities

2. Composition of CSR Committee:

During the year under review, the Composition of CSR Committee of the Board of Directors was as under:

Sr. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Rajendra Mutha	Chairperson	1	1
2	Ms. Pallavi Bhatevara	Member	1	1
3	Mr. Rajiva Ranjan Verma	Member	1	1
4	Mr. Prem Pradeep	Member	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

<https://krsnaadiagnostics.com/investors/>

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹ Million)	Amount required to be set-off for the financial year, if any (in ₹ Million)
1	2022-23	₹ 14.28	₹ 10.25

6. Average net profit of the company as per section 135(5): ₹ 512.54 Million

- 7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 10.25 Million**
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: ₹ 14.28 Million
(c) Amount required to be set off for the financial year, if any: ₹ 10.25 Million
(d) Total CSR obligation for the financial year (7a+7b-7c): NIL
(e) Excess amount for set off, if any: ₹ 4.03 Million

8. (a) CSR amount spent or unspent for the financial year:

Amount Unspent (in ₹)

Total Amount Spent for the Financial Year. (in ₹)	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount	Date of transfer.
₹ 1,02,50,854	NA	NA	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the Project.		Project duration	Amount allocated for the project. (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation -Direct (Yes/No)	Name	Mode of Implementing Agency CSR Registration number
NA												
Total												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5	6	7	8	9	10	11		
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the Project.		Project duration	Amount allocated for the project. (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation -Direct (Yes/No)	Mode of Implementing Agency	
				State	District						Name	CSR Registration number

NA

Total
(d) Amount spent in Administrative Overheads: NIL
(e) Amount spent on Impact Assessment, if applicable: NIL
(f) Total amount spent for the Financial Year (8b+8c+8d+8e): NIL
(g) Excess amount for set off, if any:

Sr. No.	Particulars	Amount (in ₹)
1	Two percent of average net profit of the company as per section 135(5)	₹ 1,02,50,854
2	Total amount spent for the Financial Year	₹ 0
3	Excess amount spent for the financial year [(ii)-(i)]	₹ 0
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	₹ 1,42,80,286
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 40,29,432

9. (a) Details of Unspent CSR amount for the preceding three financial years

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	2019-20	-	-				
2	2020-21	-	-				
3	2021-22	-	-				

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the Project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the Project - Completed/ Ongoing
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NA

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

- (a) **Date of creation or acquisition of the capital asset(s).** Not Applicable
- (b) **Amount of CSR spent for creation or acquisition of capital asset.** Not Applicable
- (c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.** Not Applicable

- (d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):** Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

Pallavi Bhatevara
Managing Director

Rajendra Mutha
Chairperson of CSR Committee

Place: Pune
Date: August 12, 2023

Annexure - 5

Form No. MR 3

Secretarial Audit Report

(For the year ended March 31, 2023)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Krsnaa Diagnostics Limited
S.No. 243/A, Hissa No. 6,
CTS No. 4519, 4519/1,
Near Chinchwad Station,
Chinchwad, Pune 411019.

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 us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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 ended on March 31, 2023 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 Krsnaa Diagnostics Limited ("The Company") for the financial year ended on March 31, 2023 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 as amended by Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- 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 following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
(Not applicable to the Company during the Audit Period)
 - e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
 - f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.
(Not applicable to the Company during the Audit Period)
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
(Not applicable to the Company during the Audit Period)

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(Not applicable to the Company during the Audit Period)

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

- (a) The Bio-medical Wastes (Management and Handling) Rules 1998;
- (b) The Clinical Establishments (Registration and Regulation) Act, 2010 and rules made thereunder;
- (c) Preconception and The Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 1994 and rules made thereunder;
- (d) The Atomic Energy Act 1962 and rules made there under; and
- (e) Bio Medical Waste Management and Handling) Rules, 1988 framed under Environment (Protection) Act, 1986 being laws that are specifically applicable to the Company based on their sector/industry

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that:

As on March 31, 2023 the Board of Directors of the Company is duly constituted with proper balance

of Executive Directors, Non-Executive Directors and Independent Directors and woman Director. 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 Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period under review, resolutions were carried out through majority decisions. As confirmed by the Management, there were no dissenting views expressed by any of the members on any business transacted at the Meetings held during the period under review.

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, there was no other event/action having major bearing on affairs of the Company.

For Dinesh Birla & Associates

Company Secretaries

Dinesh Birla

Proprietor
FCS: 7658, CP No. : 13029
PRC No. : 1668/2022
UDIN: F007658E000777121

Place: Pune
Date: August 12, 2023

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

Annexure - A

To,
The Members,
Krsnaa Diagnostics Limited
S.No. 243/A, Hissa No. 6,
CTS No. 4519, 4519/1,
Near Chinchwad Station,
Chinchwad, Pune 411019.

Our Secretarial Audit report of even date is to be read together with this letter:

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. Wherever required, I have obtained Management representation(s) about the compliance of Laws, Rules, regulations and happening of events etc.

4. 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.
5. I have not verified the correctness and appropriateness of financial records, Accounting Standards and Books of Accounts of the Company.
6. The Secretarial Audit 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 Birla

Proprietor

FCS: 7658, CP No. : 13029

PRC No. : 1668/2022

UDIN: F007658E000777121

Place: Pune

Date: August 12, 2023

Report on Corporate Governance

1. Corporate Governance Philosophy:

Your Company is committed to uphold best business practices along with the highest standards of corporate governance. The principles of transparency, accountability, integrity and innovation constitute the foundation on which the edifice of the organization is built.

Your Company takes utmost care to safeguard the interests of all its stakeholders. Your Company's governance structure comprises of the Board of Directors and the Committees of the Board at the apex level and the management structure at the operational level.

Your Company's philosophy aims at maximizing shareholders' interest. The Board of Directors periodically reviews our corporate strategies, annual budgets and sets, implements and monitors corporate objectives. It effectively monitors the Company's governance practices and ensures transparent Board processes. Further, it appoints and compensates the key executives and also monitors their performance.

It strives to maintain overall integrity of the accounting and financial reporting systems.

2. Board of Directors

Your Company is a professionally managed company functioning under the overall supervision of the Board. The Board has ultimate responsibility for the development of strategy, management, general affairs, direction, performance and long-term success of business as a whole. The Chairperson leads the Board and is responsible for its overall effectiveness. The Chairperson sets the Board Agenda, ensures the Directors receive accurate, timely and clear information, promotes and facilitates constructive relationships and effective contribution of all Executive and Non-Executive Directors and promotes a culture of openness and debate. The Independent Directors provide constructive and strategic guidance in order to enhance the stakeholders value.

In order to maintain independence of the Board, we have a judicious mix of Executive, Non-Executive and Independent Directors on the Board which is essential to separate the two main Board functions viz. governance and management.

As on March 31, 2023, the Board of Directors comprises of 8 Directors having healthy mix as below:



The Board of your Company comprises of highly experienced persons of repute, eminence and have diverse background and possess rich experience and expertise in various industries such as Healthcare, Pharmacy, Mechanical Engineering, Finance, Civil Services and Industry Stalwarts. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board as part of its succession planning exercise, periodically reviews its composition to ensure that the same is closely aligned with the strategy and long- term needs of the Company.

The Composition of the Board and the number of directorships held by them as on March 31, 2023 is detailed as follows:

Sr. No.	Name of Director	Category of Directorship	Relationship with the Directors	No of Directorship in listed entities including this listed entity	No of Independent Directorship in listed entities including this listed entity	Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity	No of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity (Refer Regulation 26(1) of Listing Regulations) entity
1	Mr. Rajendra Mutha	Chairperson and Executive Director	None	1	-	-	-
2	Ms. Pallavi Bhatevara	Managing Director	None	1	-	-	-
3	Mr. Yash Mutha	Executive Director	None	1	-	2	-
4	Mr. Prem Pradeep	Nominee Director	None	1	-	1	-
5	Mr. Chetan Desai	Non-executive -Independent Director	None	5	5	8	5
6	Ms. Chhaya Palrecha	Non-executive -Independent Director	None	1	1	3	1
7	Mr. Rajiva Ranjan Verma	Non-executive -Independent Director	None	1	1	1	-
8	Mr. Adesh Kumar Gupta*	Non-executive -Independent Director	None	6	5	9	3

* Regularized as Non-Executive Independent Director from August 26, 2022.

The number of directorships, chairpersonships and committee memberships of each director are in compliance with the relevant provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Board Meetings

The Board meets at regular intervals to discuss and decide on the Business policy and strategy apart from other Board businesses. The Notice of Board or Committee Meetings are given well in advance to all the Directors.

During the Financial Year 2022-23, Five (5) meetings of the Board of Directors were held and the maximum time gap between two consecutive meetings did not exceed one hundred and twenty (120) days.

Date(s) on which meeting(s) were held and attendance of each director at the meeting of the board of directors and the last AGM

Name of Director	Last AGM September 27, 2022	No. of Board Meetings					Held During Tenure	Total Attended	% of attendance
		1	2	3	4	5			
		May 28, 2022	August 04, 2022	November 09, 2022	February 13, 2023	March 25, 2023			
Mr. Rajendra Mutha	✓	✓	✓	✓	✓	✓	5	5	100
Mr. Yash Mutha	✓	✓	✓	✓	✓	✓	5	5	100
Ms. Pallavi Bhatevara	✓	✓	✓	-	✓	✓	5	4	80
Mr. Chetan R Desai	✓	✓	✓	✓	✓	✓	5	5	100
Ms. Chhaya Palrecha	✓	✓	✓	✓	✓	✓	5	5	100
Mr. Prem Pradeep	✓	✓	✓	✓	✓	✓	5	5	100
Mr. Rajiva Ranjan Verma	✓	✓	✓	✓	✓	✓	5	5	100
Mr. Adesh Gupta*	✓	NA	✓	✓	-	✓	4	3	75
Mr. Prakash Iyer**	NA	✓	NA	NA	NA	NA	1	1	100

*appointed w.e.f May 28, 2022

**resigned w.e.f May 28, 2022

The shareholding of Directors of the Company as on March 31, 2023 is as follows:

Sr. No.	Name of Director	Nature of Directorship	No. of Equity Shares held
1	Mr. Rajendra Mutha	Chairperson and Whole-time Director	80,29,920
2	Ms. Pallavi Bhatevara	Managing Director	3,00,806
3	Mr. Yash Mutha	Whole-time Director	570
4	Mr. Chetan Desai	Independent Director	
5	Ms. Chhaya Palrecha	Independent Director	
6	Mr. Rajiva Ranjan Verma	Independent Director	NIL
7	Mr. Adesh Kumar Gupta*	Independent Director	
8	Mr. Prem Pradeep**	Nominee Director	

* Regularized as Non-Executive Independent Director from August 26, 2022.

**Mr. Prem Pradeep is a Nominee Director appointed on the Board of Directors of the Company to represent PHI Capital Trust - PHI Capital Growth Fund - I holding 49,84,967 (15.88%) shares in the Company.

List of Directorship Held in Other Listed Companies

Sr. No.	Name of Director	Directorships in other Listed Company
1.	Mr. Rajendra Mutha	NIL
2.	Ms. Pallavi Bhatevara	NIL
3.	Mr. Yash Mutha	NIL
4.	Mr. Prem Pradeep	NIL
5.	Mr. Rajiva Ranjan Verma	NIL

Sr. No.	Name of Director	Directorships in other Listed Company
6.	Mr. Chetan Desai	Delta Corp Limited Sula Vineyards Limited Reliance Securities Limited Reliance Financial Limited
7.	Ms. Chhaya Palrecha	NIL
8.	Mr. Adesh Kumar Gupta	Grasim Industries Ltd India Pesticides Limited Vinati Organics Limited Care Ratings Limited Zee Entertainment Enterprises Limited

Familiarization Programme for the Independent Directors

The Familiarization Policy of the Independent Director provides insights into the Company to enable the Independent Directors to understand:

- the Company's business so as to facilitate their active participation in the meeting of the Board and its Committees;
- their roles, duties and functions

The induction programme is an exhaustive one that covers the history, culture and background of the Company and its growth over the last several years, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions.

The Independent Directors are made aware of their roles and responsibilities at the time of their appointment and a detailed Letter of Appointment is issued to them. The Directors are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Further, periodic

presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Quarterly updates on relevant statutory changes are also provided to the Directors in the Board Meetings.

The Familiarization programmes for Independent Directors is uploaded on the website of the Company and is available at <https://krsnaadiagnostics.com/investors/>

Core competencies of the Board of Directors

The Board of Directors has identified skills/competencies/expertise such as Business Operations & Management, Technical expertise, Business operations at Global Level including Industry knowledge, Strategy and planning, Financial, Treasury Management and Taxation, Governance, Compliance and Risk Management in order to assist the management and provide them advice in the business operations, which are available with the current Board of Directors of the Company. The list of expertise/core skills/competencies identified by the Board of Directors is detailed in below table.

Sr. No.	Name of Director	Business Operations & Management	Technical expertise	Business operations at M Level including industry knowledge	Strategy and planning	Financial, treasury management and taxation expertise	Governance, Compliance and Risk Management
1	Mr. Rajendra Mutha	✓	✓	✓	✓	-	-
2.	Ms. Pallavi Bhatevara	✓	✓	✓	✓	-	-
3	Mr. Yash Mutha	✓	✓	✓	✓	✓	✓
4	Mr. Prem Pradeep	-	-	✓	✓	✓	✓
5	Mr. Chetan Desai	-	-	✓	✓	✓	✓

Sr. No.	Name of Director	Business Operations & Management	Technical expertise	Business operations at M Level including industry knowledge	Strategy and planning	Financial, treasury management and taxation expertise	Governance, Compliance and Risk Management
6	Ms. Chhaya Palrecha	-	-	✓	✓	✓	✓
7	Mr. Rajiva Ranjan Verma	-	-	✓	✓	✓	✓
8	Mr. Adesh Kumar Gupta	-	-	✓	✓	✓	✓

* Regularized as Non-Executive Independent Director from August 26, 2022.

Confirmation of Independence

The Independent Directors has provided an annual confirmation that they meet the criteria of independence. Based on the confirmations/disclosures received from the Directors and on evaluation of the relationships disclosed, the Board confirms that the Independent Directors fulfill the conditions as specified under Schedule V of the Listing Regulations and are independent of the Management.

Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014

Resignation by Independent Director

Mr. Prakash Iyer, who was appointed as an Independent Director for a term of 5 years w.e.f. April 25, 2021, decided to reduce his professional commitments due to personal reasons and accordingly tendered his resignation as an Independent Director of the Company effective from close of business hours on May 28, 2022. He confirmed that there were no other material reasons for his resignation from the Board other than those stated above.

Independent directors' meeting

During the year under review, a separate meeting of the Independent Directors was held on March 25, 2023, with no participation of Non-Independent Directors or the Management of the Company. The Independent Directors had discussed and reviewed the performance of the Non-Independent Directors and the Board as a whole and also assessed the quality, quantity and timeliness of the flow of information between the Management and the Board, which is necessary for the Board to effectively and reasonably perform its duties.

3. Audit Committee

The Company has a duly constituted Audit Committee and its composition meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All members of the Committee are financially literate and have accounting or related financial management expertise. During FY 2022-23, the Audit Committee met four times i.e. on May 28, 2022, August 04, 2022, November 09, 2022, February 13, 2023. The details of meetings and attendance are given in below table:

Sr. No.	Name of the Committee Member	Category	No. of meetings held during the tenure	No. of meetings attended
1	Mr. Chetan Desai	Chairperson	4	4
2	Ms. Chhaya Palrecha	Member	4	4
3	Mr. Rajiva Ranjan Verma	Member	4	4
4	Mr. Yash Mutha	Member	4	4
5	Mr. Prem Pradeep	Member	4	4
6	Mr. Adesh Kumar Gupta*	Member	3	2
7	Mr. Prakash Iyer**	Member	1	1

The Company Secretary acts as the Secretary to the Audit Committee.

*Appointed as a Member effective from July 21, 2022.

**Ceased to be a Member of the Committee from May 28, 2022.

Terms of Reference of Audit Committee:

- a. Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b. Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;
- c. Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;
- d. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - I. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act;
 - II. Changes, if any, in accounting policies and practices and reasons for the same;
 - III. Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
 - IV. Significant adjustments made in the financial statements arising out of audit findings;
 - V. Compliance with listing and other legal requirements relating to financial statements;
 - VI. Disclosure of any related party transactions; and Qualifications / modified opinion(s) in the draft audit report.
- e. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- f. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- g. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- h. Formulating a policy on related party transactions, which shall include materiality of related party transactions;
- i. Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- j. Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- k. Scrutiny of inter-corporate loans and investments;
- l. Valuation of undertakings or assets of the Company, wherever it is necessary;
- m. Evaluation of internal financial controls and risk management systems;
- n. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- o. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- p. Discussion with internal auditors of any significant findings and follow up there on;
- q. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

- r. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- s. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- t. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- u. Monitoring the end use of funds raised through public offers and related matters;
- v. Reviewing the functioning of the whistle blower mechanism;
- w. Approval of the appointment of the chief financial officer of the Company (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
- x. Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws;
- y. To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time;
- z. Overseeing a vigil mechanism established by the Company, providing for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee for directors and employees to report their genuine concerns or grievances; and
 - aa. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision; and
- ab. Such roles as may be prescribed under the Companies Act and SEBI Listing Regulations.
- ac. The Audit Committee shall mandatorily review the following information:
 - I. Management discussion and analysis of financial condition and results of operations;
 - II. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of the Company;
 - III. Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;
 - IV. Internal audit reports relating to internal control weaknesses;
 - V. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;
 - VI. Statement of deviations:
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
 - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations; and
 - review the financial statements, in particular, the investments made by any unlisted subsidiary.
- ad. To carry out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company.

4. Nomination and Remuneration Committee:

Company has a duly constituted Nomination and Remuneration Committee and its composition meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During FY 2022-23, the Nomination and Remuneration Committee met three times i.e. on May 28, 2022, February 02, 2023 and March 25, 2023. The details of meetings and attendance are given in below table:

Sr. No.	Name of the Committee Member	Category	No. of meetings held during the tenure	No. of meetings attended
1	Mr. Adesh Kumar Gupta**	Chairperson	2	2
2	Ms. Chhaya Palrecha	Member	3	3
3	Mr. Chetan Desai	Member	3	3
4	Mr. Prem Pradeep	Member	3	3
5	Mr. Prakash Iyer*	Chairperson	1	1

*Ceased to be a Member from May 28, 2022.

**Appointed as a Member and Chairperson effective from July 21, 2022.

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee

Terms of Reference of Nomination and Remuneration Committee:

- To be responsible for identifying and nominating, for the approval of the Board and ultimately the shareholders, candidates to fill Board vacancies as and when they arise as well as putting in place plans for succession, in particular with respect to the Chairman of the Board and the Chief Executive Officer;
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves

a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- To devise a policy on diversity of board of directors;
- To regularly review the Board structure, size, composition and make recommendations to the Board of adjustments that are deemed necessary, in order to ensure an adequate size and a well-balanced composition of the Board and further to make determinations regarding independence of members of the Board;
- To consider succession and emergency planning, taking into account the challenges and opportunities facing the Company and the skills and expertise therefore needed on the Board, reporting to the Board regularly;
- To keep under review the leadership needs of the organization, both executive and non-executive, with a view to ensuring the continued ability

- of the Company to compete effectively in the market place;
- h. To formulate criteria for evaluation of performance of independent directors and the board of directors;
 - i. To decide on whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
 - j. To analyze, monitor and review various human resource and compensation matters;
 - k. Annual performance evaluation of the Chairman of the Company and all Directors including Managing and other Executive Director with respect to their roles as Directors;
 - l. To ensure that on appointment to the Board, Non-executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings;
 - m. To recommend to the Board whether to reappoint a Director/Independent Director at the end of their term of office;
 - n. To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an executive Director as an employee of the Company subject to the provision of the law and their service contract;
 - o. To identify and recommend Directors who are to be put forward for retirement by rotation;
 - p. Before appointment is made by the Board, to evaluate the balance of skills, knowledge and experience on the Board, and in the light of this evaluation prepare a description of the role and capabilities required for a particular appointment;
 - q. To ensure the development of guidelines for selecting candidates for election or re-election to the Board, or to fill vacancies on the Board;
 - r. To consider any other matters as may be requested by the Board;
 - s. To frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, by the Company and its employees, as applicable including:
 - the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
 - the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended; and
 - To make available its terms of reference and review periodically those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

The duties of the Committee in relation to its remuneration function shall be:
 - t. To consider and determine, based on their performance and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board and the Key Managerial Personnel, namely,
 - i. base salary (the Committee shall also consider the pension consequences of basic salary increases);
 - ii. bonuses and performance-related payments (including profit-sharing schemes);
 - iii. discretionary payments;
 - iv. pension contributions;
 - v. benefits in kind; and
 - vi. share options and their equivalents
 - u. To approve the remuneration of other members of the senior management of the Company;
 - v. To review and approve compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
 - w. In relation to the above, the Committee shall at all times give due regard to published or other available information relating to pay, bonuses and other benefits of executives in companies which are comparable to the Company;

- x. To perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- y. To administer the employee stock option scheme/ plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan (“ESOP Scheme”) including the following:
- Determining the eligibility of employees to participate under the ESOP Scheme;
 - Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;
 - Date of grant;
 - Determining the exercise price of the option under the ESOP Scheme;
 - The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
 - The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
 - The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
 - The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
 - Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
 - The grant, vest and exercise of option in case of employees who are on long leave;
 - Allow exercise of unvested options on such terms and conditions as it may deem fit;
 - The procedure for cashless exercise of options;
 - Forfeiture/ cancellation of options granted;
- Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:
 - The number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
 - For this purpose, follow global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and
 - The vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.
- z. To construe and interpret the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;]
- aa. To consider any other matters as may be requested by the Board; and
- ab. To make available its terms of reference and review annually those terms of reference and its own effectiveness and recommend any necessary changes to the Board.
- The committee is authorised by the Board to:
- investigate any activity within its terms of reference;
 - seek any information from any employee of the Company or any associate or subsidiary, joint venture Company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee; and
 - call any director or other employee to be present at a meeting of the Committee as and when required.

5. Stakeholders Relationship Committee

Company has a duly constituted Stakeholders Relationship Committee and its composition meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During FY 2022-23, the Stakeholders Relationship Committee met one time i.e. on February 02, 2023.

The details of meetings and attendance are given in below table:

Sr. No.	Name of the Committee Member	Category	No. of meetings held during the tenure	No. of meetings attended
1	Mr. Adesh Kumar Gupta#	Chairperson	1	1
2	Ms. Chhaya Palrecha	Member	1	1
3	Mr. Yash Mutha	Member	1	1

#Mr. Adesh Gupta appointed as member and Chairperson w.e.f. July 21, 2022.

The Company Secretary acts as the Secretary to the Stakeholders Relationship Committee

Terms of Reference of the Stakeholders Relationship Committee:

- a. To redress and resolve the grievances of the security holders of the Company including complaints related to transfer / transmission of shares and debentures, non-receipt of annual report, share certificates, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
- b. To consider and look into various aspects of interest of shareholders, debenture holders and other security holders;
- c. To review of measures taken for effective exercise of voting rights by shareholders;
- d. To investigate complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- e. To give effect to all transfer/transmission of shares and debentures, dematerialization of shares and re-materialization of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- f. To review of adherence to the service standards adopted by the Company in respect of various

services being rendered by the Registrar & Share Transfer Agent;

- g. To review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- h. To carry out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority; and
- i. To make available its terms of reference and review periodically those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

The committee is authorised by the Board to:

- investigate any activity within its terms of reference;
- seek any information from any employee of the Company or any associate or subsidiary, joint venture Company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee; and
- call any director or other employee to be present at a meeting of the committee as and when required.

- j. If the committee considers it necessary so to do it is authorised to obtain appropriate external advice including but not limited to legal and professional advice to assist it in the performance of its duties and to secure the services of outsiders with relevant experience and expertise and to invite those persons to attend at meetings of the committee. The cost of obtaining any advice or services shall be paid

by the Company within the limits as authorised by the Board.

6. Corporate Social Responsibility Committee

Company has a duly constituted Corporate Social Responsibility Committee and its composition meets the requirements of Section 135 of the Companies Act, 2013.

During FY 2022-23, the Corporate Social Responsibility (CSR) Committee met one time i.e. on August 04, 2022. The details of meetings and attendance are given in below table.

Sr. No.	Name of the Committee Member	Category	No. of meetings held during the tenure	No. of meetings attended
1	Mr. Rajendra Mutha	Chairperson	1	1
2	Ms. Pallavi Bhatevara	Member	1	1
3	Mr. Rajiva Ranjan Verma	Member	1	1
4	Mr. Prem Pradeep	Member	1	1

The Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee

Terms of Reference for the Corporate Social Responsibility Committee:

- To formulate and recommend to the board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;
 - To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
 - To recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
 - To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and
 - To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act

7. Risk Management Committee

Your Company has duly constituted a Risk Management Committee in compliance of Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During FY 2022-23, the Risk Management Committee met two times i.e. on August 04, 2022 and January 30, 2023. The details of meetings and attendance are given in below table:

Sr. No.	Name of the Committee Member	Category	No. of meetings held during the tenure	No. of meetings attended
1	Mr. Rajiva Ranjan Verma	Chairperson	2	2
2	Mr. Yash Mutha	Member	2	2
3	Mr. Adesh Kumar Gupta#	Member	2	2

#Appointed as a Member and Chairperson effective from July 21, 2022.

The Company Secretary acts as the Secretary to the Risk Management Committee.

Terms of Reference for the Risk Management Committee:

1. Overseeing risk appetite and risk tolerance appropriate to each business area;
2. Considering the risk policy and strategy;
3. Ensuring that there are adequate enterprise wide processes and systems for identifying and reporting risks and deficiencies, including emerging risks;
4. Overseeing compliance with the stated risk appetite and policies and procedures related to risk management governance and the risk controls framework;
5. Monitoring the alignment of the risk framework to the company's growth strategy, supporting a culture of risk taking within sound risk governance;
6. Having an overview of the key risk issues identified across the organisation and the wider network.

8. Operation Committee

The Board has constituted an Operations Committee in their meeting held on March 25, 2023 comprises of three executive directors as under:

Sr. No.	Name of the Committee Member	Category
1	Mr. Rajendra Mutha	Chairperson
2	Ms. Pallavi Bhatevara	Member
3	Mr. Yash Mutha	Member

The Company Secretary acts as the Secretary to the Operation Committee

No meeting of the Operations Committee was held during the financial year 2022-23.

Terms of Reference for the Operation Committee:

A. FINANCE AND TREASURY RELATED

- Authorizing opening / closure of all types of Bank accounts in PAN India / Overseas, if required.
- To open, operate, close, change in authorization / signatory for any current / deposit / safe deposit vault(s), electronic bank account(s), internet bank account(s) / facility, subsidiary general ledger account(s) or any other account with any bank within/ outside India.

To approve cash management and related commercial arrangements with the banks.

To determine authorized signatories for the accounts / facilities.

(Note: All the investments of the funds will be done as per the Investment Policy which has been approved by the Board of Directors at its meeting held on October 11, 2021 and updated time to time).

B. PROPERTY RELATED AUTHORIZATIONS

- To take/ give on lease / license any immovable property or interest therein, for residence / offices/ diagnostics centers for short / long term and registration of such agreements with the Registrar of Land / Property Records upto a value of ₹ 5.00 Crores for any individual transaction.

- Authorizing individuals, employees, business coordinators and consultants to complete the formalities in this behalf.

C. OTHER MATTERS

- To authorize affixing the Common Seal of the Company and re-locate / move the common seal to any place other than the registered office of the Company for documents execution.
- To grant / revoke specific power of attorney / letter of authorization in favour of employees / consultants / attorneys of the Company as and when required for business purposes.
- To apply for registration / assignment of for trademark / copyright and all related matters whether in India or in other country. Represent in case of opposition / objection. Appoint advisor / legal representative for this purpose.
- To set up / take membership of associations of industries and appoint Company's representatives to represent in such associations.

D. STATUTORY AND LEGAL MATTERS

- Obtain / renew / surrender license / Letter of Permission or such other registration of the Company with any regulatory / statutory authorities and execute legal undertaking / legal agreement or any document required for this purpose whether in India or other country.
- Participation in any Tender, bid, auction for the purpose of business or property transaction including power to authorize individuals / employees of the Company to represent the Company before various

authorities, signing of relevant documents, papers, Agreements, Contracts etc.

- Register / de-register the Company with any Central / State Government authorities, Semi Government authorities, regulatory authorities, statutory authorities, quasi-judicial authorities, local authorities, tax authorities including GST, sales tax, service tax, VAT, DGFT, customs authorities or any other tax / regulatory authority.
- Apply for / surrender / transfer / renew all kinds of utility connections (electricity / landline / water / gas / mobile / internet) at all offices, diagnostics centers locations and for employees and / or installation of radiology / pathology equipments by taking necessary licenses / certificates for starting operations.
- To authorize a person to represent and appoint a lawyer in all kinds of legal matters, investigations by any statutory regulator, in tribunals/ civil courts / magistrate courts / Enforcement Directorate, High Courts, Supreme Court, including filing / withdrawal / settlement of legal cases, writs, of all nature. File cases against third parties under section 138 of the Negotiable Instrument Act and settlement of these cases. Filing of FIR with police authorities in various states and Union Territories.
- To discharge such other functions as may be specifically delegated to the Committee by the Board / shareholders from time to time.
- To do all such acts, deeds and things as may be required for the smooth conduct of the operations of the Company and which does not require specific approval of the Board of Directors of the Company or which has not been delegated by the Board specifically to any other Committee of the Board.

9. PARTICULAR OF SENIOR MANAGEMENT

Particulars of senior management including the changes therein since the close of the previous financial year are as under:

Sr. No.	Name of the Senior Management persons	Designation	Date of changes in Senior Management	Type of Changes in Senior Management
1	Mr. Prashant Deshmukh	President-Operations and Strategy	July 03, 2023	Appointment
2	Mr. Sujoy Bose	Head- Company Secretary, Compliance Officer and Legal	August 12, 2023	Appointment
3	Mr. Vivek Jain	Head-Investors	June 12, 2023	Appointment
4	Mr. Kunal Kamble	General Manager- Human Resources	July 18, 2023	Appointment
5	Mr. Nikhil Deshpande	Company Secretary and Compliance Officer	April 24, 2023	Cessation

10. Remuneration Policy:

- i. The Remuneration Policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavors to attract, retain, develop and motivate the high-caliber executives and to incentivize them to develop and implement the Group's strategy, thereby enhancing the business value and maintain a high performance workforce. The said Policy ensures that the level and composition of remuneration of the Directors is optimum.

Non-executive Independent Directors ("NEDs") are paid remuneration by way of sitting fees and commission. The remuneration/ commission/ compensation to the NEDs is determined by the NRC and recommended to the Board for its approval.

Your Independent Directors have received sitting fees of ₹ 50,000/- for every Board Meeting and Committee Meetings that they have attended for the Financial Year 2022-23. No commissions were paid to the NEDs during the Financial year 2022-23.

NEDs are not eligible to receive stock options under the existing employee stock option scheme(s) ("ESOP") of the Company.

NEDs are entitled to be paid all travelling and other expenses they incur for attending to the Company's affairs, including attending meetings of the Company.

Other than sitting fees paid to Non-Executive Directors, there were no pecuniary relationships or transactions by the Company with any of

the Non-Executive Independent Directors of the Company.

The remuneration payable, by the Company to NEDs are subject to the conditions specified in the Act and the Listing Regulations including in terms of monetary limits, approval requirements and disclosure requirements.

There is no remuneration or sitting fees paid to our Non-Executive Nominee Director.

The compensation to Non-Executive Independent Directors was paid during the Financial year 2022-23 are as under:

₹ in Million		
Sr. No.	Name of Non-executive Independent Director	Total Sitting fee paid
1	Mr. Chetan Desai	0.65
2	Ms. Chhaya Palrecha	0.70
3	Mr. Rajiva Ranjan Verma	0.65
4	Mr. Adesh Kumar Gupta	0.55
5	Mr. Prakash Iyer*	0.15

* Resigned from May 28, 2022

ii. Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

iii. Remuneration to Executive Directors:

The compensation paid to the Executive Directors (including Chairman and Managing Director) is within the scale approved by the shareholders. The elements of the total compensation, approved by the NRC are also within the overall limits specified under the Act.

The details of remuneration paid to Executive Director in FY 2022-23 were as follows:

₹ in Millions

Name of Director	Salary Benefits, Perquisites and Allowances	Commission	*ESOP
Mr. Rajendra Mutha - Chairman - Whole-time Director	26.40	Nil	Nil
Ms. Pallavi Bhatevara - Managing Director	4.08	Nil	Nil
Mr. Yash Mutha - Whole-time Director	4.80	Nil	Nil

*Employee Stock Option Scheme

The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as actuarial valuation and premium payments are done at the Company level.

A service agreement exists with all the above 3 (three) Directors which contains the terms and conditions of service, including remuneration, notice period, severance compensation, etc., as approved by the NRC and the Board, from time to time.

11. General Body Meetings

(i) Details of Annual General Meetings held during the last three years are as under:

Financial Year	Date and Time	Venue	Special Resolution set out at the Meeting
2022-23	September 27, 2022 at 11:00 Hrs. (IST)		1. Ratification of remuneration payable to Cost Auditor for the FY 2022-23; 2. Reclassification of Authorized Share Capital and Consequent alteration of Memorandum of Association;
2021-22	July 13, 2021 at 17:30 Hrs. (IST)	Meeting Convened through Video Conferencing / Other Audio Visual Means (OAVM)	1. Regularization of Mr. Prem Pradeep as a Non-executive Nominee Director, not retire by rotation
2020-21	July 1, 2020 at 15:00 Hrs. (IST)		1. Alteration in Articles of Association; 2. Approval for Employee Stock Options Scheme; 3. Grant of ESOP Options 1% or more of the Issued Share Capital of the Company.

(ii) No extraordinary general meeting of the members was held during FY 2022-23.

(iii) Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:

The Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated July 21, 2022 for appointment of Mr. Adesh Kumar Gupta (DIN: 00020403) as an Independent Director of the company to hold office for the first term of 5 (Five) consecutive years i.e. from May 28, 2022 to May 27, 2027; which was duly passed and the results of which were announced on August 27, 2022. Mr. Dinesh Shivnarayan Birla (Membership No. FCS 7658), Practicing Company Secretary was appointed as Scrutinizer to

scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner. Details of the voting pattern are provided below:

Votes in favour of the resolution			Votes against the resolution			Invalid votes	
Number of members voted	Number of valid Votes cast (Shares)	Percentage of total number of valid votes cast	Number of members voted	Number of valid Votes cast (Shares)	Percentage of total number of valid votes cast	Total number of members whose votes were declared invalid	Total number of invalid votes cast (Shares)
471	2,17,35,682	92.629	71	17,29,547	7.371	0	0

Procedure for postal ballot: The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020, 17/2020, 22/2020, 33/2020, 39/2020, 10/2021, 20/2021, 3/2022, 11/2022 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020, June 23, 2021, December 8, 2021, May 5, 2022, December 28, 2022 respectively issued by the Ministry of Corporate Affairs.

12. Means of Communications

The quarterly/half-yearly/yearly results are intimated to the Stock Exchanges immediately after the Board Meeting at which they are approved. The results of the Company are also published in at least one national newspaper (usually Financial Express) and one regional newspaper (usually Loksatta) having wide circulation.

The results along with presentations made by the Company to Analysts/Investors are also posted on the website of the Company viz. www.krsnaadiagnostics.com/investors/

The Company organizes investor conference calls to discuss its financial results every quarter, where investor queries are answered by the Executive Management of the Company. The transcripts of the conference calls are posted on our website and also sent to the Stock Exchanges.

All price sensitive information and matters that are material to shareholders are disclosed to the Stock Exchanges, where the securities of the Company are listed.

13. Additional Shareholders Information

Registered and Corporate Office	: S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1, Near Chinchwad Station, Chinchwad, Taluka - Haveli Pune MH 411019 IN. Tel No. +91 20-2740 2400 Website: www.krsnaadiagnostics.com
Date of Incorporation	: December 22, 2010
Registration No./CIN	: L74900PN2010PLC138068
Date, Time and Venue of 13th AGM	: September 25, 2023 at 11:00 Hrs. at S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1, Near Chinchwad Station, Chinchwad, Taluka - Haveli Pune MH 411019 IN.
Record Date	: September 15, 2023
Dividend Payment Date	: The final dividend, if approved, shall be paid/credited on or before October 23, 2023

Financial Year	: April 01, 2022 - March 31, 2023.
Company's Address for Correspondence	Mr. Sujoy Sudipta Bose Company Secretary & Compliance Officer S.No.243,A-Hissa No.6/6 CTS No.4519, Near Mayur Trade Center, Chinchwad, Pune- 411 019 , India Email: Investors@krsnaa.in T.: 020 2740 2400 Website: https://krsnaadiagnostics.com/
Financial Calendar for 2023-24	April 01, 2023 to March 31, 2024
Financial reporting for the first quarter ending June 30, 2023	: On or before August 14, 2023
Financial reporting for the second quarter ending September 30, 2023	: On or before November 14, 2023
Financial reporting for the third quarter ending December 31, 2023	: On or before February 14, 2024
Financial reporting for the last quarter and year ending March 31, 2024	: On or before May 30, 2024
Annual General Meeting for the year ending March 31, 2024	: On or before September 30, 2024
The shares of the Company are listed on the following Stock Exchanges	
National Stock Exchange of India Limited	: Exchange Plaza, Plot No. C/1, G Block, Bandra-KurlaComplex, Bandra (E), Mumbai – 400051. NSE Code : KRSNAA
BSE Limited	: Phirozejeejeebhoy Towers, Dalal Street, Mumbai – 400001. BSE Code: 543328
ISIN Number of the Company	: INE08LI01020

The Company has paid the Annual Listing Fee for the FY 2023-24 to both the Stock Exchanges on which the shares of the Company are listed.

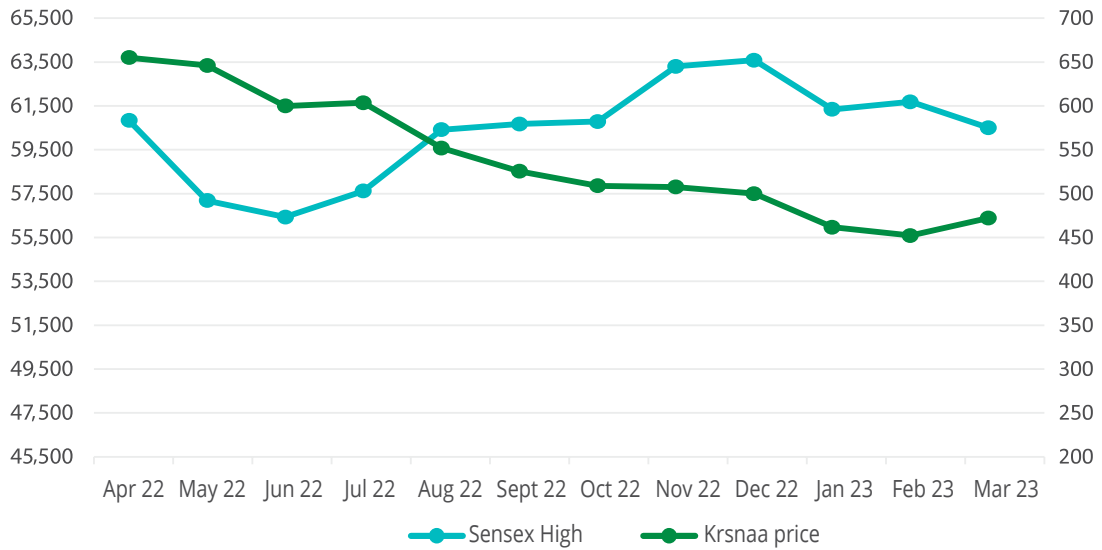
Market Price Data and Share Price performance:

The Monthly High and Low Share Price during each month of the Last Financial year are as below:

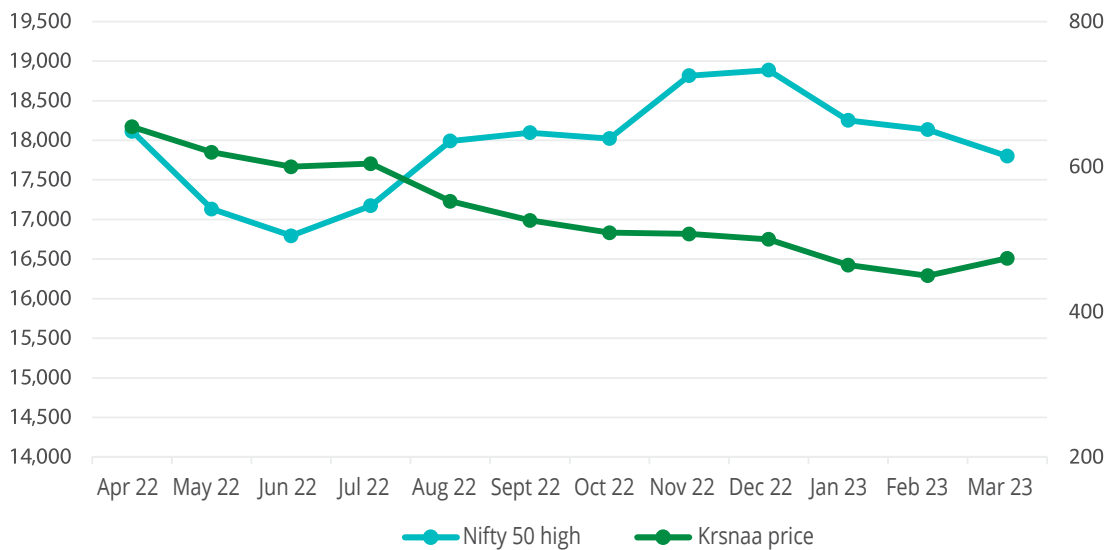
Month	BSE Limited		National Stock Exchange (NSE)	
	High	Low	High	Low
April, 2022	655.00	494.30	655.00	490.00
May, 2022	646.00	500.45	619.90	500.20
June, 2022	599.80	500.00	600.05	500.00
July, 2022	603.55	524.50	604.10	525.00
August, 2022	551.90	455.00	552.35	456.90
September, 2022	525.50	467.60	526.00	445.50
October, 2022	508.90	470.00	508.95	469.75
November, 2022	507.55	456.00	507.30	460.15
December, 2022	500.00	450.00	500.00	449.50
January, 2023	461.70	411.00	464.40	407.10
February, 2023	452.25	354.00	449.90	353.10
March, 2023	472.25	356.90	473.90	357.20

Company's equity shares price comparison with BSE Sensex and NSE Nifty

Krsnaa Price at BSE V/s BSE Sensex



Krsnaa Price at NSE V/s Nifty 50



Registrar and Share Transfer Agent:

Kfin Technologies Limited
Selenium Tower-B", Plot No. 31 & 32,
Gachibowli, Financial District,
Nanakramguda, Serilingampally,
Hyderabad, Telangana-500032
Contact No.: 040 67162222
Email ID: einward.ris@kfintech.com

Shareholding Pattern / Distribution as on March 31,2023

a. Distribution of equity Shareholding as on March 31, 2023

S.N.	Range	No. of Shareholders	No. of Shares held	% of total No. of shares
1	Upto 500	65,724	97.93	22,66,819
2	501-1,000	761	1.13	5,53,636
3	1,001-2,000	283	0.42	4,09,919
4	2,001-3,000	112	0.17	2,78,510
5	3,001-4,000	48	0.07	1,68,298
6	4,001-5,000	39	0.06	1,81,688
7	5,001-10,000	66	0.10	4,74,762
8	Above 10,000	83	0.12	2,70,63,981
TOTAL		67,116	100.00	3,13,97,613

b. Categories of Equity Shareholding as on March 31, 2023

Category	No. of shares held	% of total share capital
Promoters & Promoters Group	87,27.676	27.80
Public	2,26,69,937	72.20
Mutual Funds	37,68,364	12.00
Alternate Investment Fund	2	0.00
Banks	2,004	0.01
Insurance Companies	20,35,541	6.48
Foreign Portfolio Investors Category I	8,74,439	2.79
Foreign Portfolio Investors Category II	1,84,589	0.59
Any Other(Institutions (Foreign))	2,100	0.01
Non-Resident Indians	2,03,164	0.65
Directors and their relatives (excluding independent directors and nominee directors)	3,01,376	0.96
Key Managerial Personnel	1,140	0.00
Bodies Corporate	62,74,251	19.98
Foreign Companies	20,04,428	6.38
Resident Individuals holding nominal share capital up to ₹ 2 lakhs	42,39,679	13.50
Resident Individuals holding nominal share capital in excess of ₹ 2 lakhs	26,04,505	8.30
Others	1,74,355	0.56
TOTAL	3,13,97,613	100.00

Share Transfer Systems:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form.

Pursuant to SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any

service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialization request within 120 days, then

the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorized by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

Dematerialization of shares and liquidity:

As on March 31, 2023, 100% of the total issued and paid-up share capital was held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Outstanding GDRs /ADRs/Warrants or Convertible Instruments:

No GDRs/ ADRs/Warrants or Convertible Instruments has been issued by the Company.

Commodity price risk or foreign risk and hedging activities:

Company does not have commodity price risk nor does the Company engage in hedging activities.

Credit Rating:

ICRA has assigned the [ICRA]A1 as short-term rating and [ICRA]A with the "Stable" outlook as the Long-term rating.

Loans and advances:

The Company has not given any loans and advances to firms/company in which directors are interested.

Non-Mandatory Requirements:

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

- **The Board:** The Executive Chairman was not reimbursed any expenses during the FY 2022-23 for maintenance of the Chairmans' office or permanence of his duties.
- **Shareholders' Right:** The quarterly, half-yearly and annual financial results of the

Company are published in newspapers and posted on Company's website www.krsnaadiagnostics.com. The same are also available on the websites of stock exchanges, where the shares of the Company are listed i.e. www.bseindia.com and www.nseindia.com.

- **Modified opinion(s) audit report:** None of the Financial Results/ Statements (Standalone and Consolidated) contain any Modified opinion for the Financial year 2022-23.
- **Reporting of Internal Auditor:** The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meeting to report their findings of the internal audit to the Audit Committee Members.

14. Disclosures

a. Disclosure on materially significant Related Party Transactions

Company has not entered into any materially significant transactions with the related parties that may have potential conflict with the interests of the Company at large. Transactions with related parties are being disclosed in Note No. 42 to the Standalone Financial Statements of the Company forming part of the Annual Report and are transacted after obtaining applicable approval(s), wherever required. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs which can be accessed at the web link <https://krsnaadiagnostics.com/investors/>.

b. Accounting Treatment:

In the preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards.

c. Details of compliances:

The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no strictures or penalties imposed on the Company either by the Stock Exchanges

or SEBI, or any other statutory authority for noncompliance of any matter related to capital markets during the last three years.

d. Whistle Blower Policy

Company is committed to conduct its business in accordance with applicable laws, rules and regulations. The Company promotes ethical behaviors in its operations and has a Whistle Blower Policy which is overseen by the Audit Committee. Under the Whistle Blower Policy, employees and stakeholders are free to report violations of applicable laws and regulations and the Code of Conduct. During the year under

review, no employee was denied access to the Audit Committee.

The policy on Whistle Blower Policy has been posted on the website of the Company.

- e. Details of Utilization of Funds Raised Through IPO: The Company has raised ₹ 12,133.35 millions in financial year 2021-22. Out of the IPO proceeds, the company has received ₹ 4,000 million for Capital expenses, repayment of debts and general corporate purposes. A detailed table showing the utilization of funds raised through IPO given as under:

₹ in Millions

Sr. No.	Objects of IPO	Amount proposed if offer document	Utilized upto March 31, 2023	Un-utilized as on March 31, 2023
1	Finance the cost of establishing diagnostics centres at Punjab, Karnataka, Himachal Pradesh and Maharashtra	1508.1	928.75	579.35
2	Repayment/pre-payment, in full or part, of borrowings from banks and other lenders availed by our Company	1,460.81	1,460.81	-
3	General Corporate Purposes	813.05	458.35	354.70
TOTAL		3,781.96	2,847.91	934.04

f. Subsidiaries Companies

As on March 31, 2023, the Company had subsidiary companies as detailed below.

Sr. No.	Name of Subsidiaries	Shareholding / Ownership
1	KDPL Diagnostics (Ludhiana) Private Limited	100% Wholly Owned Subsidiaries
2	KDPL Diagnostics (Amritsar) Private Limited	
3	KDPL Diagnostics (Bathinda) Private Limited	
4	KDPL Diagnostics (Jalandhar) Private Limited	
5	KDPL Diagnostics (Patiala) Private Limited	
6	KDPL Diagnostics (SAS Nagar) Private Limited	
7	Krsnaa Diagnostics (Mohali) Private Limited	

The Board of Directors of the Company have also formulated a policy for determining "Material" subsidiaries. The said policy can be accessed

at the web link: <https://krsnaadiagnostics.com/investors/>

The Company did not have any material subsidiary during the financial year ended March 31, 2023.

g. Reconciliation of Share Capital Audit Report

A practising Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

h. Disclosure of commodity price risks and commodity hedging activities:

Your Company does not have import or export in foreign currency, hence it is not applicable.

i. Practicing CS Certification

A certificate from a Company Secretary in Practice that as on March 31, 2023, none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority is annexed to this Report as Annexure to this report.

j. Statutory Auditor Fee

The total fee paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which Statutory Auditor is a part, for all the services during the Financial Year 2022-23 is ₹ 3.43 million.

K. As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, the Company has constituted Internal Complaints Committee(s) which are responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

I. During FY 2022-23, neither the Company nor any of its subsidiaries have provided 'Loans and Advances in the nature of loans' to firms / companies in which the Directors are interested.

15. Business Responsibility and Sustainability Report

Pursuant to the provisions of Regulation 34 of the SEBI (LODR) Regulations, 2015, the Company has prepared a Business Responsibility and Sustainability Report and the same forms a part of this Annual Report.

16. Code of Conduct

The Board of Directors has laid down a Code of Conduct, which is applicable to all Directors and Senior Management personnel of the Company. The Code has also been posted on the website of the Company. All Board Members and Senior Management Executives have affirmed compliance with the Code of Conduct for the Financial Year 2022-23.

An annual declaration signed by the Managing Director of the Company affirming compliance to the Code by the Board of Directors and the Senior Management is annexed to this Report. The Code of Conduct is available on website of the Company.

17. CEO/CFO Certification

In compliance with Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from Chief Executive Officer and Chief Financial Officer of the Company to the Board of Director as specified in Part B of Schedule II of the said regulations is annexed to this Report.

18. Compliance Certificate on Corporate Governance

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on Corporate Governance issued by Company Secretary in Practice is annexed to this Report.

CODE OF CONDUCT

The Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management of the Company in terms of the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015. The Code of Conduct is uploaded at Company's website.

I hereby confirm that the Company has obtained from all members of the Board and Senior Management Personnel, affirmation that they have complied with the Code of Conduct for the FY 2022-23.

Place: Pune
Date: May 27, 2023

Pallavi Bhatevara
Managing Director

CEO & CFO CERTIFICATION

We, Pallavi Bhatevara, Managing Director and Pawan Daga, Chief Financial Officer of Krsnaa Diagnostics Limited, in terms of Regulation 17(8) of Listing Regulations read with part B of schedule II, hereby certify to the Board that:

- a) We have reviewed Financial Statements and Cash flow statements for the Financial Year ended March 31, 2023 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in accordance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year under review which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - i. Significant changes in internal control over financial reporting during the year under review;
 - ii. Significant changes in accounting policies during the year under review and that the same have been disclosed the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware of and the involvement therein, if any, of the management or an employee having significant role in Company's internal control system over financial reporting.

Place: Pune
Date: May 27, 2023

Pallavi Bhatevara
Managing Director

Pawan Daga
Chief Financial Officer

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
Krsnaa Diagnostics Limited
S.No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1,
Near Chinchwad Station, Chinchwad, Pune 411019.

I have examined the compliance of conditions of corporate governance by Krsnaa Diagnostics Limited, for the year ended on March 31, 2023, under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-Regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to review of procedures and implementation thereof, as adopted by the Company for ensuring the compliance with conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to us and the representations made by the Directors and Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with stock exchanges.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

For **Dinesh Birla & Associates**
Company Secretaries

Sd/-
Dinesh Birla
Proprietor
FCS: 7658, CP No. : 13029
Peer Review Certificate No. : 1668/2022
UDIN: F007658E000777086

Place: Pune
Date: August 12, 2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI
 (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
 The Members,
Krsnaa Diagnostics Limited
 S. No. 243/A, Hissa No. 6,
 CTS No. 4519, 4519/1,
 Near Chinchwad Station,
 Chinchwad, Pune -411019

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Krsnaa Diagnostics Limited having CIN L74900PN2010PLC138068 and having registered office at S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1, Near Chinchwad Station, Chinchwad, Pune MH 411019 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of Appointment
1	Mr. Rajendra Khivraj Mutha	01066737	22 nd December, 2010
2	Ms. Pallavi Shantilal Bhatevara	03600332	29 th January, 2013
3	Mr. Yash Prithviraj Mutha	07285523	31 st January, 2019
4	Mr. Prem Pradeep	07400417	08 th October, 2020
5	Mr. Chetan Rameshchandra Desai	03595319	25 th April, 2021
6	Ms. Chhaya Manoj Palrecha	06914875	25 th April, 2021
7	Mr. Prakash Iyer*	00529591	25 th April, 2021
8	Mr. Rajiv Ranjan Verma	09157414	25 th April, 2021
9	Mr. Adesh Kumar Gupta	00020403	May 28, 2022

*Ceased to be a Director of the Company effective from closing of business hours on May 28, 2022.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Dinesh Birla & Associates**
 Company Secretaries

Dinesh Birla
 Proprietor
 FCS: 7658, CP No. : 13029
 Peer Review Cert. No. : 1668/2022
 UDIN: F007658E000776965

Place: Pune
 Date: August 12, 2023

Business Responsibility and Sustainability Report

In terms of Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, Business Responsibility and Sustainability Report (BRSR) in the Annual Report is mandatory for the top 1,000 listed companies, based on market capitalisation as on March 31 of every year. The BRSR is based on the format suggested by SEBI

SECTION A: GENERAL DISCLOSURES

I. Details

1	Corporate Identity Number (CIN) of the Listed Entity	L74900PN2010PLC138068	
2	Name of the Listed Entity	Krsnaa Diagnostics Limited	
3	Year of incorporation	2010	
4	Registered office address	S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1, Near Chinchwad Station, Chinchwad, Taluka, - Haveli Pune MH 411019 IN	
5	Corporate address	S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1, Near Chinchwad Station, Chinchwad, Taluka, - Haveli Pune MH 411019 IN	
6	E-mail	investors@krsnaa.in	
7	Telephone	020-27402400	
8	Website	https://krsnaadiagnostics.com	
9	Date Of Start Of Financial Year	Start Date	End Date
	Financial Year	April 1, 2022	March 31, 2023
	Previous Year	April 1, 2021	March 31, 2022
	Prior To Previous Year	April 1, 2020	March 31, 2021
10	Name of the Stock Exchange(s) where shares are listed	1. BSE Limited 2. National Stock Exchange of India Limited	
11	Paid-up Capital	15,69,88,065	
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report		
	Name Of Contact Person	Pallavi Bhatevara	
	Designation	Managing Director	
	Contact Number Of Contact Person	+91 20 2740 2400	
	Email Of Contact Person	investors@krsnaa.in	
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis	

II. Products/services

14. Details of business activities

S. No.	Description of main activity	Description of business activity	% of turnover
1	Diagnostic and Related Healthcare Services	The Company is primarily engaged in the business of providing Diagnostic Services primarily in relation to Pathology Investigation, Radiology Investigation and Telereporting.	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Diagnostic and Related Healthcare Tests and Services	869	100%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	-	8	8
International	-	-	-

17. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States)*	19
International (No. of Countries)	-

* Includes Union Territories

b. What is the contribution of exports as a percentage of the total turnover of the entity? Nil

c. A brief on types of customers

The Company's Customer includes B2B and B2C Customers, Individual Patients, Hospitals and Government Clients.

IV. Employees

18. Details as at the end of Financial Year: 2022-23

a. Employees and workers (including differently abled):

S. No	Particulars	Total (A)	Male		Female		Others	
			No. (B)	% (B/A)	No. (C)	% (C/A)	No. (H)	% (H/A)
EMPLOYEES								
1.	Permanent (D)	2,562	1,605	62.64%	957	37.35%	-	-
2.	Other than Permanent (E)	996	266	26.70%	730	73.29%	-	-
3.	Total employees (D + E)	3,558	1,871	52.58%	1,687	47.41%	-	-
WORKERS								
4.	Permanent (F)							
5.	Other than Permanent (G)					N/A		
6.	Total workers (F + G)							

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female		Others	
			No. (B)	% (B/A)	No. (C)	% (C/A)	No. (H)	% (H/A)
DIFFERENTLY ABLED EMPLOYEES								
1.	Permanent (D)	2	2	100%	-	-	-	-
2.	Other than Permanent (E)	-	-	-	-	-	-	-
3.	Total employees (D + E)	2	2	100%	-	-	-	-
DIFFERENTLY ABLED WORKERS								
4.	Permanent (F)							
5.	Other than Permanent (G)					N/A		
6.	Total workers (F + G)							

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25%
Key Management Personnel	5	1	20%

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in current FY)				FY 2021-22 (Turnover rate in previous FY)				FY 2020-21 (Turnover rate in the year prior to the previous FY)			
	Male	Female	Others	Total	Male	Female	Others	Total	Male	Female	Others	Total
Permanent Employees	29.35%	11.25%	-	40.70%	21.78%	11.30%	-	33.08%	10.148%	3.76%	0	13.90%
Permanent Workers	-	-	-	-	-	-	-	-	-	-	-	-

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/Subsidiary/associate companies/ joint ventures (A)	Indicate whether holding/ subsidiary/ Associate/Joint venture	& of shares held by Listed entity	Does the entity indicated at column A, participate in the Business responsibility initiatives of the listed entity? (Yes/No)
1	KDPL Diagnostics (Ludhiana) Private Limited	Subsidiary	100%	No
2	KDPL Diagnostics (Amritsar) Private Limited	Subsidiary	100%	No
3	KDPL Diagnostics (Bathinda) Private Limited	Subsidiary	100%	No
4	KDPL Diagnostics (Jalandhar) Private Limited	Subsidiary	100%	No
5	KDPL Diagnostics (Patiala) Private Limited	Subsidiary	100%	No
6	KDPL Diagnostics (SAS Nagar) Private Limited	Subsidiary	100%	No
7	Krsnaa Diagnostics (Mohali) Private Limited	Subsidiary	100%	No

VI. CSR Details

22. CSR Details

Whether CSR is applicable as per section 135 of Companies Act, 2013	Yes
Turnover (in ₹)	4,640.83 million
Net worth (in ₹)	7,425.01 million

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	The Company did not receive any Complaints from Community					
Investors (other than shareholders)	Yes. The Company has a Investor Grievance Redressal Mechanism. Investors can visit www.krsnaadiagnostics.com/investors/ and register their grievances.	-	-	NA	-	-	NA
Shareholders	Yes. The Company has a Shareholder Grievance Redressal Mechanism. Shareholders can email investors@krnsaa.in and can reach to 020-2740 2400	17	-	NA	5,341	-	NA
Employees and workers	Yes. The Company has an internal grievance redressal policy. The Human Resource team has a dedicated email for registering complaints. The Company also has whistle blower policy along with dedicated Committee for addressing complaints of Sexual Harassment; if any.	-	-	NA	-	-	NA
Customers	Yes, a dedicated helpline number 020-6814 6814 is setup to receive and address the complaints of the Customers. Alternatively, an Email ID enquiry@krsnaa.in is setup for customer complaints.	17	-	NA	121	-	NA
Value Chain Partners	Yes	-	-	NA	-	-	NA

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Governance	Opportunity	The Company ensures highest level of Corporate Governance and Compliances with the statutory authorities.	-	Positive Implications
2	Health and Safety	Risk	Lab Staff and technician	The Company ensures safe and healthy atmosphere by providing appropriate training and safety equipments.	Negative and Positive Implications
3	Cyber security	Risk	Patient data	The Company ensures highest level of cyber security and data encryptions. The company has also in the process of forming of IT steering committee to overview the IT security measures along-with other IT matters.	Negative Implications
4	Waste Management	Risk	Generation of Bio-medical Waste.	Waste disposed of through Government Authorized channels. The Company maintain world class safety measures till the waste is handed over to such channels.	Negative Implications
5	Energy Management	Opportunity	Medical equipments used in our business are usually high energy consuming equipments.	The Company strives to procure energy efficient latest machinery to reduce power consumptions and also staff at all offices/ labs are trained to use energy reducing techniques.	Positive Implications

SECTION B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	www.krsnaadiagnostics.com/investors/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes*	Yes*	Yes*	Yes*	Yes*	Yes*	Yes*	Yes*	Yes*
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	All policies conform to the applicable laws of the country, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and National Guidance on Responsible Business Conduct.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company is committed in implementing NGRBCs its true sprit along with other ESG initiatives which includes energy conservation, reducing environmental effects with regards to Bio Medical wastes, water management and other such initiatives. The Company is also in process of formulizing targets and road map to achieve the above initiatives and the Company will continue to monitor its progress on the above mentioned initiatives.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company is continuously implementing process improvements to reduce emissions and wastages. In line with the Company's commitment towards conservation of energy, all its units continue with their efforts to reduce wastage, optimise consumption and also to improve energy efficiency through innovative technology.								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	<p>At Krsnaa, we firmly uphold the belief that making sustainability a priority and adopting responsible business practices are essential cornerstones for our enduring success. We understand the pressing nature and significance of tackling challenges posed by climate change, social inequalities, and ethical governance. Our recognition extends beyond mere acknowledgment; we comprehend that sustainable business practices not only serve the planet and society but also act as catalysts for innovation, heightened competitiveness, and the protection of our reputation. In light of this, we have executed an extensive array of sustainability initiatives that span the entirety of our operations. These initiatives encompass diverse areas such as energy efficiency, employee well-being, community engagement and ethical governance.</p> <p>As we gaze into the future, our dedication to sustainability and the pursuit of ESG excellence remains steadfast. We will continue to infuse sustainable practices throughout our value chain, embrace emerging technologies and exemplar methodologies.</p>
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Ms. Pallavi Bhatevara, Managing Director DIN: 03600332 Email: investors@krsnaa.in T.: 020 2740 2400
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No).	No

*The Company encourages all its value chain partners to follow the Business Responsibility Policies to the extent possible.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee	Director								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee	Director								
Subject for Review	Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)								
Performance against above policies and follow up action Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)	Ongoing								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)	Ongoing								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

No

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)						NA			
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Section C : Principle Wise Performance Disclosure

PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	5	Industry Overview, Business Strategy, Cyber Security related.	95%
Key Managerial Personnel	5	Industry Overview, Business Strategy, Corporate Governance, ESG	100%
Employees other than BoD and KMPs	130	SOP Training, Safety Training, Departmental Procedures training, Knowledge enhancement training, HR practices and Policies Training	100%
Workers	NA	NA	NA

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Principals	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

Non-Monetary				
Principals	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

NA

4. Does the entity have an anti-corruption or anti-bribery policy?

Yes. The Company has the policy and is available on www.krsnaadiagnostics.com/investors

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23	FY 2021-22
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

NA

Leadership Indicators

1. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same:

Yes, the Company has implemented a Code of Conduct that applies to the Board of Directors, Key Managerial Personnel and other members of Senior Management. This code provided clear guidelines for identifying, avoiding, and disclosing any actual or potential conflict of interest that may arise with the Company.

Furthermore, the Company ensures that all necessary approvals required by applicable laws are obtained before engaging in transactions with any related entities.

To ensure transparency and Compliance, the Company obtains an annual declaration from the individual Directors, Key Managerial Personnel and Senior Management regarding their interest in other entities that could give rise to conflict of interest.

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	-	-	-

The Company is currently not maintaining this data separately; this data will be available from subsequent years.

- Does the entity have procedures in place for sustainable sourcing?
 - If yes, what percentage of inputs were sourced sustainably?
We view sustainability as a pathway to attain leadership and create enduring value for our stakeholders. Our commitment lies in integrating sustainability into every business decision throughout our value chain. Additionally, we actively collaborate with various stakeholders to strengthen our sustainable sourcing strategies.
- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for
 - E-waste: Sent to Authorized recyclers;
 - hazardous Waste: Sent to Biomedical Waste Management System (BMW);
 - Other Waste: Sent to Authorized recyclers.
- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).
N/A

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

- Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1,605	1,605	100%	1,605	100%	-	-	0	-	0	-
Female	957	957	100%	957	100%	957	100%	0	-	0	-
Total	2,562	2,562	100%	2,562	100%	957	100%	0	-	0	-
Other than Permanent employees											
Male											
Female											
Total											

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male											
Female											N/A
Total											
Other than Permanent workers											
Male											
Female											N/A
Total											

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Yes	100%	NA	Yes
Gratuity	100%	NA	Yes	100%	NA	Yes
ESI	100%	NA	Yes	100%	NA	Yes
Others - please specify						

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the premises and offices are equipped to cater the needs of differently abled employees as per the requirements of the Rights of Persons with Disabilities act, 2016

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?

Yes, the Company has the Policy in place which forms a part of the HR Manual of the Company available at the intranet of the Company.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100.00%	100.00%	-	-
Female	74.23%	70.50%	-	-
Total	87.10%	85.25%	-	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker?

Yes

Yes/No (If Yes, then give details of the mechanism in brief)

Permanent Workers

Other than Permanent Workers

Permanent Employees

Other than Permanent Employees

The Company has the HRMS software in place. Employees can raise their grievances through the software and the raised grievance is resolved by the concerned department heads as per the HR policy of the Company.

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
- Male						
- Female						
- Others						
Total Permanent Workers						
- Male						
- Female						
- Others						

NIL

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	1,605	1,410	87.85	1,540	95.95	1,459	1,170	80.19	1,240	85.00
Female	957	902	94.25	934	97.60	535	380	71.03	481	90.00
Others	-	-	-	-	-	-	-	-	-	-
Total	2,562	2,312	90.24	2,474	96.57	1,994	1,550	77.73	1,721	86.31
WORKERS										
Male										
Female										
Others										
Total										

N/A

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1,605	1,605	100	1,459	1,459	100
Female	957	957	100	535	535	100
Others	-	-	-	-	-	-
Total	2,562	2,562	100	1,994	1,994	100
Workers						
Male						
Female						
Others						
Total						

10. Health and safety management system:

- Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).
Yes, the Company has system in place for health and safety at the centres and offices.
- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?
The Company periodically reviews matters related to work hazards and has developed guidelines and procedures to address them. This is an ongoing activity in the Company. The center managers oversee the implementation of the procedures on a daily basis.
- Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)
Not applicable.
- Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)
Yes, the Company provides Medclaim coverage or ESIC as per applicability.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company has a standard safety precaution guideline at every center of the Company and the center manager is responsible for implementation of the same at every Center. All safety protocols while processing samples are taken care by the staff. The Company also conduct regular training with regards to safety and health at work places.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices-	100
Working Conditions-	100

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not applicable

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Yes/No) (B) Workers(Yes/No):

The management of the Company places a high priority on the well-being of its employees. In the event of an unfortunate death of an employee or worker, the Company is committed to supporting the next of kin and the family. This support includes assisting them in claiming their legally entitled dues and benefits, as per the Company's policy that is periodically reviewed and updated. The Company recognizes the significance of addressing the financial entitlements of the bereaved family during this difficult period and aims to provide the necessary assistance and support they require.

PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Below is the list of internal and external stakeholders:

- Employees;
- Local Communities;
- Regulatory Authorities;
- Customers;
- Shareholders;
- Suppliers and other Business partners;
- Franchised Lab Partner

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employee	No	Email, SMS, Town Halls Meetings, all Hand Meetings/ in person Meeting, Offsite Meetings	Daily, Weekly Monthly, Quarterly, Half Yearly and Yearly	<ul style="list-style-type: none"> - KRA and KPI Goal, - Sales and Operation, - performance Corporate Culture, - Ethical Business Conducts, - Competitive rewards and remuneration
Local Communities	Yes	CSR Meeting	Annually	Contributions and Community developments programmes through CSR initiatives
Regulatory Authorities	No	E-mails, Letters	Whenever required	<ul style="list-style-type: none"> - Statutory and regulatory Compliances
Customers	No	Surveys, Email, SMS, Website, Corporate Brochure, digital media, Advertisement and In-person Meeting	Monthly	Promotional Schemes, New Tests
Shareholders	No	Email, Newspaper, Notice, Website, Board Meetings and Shareholders Meeting	Quarterly, Half Yearly and Annually	<ul style="list-style-type: none"> - Corporate Governance, - Financial Results, - Regulatory Compliances, - other Corporate Announcements
Suppliers and other Business partners	No	Emails, In-person Meeting, Letters	Whenever required	<ul style="list-style-type: none"> - Pricing and favorable terms of payments - Timely Clearance
Franchised Lab Partner	No	Emails, Surveys, In-person Meeting	Monthly	<ul style="list-style-type: none"> - Promotional Schemes

Leadership Indicators

1. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Community, that the Company is a part of is an important stakeholder to the Business. The Company, having worked with the community understands their specific requirements and develop CSR programmes that can meet specific requirements of the community it serves. This is then implemented post identification of the needs, the Company embarks upon multiple, structured and well planned CSR projects. The CSR projects of the Company aims to focus on a preventive healthcare and other areas of healthcare our disadvantaged, vulnerable and marginalised stakeholders. The Company ensures that the CSR Funds are utilised in an optimum manner that serves the weaker sections of the society in terms of healthcare.

PRINCIPLE 5

Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	2,562	2,305	89.97	1,994	1,495	74.97
Other than permanent	996	847	85.04	1,014	710	70.02
Total Employees	3,558	3,152	88.59	3,008	2,205	73.30
Workers						
Permanent						
Other than permanent						N/A
Total Workers						

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	2,562	0	0	2,562	100.00	1,994	0	0	1,994	100.00
Male	1,605	0	0	1,605	100.00	1,459	0	0	1,459	100.00
Female	957	0	0	957	100.00	535	0	0	535	100.00
Others	0	0	0	0	0.00	0	0	0	0	0.00
Other than permanent	996	90	-	-	-	625	128	-	-	-
Male	266	64	24.06	0	0.00	322	80	24.84	0	0.00
Female	730	26	03.56	0	0.00	293	48	16.38	0	0.00
Others	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent										
Male										
Female										
Others										
Other than permanent										N/A
Male										
Female										
Others										

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	6,50,000	2	23,98,054
Key Managerial Personnel	4	39,02,614	1	40,96,108
Employees other than BoD and KMP	2,303	2,16,072	1,949	1,74,204
Workers	-	-	-	-

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the responsibility of recording and addressing human rights issues lies with the Human Resource team. However, the Company proactively focuses on prevention by providing training to employees on understanding human rights, recognizing its various forms, and the appropriate reporting procedures.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Any grievance regarding to human rights are reported to the Human Resource Team through a dedicated email id. The HR team validates the grievance and forwards the same to the internal committee for its consideration and action. The committee has to resolve the grievance within a stipulated timeline as mentioned in the HR Policy of the Company

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company maintains a culture of open communication that fosters a respectful and harassment-free environment.

The Whistleblower Policy serves as a guideline and mechanism for protecting individuals who raise complaints or act as whistleblowers. Any complaints or disclosures made by whistleblowers are thoroughly investigated, ensuring strict confidentiality and protection against retaliation.

The Company takes all necessary precautions to safeguard the identity of the complainant or whistleblower. This includes treating the investigation process with utmost confidentiality and implementing measures to withhold their identity. The Company provides necessary safeguards to whistleblowers, allowing them to make protected

disclosures in good faith regarding various areas outlined in the Code of Conduct. In relation to sexual harassment, the Company strictly adheres to the principles of Prohibition, Prevention, and Redressal, as outlined in the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 (POSH) and the corresponding Rules. The Company ensures that the investigation procedure maintains strict confidentiality and safeguards the identity of the complainant. The Company has established a POSH committee in compliance with the provisions of the Act.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

No

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others - please specify	100

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not Applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

No complaints have been received during the Financial Year under review. Accordingly, no business processes have been modified or introduced for addressing human rights grievances/complaints.

2. Details of the scope and coverage of any human rights due-diligence conducted.

The Company has established strong practices to actively discourage not just human rights but also other kinds of behavior that may be in contravention to the Company's Ethics policy and Code of Conduct.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, The Company strongly believes in the idea of providing equal opportunities to all its employees' and in lines with the same the Company is committed to make its premises accessible for differently abled employees & workers.

PRINCIPLE 6**Businesses should respect and make efforts to protect and restore the environment**

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
Total electricity consumption (A)	G Joules	25,747	19,694
Total fuel consumption (B)	G Joules	48	43
Energy consumption through other sources (C)	G Joules	101	-
Total energy consumption (A+B+C)	G Joules	25,895	19,737
Energy intensity per rupee of turnover (Total energy consumption/ turnover in Crore rupees)	G Joules	55.80	43.39
Energy intensity (optional) - the relevant metric may be selected by the entity	G Joules	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N)

The company/units does not fall into a category of energy-intensive industries. Hence, PAT scheme is not applicable.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)			
(i) Surface water	kilolitres	-	-
(ii) Groundwater	kilolitres	-	-
(iii) Third party water	kilolitres	24,794	28,045
(iv) Seawater / desalinated water	kilolitres	-	-
(v) Others	kilolitres	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	kilolitres	24,794	28,045
Total volume of water consumption (in kilolitres)	kilolitres	24,794	28,045
Water intensity per rupee of turnover (Water consumed / Crore ₹ turnover)	kilolitres	53.43	61.65
Water intensity (optional) - the relevant metric may be selected by the entity	kilolitres	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N): No

If yes, name of the external agency.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? No

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx			
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others - please specify			

The company has not tracked air emissions this year; however, plans to work on it in the subsequent years.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO 2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	CO2 in Metric tonnes	27.79	20.39
Total Scope 2 emissions (Break-up of the GHG into CO 2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	CO2 in Metric tonnes	89.38	86.49
Total Scope 1 and Scope 2 emissions per Crore of turnover	CO2 in Metric tonnes	117.17	106.88
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity	CO2 in Metric tonnes	0.25	0.23

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N): No

If yes, name of the external agency.

7. Does the entity have any project related to reducing Green House Gas emission?

We have implemented energy-efficient systems within the facilities

8. Provide details related to waste management by the entity, in the following format:

Parameter	Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)			
Plastic waste (A)	metric tonnes	-	-
E-waste (B)	metric tonnes	0.78	0.95
Bio-medical waste (C)	metric tonnes	17.938	34.084
Construction and demolition waste (D)	metric tonnes	-	-
Battery waste (E)	metric tonnes	18.59	8.37
Radioactive waste (F)	metric tonnes	-	-
Other Hazardous waste. Please specify, if any. (G)	metric tonnes	-	-

Parameter	Parameter	FY 2022-23	FY 2021-22
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	metric tonnes	-	-
Total (A+B + C + D + E + F + G + H)	metric tonnes	37.308	43.404
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)			
Category of waste			
(i) Recycled	metric tonnes	-	-
(ii) Re-used	metric tonnes	-	-
(iii) Other recovery operations	metric tonnes	-	-
Total	metric tonnes	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)			
Category of waste			
(i) Incineration	metric tonnes	-	-
(ii) Landfilling	metric tonnes	-	-
(iii) Other disposal operations	metric tonnes	-	-
Total	metric tonnes	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N): No

If yes, name of the external agency.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Biomedical waste generated is systematically segregated in accordance with the Bio-Medical Waste Management Rules of 2016. The waste is then handed over to a state pollution control authorized vendor for secure disposal.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format: Not Applicable

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year: Not Applicable

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).

The company complies with all the regulatory environmental laws

Leadership Indicators

- Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
From renewable sources			
Total electricity consumption (A)	G Joules	101	0
Total fuel consumption (B)	G Joules	-	-
Energy consumption through other sources (C)	G Joules	-	-
other sources			
Total energy consumed from renewable sources (A+B+C)	G Joules	101	0
From non-renewable sources			
Total electricity consumption (D)	G Joules	25,747	19,694
Total fuel consumption (E)	G Joules	48	43
Energy consumption through other sources (F)	G Joules	-	-
other sources			
Total energy consumed from non-renewable sources (D+E+F)	G Joules	25,795	19,737

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

- Number of affiliations with trade and industry chambers/ associations.
 - List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
2.	NATHealth (Healthcare Federation of India)	National

- Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities: Not Applicable

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

Essential Indicators

- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year: Not Applicable
- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has a Whistle Blower Policy to receive and redress the grievances of the community.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	5.69%	6.15%
Sourced directly from within the district and neighbouring districts	-	-

Leadership Indicators

1. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Preventive Healthcare and Healthcare Initiatives	10,000	85

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has a dedicated email address viz. enquiry@krsnaa.in and a dedicated helpline number viz. 020 6814 6814 on which Patients or Customers can raise their complaints/ grievances. once the complaint(s) are logged it is assigned to the respective department. On resolution of the complaints/ grievances the respective Patients/ Customer is informed about the same.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	-
Safe and responsible usage	-
Recycling and/or safe disposal	-

3. Number of consumer complaints in respect of the following:

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	NA	-	-	NA
Advertising	-	-	NA	-	-	NA
Cyber-security	-	-	NA	-	-	NA
Delivery of essential services	-	-	NA	-	-	NA
Restrictive Trade Practices	-	-	NA	-	-	NA
Unfair Trade Practices	-	-	NA	-	-	NA
Other	17	0	NA	121	0	NA

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/ No)

The Policy is at the intranet of the Company.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

NA

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The Company's services can be via its official website (www.krsnaadiagnostics.com), Mobile app, by dialing its customer care number or by walking up to the local center.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

All Centers of the Company have banners, promoting prudent and safe use of its services. Additionally, for the benefit of customers, sample collection procedures-related videos, information and the significance of a variety of diagnostics tests available for consumers of all ages posted on a regular basis on the Company's Youtube, Facebook and Instagram Channel.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company uses a feedback survey system that is intended to assess customer experience with the Krsnaa Brand.

4. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

NA

b. Percentage of data breaches involving personally identifiable information of customers

Not Applicable



Financial Statements

108 Standalone Financial Statements

180 Consolidated Financial Statements

Independent Auditor's Report

To the Members of Krsnaa Diagnostics Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Krsnaa Diagnostics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone 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 standalone 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 prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit, other comprehensive income, 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 SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters

Allowance for expected credit loss for trade receivables

Refer Note 13 of standalone financial statements with respect to the disclosures of trade receivables.

As on March 31, 2023, trade receivables amount to ₹ 796.55 million against which provision of ₹ 51.10 million was made towards expected credit loss in the books of account.

Calculation of expected credit loss is a complex area and requires management to make significant assumptions on customer payment behaviour and estimating the level and timing of expected future cash flows.

We have identified allowance for expected credit loss as a key audit matter in view of the significant management judgement and estimation uncertainty involved.

How Was the Key Audit Matter Addressed in the Audit

Our audit procedures in respect of this area include but are not limited to following:

- Obtained understating of the Company's accounting policy on assessment of impairment of trade receivables, including design and implementation of related management controls around it. We have verified the operating effectiveness of these controls on a sample basis.
- Requested for and obtained independent balance confirmations from the Company's customers on sample basis.
- Obtained ageing report of trade receivables and verified the completeness and accuracy of the

same. Also reperformed ageing for sample of customer balances.

- Verified the appropriateness of the method and model used for computing the ECL Provision and tested the reasonableness of the underlying assumptions used therein. Ensured the same is consistent with previous years and free from management bias.
- Tested the mathematical accuracy of the computation.
- Compared the Company's provisioning rates against historical trend of actual collection data.
- Evaluated management comments and recovery plans for trade receivables outstanding for more than 180 days, including validation of the same.
- Verified subsequent receipts after the year-end on sample basis.
- Verified the adequacy and accuracy of the disclosures made in the financial statement in relation to such provision in accordance with the requirements of the relevant Ind AS.

Information Other than the Standalone 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 including Annexures to the Directors' Report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 Standalone 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 standalone 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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 (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 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 standalone 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.
 - iv.
 - (1) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (2) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
 - (v) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
- The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the

ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 66 to the Standalone financial statements)

- (vi) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

3. 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 **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Anup Mundhra
Partner

Place: Pune
Date: May 27, 2023

Membership No. 061083
UDIN: 23061083BGTDAT4959

Annexure A to the Independent Auditor's Report on Even Date on the Standalone Financial Statements of Krsnaa Diagnostics Limited

For The Year Ended March 31, 2023

Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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 adequate internal financial controls with reference to standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2023 and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **M S K A & Associates**

Chartered Accountants
ICAI Firm Registration No. 105047W

Anup Mundhra

Partner

Place: Pune
Date: May 27, 2023

Membership No. 061083
UDIN: 23061083BGTDAT4959

Annexure B to the Independent Auditor's Report on Even Date on the Standalone Financial Statements of Krsnaa Diagnostics Limited

For The Year Ended March 31, 2023

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

- i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) All the Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.
- ii. The inventory (excluding stocks with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency, coverage and procedure of such verification is reasonable. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.
- (a) The Company has been sanctioned working capital limits in excess of ₹ 5 crores in aggregate from Banks on the basis of security of current assets. Quarterly statements filed with the Banks are in agreement with the books of account, except as below:

Quarter Ended	Particulars of security #	Amount as per books of accounts - amount in million ₹	Amount as per quarterly return/ statement - amount in million ₹	Variance	Discrepancy (give details)
June	Trade Receivables	962.58	960.13	2.45	The variance is due to the fact that returns were submitted to the banks before book closure process.
	Trade Payables	289.36	327.58	(38.22)	
September	Trade Payables	301.58	288.58	13.00	
December	Trade Payables	261.72	259.92	1.80	
March	Trade Receivables	686.98	689.06	(2.08)	

The balance of Trade Payable reported is up to ageing of 90 Days and the balance of Trade Receivable as reported is up to ageing of 120 Days, pursuant to the requirement in the sanction letter of the banks.

- iii.
- (a) According to the information explanation provided to us, the Company has provided loans to any other entity.

- (A) The details of such loans to subsidiaries are as follows:

Particulars	Loans
Aggregate amount granted/provided during the year	
-Subsidiaries	49.27
Balance Outstanding as at balance sheet date in respect of above cases	
-Subsidiaries	Nil

- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to grant of loans are not prejudicial to the interest of the Company.

- (c) In case of the loans to subsidiaries, schedule of repayment of principal has not been stipulated. In the absence of stipulation of repayment terms we are unable to comment on the regularity of repayment of principal, however in case of repayment of interest on loan, subsidiaries are regular in payment of such interest.

- (d) According to the information and explanations given to us, in absence of repayment terms, we cannot comment if the loan have fallen due during the year. Hence, the requirements under paragraph 3(iii)(e) of the Order are not applicable to the Company.

- (e) According to the information explanation provided to us, the loan granted has not been demanded by the Company during the year. Hence, the requirements under paragraph 3(iii) (e) of the Order are not applicable to the Company.

- (f) According to the information explanation provided to us, the Company has granted loans repayable on demand or without specifying any terms or period of repayment. The details of the same are as follows:

	All Parties	Promoters	Related Parties
Aggregate amount of loans			
- Repayable on demand (A)	Nil	Nil	49.27
- Agreement does not specify any terms or period of repayment (B)	Nil	Nil	Nil
Total (A+B)	Nil	Nil	49.27
Percentage of loans to the total loans	Nil	Nil	100%

- iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, provided guarantee or security to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of Section 186 of the Act. The Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans granted to subsidiaries.

- v. According to the information and explanations given to us, there are no amounts outstanding which

are in the nature of deposits as on March 31, 2023 and the Company has not accepted any deposits during the year.

- vi. We have broadly reviewed the books of account maintained by the Company pursuant Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

- 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 Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities though there have been slight delays in a few cases.
- There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, cess, and other statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues relating to Sales Tax, Value Added Tax, Service Tax, Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Duty of Excise, cess or other statutory dues which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information explanation provided to us, no money was raised by way of term loans during the year. Accordingly, the provision stated in paragraph 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, reporting under the Clause 3(ix)(f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanation given to us, the Company has utilized the money raised by way of initial public offer for the purposes for which they were raised. The money pending utilization has been temporarily invested in fixed deposits with banks. (Refer Note 50 to the Standalone Financial Statements)
- (b) 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, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.
- xi. (a) Based on our 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 report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.

- (b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the standalone financial statement for the year ended March 31, 2023, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) 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 standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.
- xvi. (a) 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 3 (xvi)(a) of the Order are not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities.
- Hence, the reporting under paragraph 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) The Group does not have any CIC as a part of its group. Hence, the provisions stated in paragraph 3 (xvi)(d) of the Order are not applicable to the Company.
- xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph 3 (xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us and based on our verification, the provisions of

Section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII. Accordingly, reporting under Clause 3(xx)(a) and Clause 3(xx)(b) of the Order is not applicable to the Company.

xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Anup Mundhra

Partner

Place: Pune
Date: May 27, 2023

Membership No. 061083
UDIN: 23061083BGTDAT4959

Annexure C to the Independent Auditor's Report on Even Date on the Standalone Financial Statements of Krsnaa Diagnostics Limited

For The Year Ended March 31, 2023

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Krsnaa Diagnostics Limited on the Financial Statements for the year ended March 31, 2023]

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Krsnaa Diagnostics Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to standalone 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").

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 standalone financial statements criteria established by the Company considering the essential components of internal control stated in 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 standalone 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 adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records

that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Anup Mundhra
Partner

Place: Pune
Date: May 27, 2023

Membership No. 061083
UDIN: 23061083BGTDAT4959

Standalone Balance Sheet

As at March 31, 2023

(Amount in Rupees million unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	5	4,678.47	3,833.79
Capital work-in-progress	7	254.80	282.57
Intangible assets	6	28.28	23.15
Financial assets			
Investments	8	3.61	3.61
Loans	9	-	-
Other financial assets	10	1,710.94	1,155.15
Other non-current assets	11	151.81	114.61
Total non-current assets		6,827.91	5,412.88
Current assets			
Inventories	12	250.74	91.70
Financial assets			
Trade receivables	13	745.45	593.07
Cash and cash equivalents	14	221.32	883.24
Bank balances other than cash and cash equivalent	15	860.76	1,534.28
Other financial assets	16	117.89	121.79
Other current assets	17	69.77	133.59
Total current assets		2,265.93	3,357.67
Total assets		9,093.84	8,770.55
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	156.99	156.99
Other equity	20	7,268.02	6,710.51
Total equity		7,425.01	6,867.50
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	21	110.00	196.22
Lease Liabilities	22	132.84	134.52
Other financial liabilities	23	336.81	294.13
Employee benefit obligations	24	8.96	2.61
Deferred Tax Liabilities	37	127.65	77.94
Other non-current liabilities	25	0.07	1.25
Total non-current liabilities		716.33	706.67
Current liabilities			
Financial liabilities			
Borrowings	26	55.00	60.08
Lease Liabilities	22	26.97	19.10
Trade payables			
i) total outstanding dues of micro enterprises and small enterprises	27	6.82	3.27
ii) total outstanding dues of creditors other than micro enterprise and small enterprise	27	584.34	761.26
Other financial liabilities	28	233.53	230.42
Other current liabilities	29	24.65	102.47
Employee benefit obligations	24	21.19	19.78
Total current liabilities		952.50	1,196.38
Total liabilities		1,668.83	1,903.05
Total equity and liabilities		9,093.84	8,770.55

See accompanying notes to IND AS Standalone Financial Statements

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

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

For and on behalf of the Board of Directors
Krsnaa Diagnostics Limited
 (Formerly known as Krsnaa Diagnostics Private Limited)
 CIN:L74900PN2010PLC138068

Anup Mundhra
 Partner
 Membership No: 061083

Rajendra Mutha
 Chairman
 DIN: 01066737

Pallavi Bhatevara
 Managing Director
 DIN: 03600332

Yash Mutha
 Executive Officer
 DIN: 07285523

Pawan Daga
 Chief Financial Officer

Place: Pune
 Date: May 27, 2023

Place: Pune
 Date: May 27, 2023

Statement of Standalone Profit and Loss

For the year ended March 31, 2023

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

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Income			
Revenue from operations	30	4,640.83	4,548.90
Other income	31	194.10	149.28
Total income		4,834.93	4,698.18
Expenses			
Cost of material consumed	32	741.79	602.96
Employee benefits expense	33	656.27	527.38
Finance costs	34	76.83	184.89
Depreciation and amortization expense	35	537.82	413.87
Fees to hospitals and others		761.63	1,079.92
Other expenses	36	1,238.68	993.16
Total expenses		4,013.02	3,802.18
Profit before tax		821.91	896.00
Tax expense	37		
Income Tax charge		149.31	175.26
Adjustments for earlier years		0.52	
Deferred Tax			
Deferred tax charge/(credit)		36.99	13.71
Total income tax expense		186.82	188.97
Profit for the year		635.09	707.03
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of net defined benefit liability		6.89	4.69
Income tax effect		(1.73)	(1.18)
Other comprehensive income for the year, net of tax		5.16	3.51
Total comprehensive income for the year		640.25	710.54
Earnings per share			
Basic earnings per share (₹)	38	20.23	23.66
Diluted earnings per share (₹)	38	19.72	23.66

See accompanying notes to IND AS Standalone Financial Statements

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

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

For and on behalf of the Board of Directors
Krsnaa Diagnostics Limited
(Formerly known as Krsnaa Diagnostics Private Limited)
CIN:L74900PN2010PLC138068

Anup Mundhra
Partner
Membership No: 061083

Rajendra Mutha
Chairman
DIN: 01066737

Pallavi Bhatevara
Managing Director
DIN: 03600332

Yash Mutha
Executive Officer
DIN: 07285523

Pawan Daga
Chief Financial Officer

Place: Pune
Date: May 27, 2023

Place: Pune
Date: May 27, 2023

Statement of Changes in Equity

(Amount in Rupees million unless otherwise stated)

(A) Equity share capital

Particulars	Equity Share Capital	
	No. of shares	Amount
Balance as at April 1, 2021 [Face value of ₹ 10 each]	6,494,964	64.95
Less: Old shares of face value ₹ 10 discarded against split of shares	6,494,964	64.95
Add: New shares of face value ₹ 5 issued against split of shares	12,989,928	64.95
Add: CCPS converted to equity shares of face value ₹ 5	14,201,600	71.01
Add: Issued through Initial Public Offer	4,206,085	21.03
Balance as at March 31, 2022 [Face value of ₹ 5 each]	31,397,613	156.99
Balance as at April 1, 2022 [Face value of ₹ 5 each]	31,397,613	156.99
Changes during the period	-	-
Balance as at March 31, 2023 [Face value of ₹ 5 each]	31,397,613	156.99

(B) Other equity

Particulars	Reserve and surplus			Other items of other comprehensive income	Total
	Employee Stock options outstanding account (ESOOA)	Securities premium	Retained earnings		
Balance as at April 1, 2021	8.20	233.19	(412.27)	0.68	(170.20)
Profit for the period	-	-	707.03	-	707.03
Other comprehensive income	-	-	-	3.52	3.52
Total other comprehensive income for the period	-	-	707.03	3.52	710.55
Transactions with owners in their capacity as owners:					
Securities premium on conversion of Class A & Class C Compulsorily Convertible Preference Shares and issue of shares through initial public offer	-	6,331.88	-	-	6,331.88
Securities premium utilised to write off the share issue expenses	-	(218.04)	-	-	(218.04)
Deferred tax on share issue expenses	-	43.90	-	-	43.90
Employee stock option expense	12.42	-	-	-	12.42
Forfeiture of share options	(0.23)	-	0.23	-	-
Balance as at March 31, 2022	20.39	6,390.93	294.99	4.20	6,710.51

Statement of Changes in Equity

(Amount in Rupees million unless otherwise stated)

Particulars	Reserve and surplus			Other items of other comprehensive income	Total
	Employee Stock options outstanding account (ESOOA)	Securities premium	Retained earnings		
Balance as at April 1, 2022	20.39	6,390.93	294.99	4.20	6,710.51
Profit for the period	-	-	635.09	-	635.09
Other comprehensive income	-	-	-	5.16	5.16
Total other comprehensive income for the period	-	-	635.09	5.16	640.25
Transactions with owners in their capacity as owners:					
Deferred tax on share issue expenses	-	(10.98)	-	-	(10.98)
Employee stock option expense	6.73	-	-	-	6.73
Payment of dividend to equity shareholders	-	-	(78.49)	-	(78.49)
Forfeiture of share options	(0.48)	-	0.48	-	-
Balance as at March 31, 2023	26.64	6,379.95	852.07	9.36	7,268.02

See accompanying notes to IND AS Standalone Financial Statements

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

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

For and on behalf of the Board of Directors
Krsnaa Diagnostics Limited
(Formerly known as Krsnaa Diagnostics Private Limited)
CIN:L74900PN2010PLC138068

Anup Mundhra
Partner
Membership No: 061083

Rajendra Mutha
Chairman
DIN: 01066737

Pallavi Bhatevara
Managing Director
DIN: 03600332

Yash Mutha
Executive Officer
DIN: 07285523

Pawan Daga
Chief Financial Officer

Place: Pune
Date: May 27, 2023

Place: Pune
Date: May 27, 2023

Statement of Cash Flow

For the year ended March 31, 2023

(Amount in Rupees million unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash flow from operating activities		
Profit for the period	821.91	896.00
Adjustments for:		
Depreciation and amortization expenses	537.82	413.87
Finance cost	76.83	184.89
Interest income	(159.17)	(122.44)
(Gain)/ loss on sale of fixed assets	(1.76)	2.48
Provision for credit Impaired/(Reversal in provision for credit impairment)	(7.20)	8.30
Effect of Financial Instruments measured at amortised cost	(5.33)	(7.49)
Employee stock option scheme compensation	6.73	12.42
Operating profit before working capital changes	1,269.83	1,388.03
Changes in working capital		
(Decrease)in trade payables	(188.91)	(68.51)
Increase in employee payables	14.66	12.60
Increase in other current liabilities	1.88	0.20
(Decrease) in other non current liabilities	(1.18)	(31.78)
Increase in other current financial liabilities	20.92	11.58
(Decrease) in other non current financial liabilities	(0.01)	(58.00)
(Increase)/decrease in trade receivables	(140.43)	146.01
(Increase) in inventories	(159.04)	(19.61)
Decrease/(increase) in other current financial assets	71.79	(75.30)
(Increase)/decrease in non current financial assets	(18.40)	35.45
Decrease/(increase) in other current assets	6.40	(9.27)
Decrease in other non current assets	8.62	21.99
Cash generated from operations	886.13	1,353.39
Income tax paid (Net of refunds)	(131.30)	(66.29)
Net cash flows generated from operating activities (A)	754.83	1,287.10
B. Cash flow from Investing activities		
Payment for purchase property, plant and equipment and intangible assets	(1,413.60)	(1,322.64)
Proceeds from sale of property, plant and equipment and intangible assets	66.34	10.90
(Investment in)/Redemption of term deposits with banks (having original maturity of more than three months)	156.92	(1,264.56)
Investment in Debt Mutual Fund	-	(0.01)
Repayment of loan by/(Loan granted to) subsidiaries [Net basis]	3.48	(3.48)
Investment in Equity Instruments of subsidiaries	-	(0.70)
Interest received	101.45	169.51
Net cash flow used in investing activities (B)	(1,085.41)	(2,410.98)

Statement of Cash Flow

For the year ended March 31, 2023

(Amount in Rupees million unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
C. Cash flow from Financing activities		
Proceeds from issuance of equity share capital	-	4,000.00
Repayment of long term borrowings	(91.30)	(1,594.31)
Proceeds/(Repayment) of short term borrowings (net)	-	(299.41)
Payment of lease liabilities and interest thereof [refer note 41(vi)]	(39.69)	(37.66)
Share issue expenses	(68.50)	(146.85)
Dividend payment to equity shareholders	(78.49)	-
Interest paid	(53.36)	(161.40)
Net cash flow (used)/generated in financing activities (C)	(331.34)	1,760.37
Net (Decrease)/increase in cash and cash equivalents (A+B+C)	(661.92)	636.49
Cash and cash equivalents at the beginning of the year	883.24	246.75
Cash and cash equivalents at the end of the year	221.32	883.24
Cash and cash equivalents comprise (Refer note 14):		
Balances with banks		
On current accounts	209.46	286.56
Debit balance in bank overdraft	5.30	56.09
Fixed deposits with maturity of less than 3 months	-	537.49
Cash on hand	6.56	3.10
Total cash and bank balances at end of the year	221.32	883.24

See accompanying notes to IND AS Standalone Financial Statements

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

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

For and on behalf of the Board of Directors
Krsnaa Diagnostics Limited
(Formerly known as Krsnaa Diagnostics Private Limited)
CIN:L74900PN2010PLC138068

Anup Mundhra
Partner
Membership No: 061083

Rajendra Mutha
Chairman
DIN: 01066737

Pallavi Bhatevara
Managing Director
DIN: 03600332

Yash Mutha
Executive Officer
DIN: 07285523

Pawan Daga
Chief Financial Officer

Place: Pune
Date: May 27, 2023

Place: Pune
Date: May 27, 2023

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(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 public company domiciled in India and was incorporated on December 20, 2010 under the provisions of the Companies Act, 1956 applicable in India. Its registered and principal office of business is located at HO - S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1, Near Chinchwad Station, Chinchwad, Pune, Maharashtra - 411019. The Company is primarily engaged in the business of providing Diagnostic Services primarily in relation to Pathology Investigation, Radiology Investigation and Telereporting.

The Company was converted to a public limited company with effect from May 6, 2021. The Company was listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) on August 16, 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 were approved by the Company's Board of Directors and authorised for issue on May 27, 2023.

(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 are in conformity of Ind AS which 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.

(d) All amounts have been rounded-off to the nearest millions, unless otherwise indicated.

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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

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.

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	7 to 13 years	13 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	Life Used by Company
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 (₹), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

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 towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the company as part of the contract.

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

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

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.

2.7 Taxes

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

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 tax asset and current tax liabilities are offset when entity has legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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.

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

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

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.

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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

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.

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. However, trade receivables that do not contain a significant financing component are measured at transaction price.

(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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

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 FVTOCI, 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.

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.

ECL impairment loss allowance (or reversal) recognized during the year is recognized

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

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.

(c) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

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

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

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.

(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 Companies 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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(Amount in Rupees million except 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 40.

(b) 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 39.

(c) 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.

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

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end.

4.1 Standards (including amendments) issued but not yet effective

The Ministry of Corporate Affairs ("MCA") has notified Companies (Indian Accounting Standard) Amendment Rules, 2023 dated March 31, 2023 to amend certain Ind ASs which are effective from April 01, 2023:

Below is a summary of such amendments:

- (i) Disclosure of Accounting Policies - Amendment to Ind AS 1 Presentation of financial statements

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

The MCA issued amendments to Ind AS 1, providing guidance to help entities meet the accounting policy disclosure requirements. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023. The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

- (ii) Definition of Accounting Estimates – Amendments to Ind AS 8 Accounting policies, changes in accounting estimates and errors

The amendment to Ind AS 8, which added the definition of accounting estimates, clarifies that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023. The amendments are not expected to have a material impact on the Company's financial statements.

- (iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to Ind AS 12 Income taxes

The amendment to Ind AS 12, requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The Company is currently assessing the impact of the amendments.

- iv) The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

4.2 Standards that became effective during the year

There are no new Standards that became effective during the year. Amendments that became effective during the year did not have any material effect.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

5 Property, plant and equipment

Particulars	Gross block			Accumulated Depreciation			Net block	
	As at April 1, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	As at April 1, 2021	For the Period	As at March 31, 2022	As at March 31, 2022
Owned assets								
Plant and Machinery	2,801.31	913.66	42.18	3,672.79	456.53	279.85	705.83	2,966.96
Furniture and Fixtures	6.76	-	-	6.76	2.18	1.08	3.26	3.50
Office Equipment	35.28	23.80	0.52	58.56	12.78	9.01	21.29	37.27
Vehicles	26.75	1.30	-	28.05	3.64	3.48	7.11	20.94
Leasehold Improvement	581.15	191.87	2.96	770.06	120.01	74.19	192.96	577.10
Data Processing Equipment	68.48	42.69	(22.06)*	133.23	33.93	27.29	76.02	57.21
Leased assets								
Right of Use Asset - Plant & Machinery	0.80	-	-	0.80	0.80	-	0.80	-
Right of Use Asset - Building	-	11.35	-	11.35	-	1.46	1.46	9.89
* Data Processing Equipment	27.07	-	27.07	-	19.80	-	19.80	-
* Plant and Machinery	185.79	-	-	185.79	10.92	13.95	24.87	160.92
Total	3,733.39	1,184.67	50.67	4,867.39	660.59	410.31	1,033.60	3,833.79

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

The adjustment pertains to re-classification of assets from leases assets to owned assets on account of lease buyout

Particulars	Gross block			Accumulated Depreciation			Net block	
	As at April 1, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at April 1, 2022	For the Period	As at March 31, 2023	As at March 31, 2023
Owned assets								
Plant and Machinery	3,672.79	868.07	98.23	4,442.63	705.83	351.32	1,024.81	3,417.82
Furniture and Fixtures	6.76	-	-	6.76	3.26	0.99	4.25	2.51
Office Equipment	58.56	35.03	0.25	93.34	21.29	14.64	35.93	57.41
Vehicles	28.05	-	-	28.05	7.11	3.54	10.65	17.40
Leasehold Improvement	770.06	451.61	-	1,221.67	192.96	104.73	297.69	923.98
Data Processing Equipment	133.23	60.96	2.83	191.36	76.02	38.16	111.67	79.69
Leased assets								
Right of Use Asset - Plant & Machinery	0.80	-	-	0.80	0.80	-	0.80	0.00
Right of Use Asset - Building	11.35	27.41	-	38.75	1.46	4.61	6.07	32.69
* Plant and Machinery	185.79	-	-	185.79	24.87	13.95	38.82	146.97
Total	4,867.39	1,443.08	101.31	6,209.15	1,033.60	531.94	1,530.69	4,678.47

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

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

6 Intangible assets

Particulars	Gross block		Accumulated Amortisation		Net block	
	As at April 1, 2021	As at Additions/ Adjustments March 31, 2022	As at April 1, 2021	For the Period Adjustments March 31, 2022	As at March 31, 2022	As at March 31, 2022
Computer Software	31.73	14.43	19.45	3.56	22.99	23.15
Total	31.73	14.43	19.45	3.56	22.99	23.15

Particulars	Gross block		Accumulated Amortisation		Net block	
	As at April 1, 2022	As at Additions/ Adjustments March 31, 2023	As at April 1, 2022	For the Period Adjustments March 31, 2023	As at March 31, 2023	As at March 31, 2023
Computer Software	46.14	12.36	22.99	5.88	28.72	28.28
Total	46.14	12.36	22.99	5.88	28.72	28.28

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

7 Capital Work in Progress

Particulars	Amount
As at April 1, 2021	37.18
Add: Additions during the year	799.70
Less: Capitalised during the year	(554.31)
As at March 31, 2022	282.57
As at April 1, 2022	282.57
Add: Additions during the year	956.70
Less: Capitalised during the year	(984.47)
As at March 31, 2023	254.80

8 Financial Assets- Investments

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in equity instruments (fully paid-up)		
Unquoted equity shares at cost		
A. Investments in Subsidiaries		
9,999 Equity shares of ₹ 10 each fully paid-up in KDPL Diagnostics (Amritsar) Private Limited	0.10	0.10
9,999 Equity shares of ₹ 10 each fully paid-up in KDPL Diagnostics (Bathinda) Private Limited	0.10	0.10
9,999 Equity shares of ₹ 10 each fully paid-up in KDPL Diagnostics (Jalandhar) Private Limited	0.10	0.10
9,999 Equity shares of ₹ 10 each fully paid-up in KDPL Diagnostics (Ludhiana) Private Limited	0.10	0.10
9,999 Equity shares of ₹ 10 each fully paid-up in KDPL Diagnostics (Patiala) Private Limited	0.10	0.10
9,999 Equity shares of ₹ 10 each fully paid-up in KDPL Diagnostics (SAS Nagar) Private Limited	0.10	0.10
9,999 Equity shares of ₹ 10 each fully paid-up in Krsnaa Diagnostics (Mohali) Private Limited	0.10	0.10
Total Investments in subsidiaries (A)	0.70	0.70
B. Other equity instruments		
29,000 Equity shares of ₹ 100 each fully paid-up in Janata Sahakari Bank Limited, Pune	2.90	2.90
Total Investments in other shares (B)	2.90	2.90
Total (Equity Instruments) (A+B)	3.60	3.60
Investments in Mutual Funds at fair value through profit and loss (fully paid)		
Investment in Kotak Liquid Fund Regular Plan Growth	0.01	0.01
Total (Mutual Fund)	0.01	0.01
Total	3.61	3.61
Current	-	-
Non- Current	3.61	3.61
	3.61	3.61
Aggregate book value of:		
Quoted investments	-	-
Unquoted investments	3.61	3.61
Aggregate amount of impairment in value of Investments	-	-

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

9 Non-current financial assets - Loans

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured loan at amortised cost		
Credit Impaired		
Loans to related party	31.01	31.01
Less: Provision for doubtful advances	(31.01)	(31.01)
	-	-

10 Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured security deposit at amortised cost		
Considered Good		
Security Deposits	154.33	118.43
Cash balance with tax authorities*	3.30	-
In Fixed deposit accounts with maturity for more than 12 months from balance sheet date	1,553.31	1,036.72
	1,710.94	1,155.15

* Amount represents cash in hand which was seized by tax authorities in search conducted at the premise of the company in July 2022.

11 Other non-current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Capital advance	93.80	6.89
Prepaid expenses	45.74	54.36
Advance tax and tax deducted at source [Net of provision for income tax]	12.27	53.36
	151.81	114.61

12 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Valued at cost		
Consumables (Reagents, chemicals, diagnostics kits, medicines and consumables)	250.74	91.70
	250.74	91.70

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

13 Trade receivable

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured		
- Considered good	745.45	593.07
Less-Allowance for bad and doubtful debts	-	-
Receivables which have significant increase in Credit Risk	-	-
Less : Allowance for bad and doubtful debts	-	-
Credit impaired	51.10	58.30
Less : Allowance for bad and doubtful debts	(51.10)	(58.30)
	745.45	593.07
Unsecured		
- Considered good	745.45	593.07
- Considered doubtful	51.10	58.30
Less-Allowance for bad and doubtful debts	(51.10)	(58.30)
	745.45	593.07
Further classified as:		
Receivable from related parties	35.53	14.37
Receivable from others	709.92	578.70
	745.45	593.07

All amounts are considered as short-term since they are expected to be recoverable in normal operating cycle. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

Trade receivable ageing schedule as on March 31, 2023:

Particulars	Outstanding for the following period from Invoice date						Total
	Not Due*	Less Than 6 Month	6 Months to 1 year	1 to 2 year	2 to 3 year	More than 3 year	
(i) Undisputed Trade receivables – considered good	-	727.49	17.96	-	-	-	745.45
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	2.04	-	-	49.06	51.10
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	(2.04)	-	-	(49.06)	(51.10)
Total	-	727.49	17.96	-	-	-	745.45

* Ageing of trade receivable is calculated from the date of invoice

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

Trade receivable ageing schedule as on March 31, 2022:

Particulars	Not Due*	Outstanding for the following period from Invoice date					Total
		Less Than 6 Month	6 Months to 1 year	1 to 2 year	2 to 3 year	More than 3 year	
(i) Undisputed Trade receivables – considered good	-	528.55	44.37	20.15	-	-	593.07
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	0.50	11.42	-	46.38	58.30
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	(0.50)	(11.42)	-	(46.38)	(58.30)
Total	-	528.55	44.37	20.15	-	-	593.07

* Ageing of trade receivable is calculated from the date of invoice

14 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks:		
On current accounts	209.46	286.56
In Fixed Deposits with original maturity less than 3 months	-	537.49
Debit balance in Cash Credit and Bank Overdraft account	5.30	56.09
Cash on hand	6.56	3.10
	221.32	883.24

15 Bank balances other than Cash and cash equivalent

Particulars	As at March 31, 2023	As at March 31, 2022
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date	860.76	1,534.28
	860.76	1,534.28

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

16 Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued on fixed deposits	77.33	24.00
Other receivables	18.66	0.62
Security deposits	21.90	93.69
Loan to subsidiaries	-	3.48
	117.89	121.79

17 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	33.20	57.10
Advance to Suppliers	34.87	19.36
GST credit receivable	0.04	56.20
Advance to Employees	1.58	0.93
Other Advances	0.08	0.08
Total	69.77	133.59

18 Share capital

Particulars	As at March 31, 2023	As at March 31, 2022
(A) Equity shares		
Authorized		
29,43,15,384 Equity Shares of ₹ 5 each (March 31, 2022: 4,24,48,000 Equity Shares of ₹ 5 each)	1,471.58	212.24
	1,471.58	212.24
Issued, subscribed and paid up		
3,13,97,613 Equity Shares of ₹ 5 each (March 31, 2022: 3,13,97,613 Equity Shares of ₹ 5 each)	156.99	156.99
Total	156.99	156.99

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

Particulars	Number of shares	Amount
Outstanding as on April 01, 2021	6,494,964	64.95
Less: Old shares of face value ₹ 10 discarded against split of shares	(6,494,964)	(64.95)
Add: New shares of face value ₹ 5 issued against split of shares	12,989,928	64.95
Add: CCPS converted to equity shares of face value ₹ 5	14,201,600	71.01
Add: Issued through Initial Public Offer	4,206,085	21.03
Outstanding as on March 31, 2022	31,397,613	156.99
Outstanding as on April 01, 2022	31,397,613	156.99
Changes During FY 2022-23	-	-
Outstanding as on March 31, 2023	31,397,613	156.99

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

(ii) Rights, preferences and restrictions attached to shares

Equity shares :-The company has equity shares having par value of ₹ 5 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.

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares				
Rajendra Mutha	8,029,920	25.57%	8,029,920	25.57%
Phi Capital Trust - Phi Capital Growth Fund – I	4,984,967	15.88%	4,984,967	15.88%
Tata Mutual Fund - Tata Small Cap Fund*	1,653,026	5.26%	992,000	3.16%
ICICI Prudential Pharma Healthcare and Diaganostic*	1,602,801	5.10%	960,293	3.06%

*As on March 31, 2022, though the shareholding of these investors does not exceed 5%, however the same is report for comparison purpose.

(iv) Details of Shares held by Promoters at the end of the year

Sr. No.	Promoter Name	March 31, 2023			March 31, 2022		
		Number of shares (FV ₹ 5)	% of total shares	% Change during the year	Number of shares (FV ₹ 5)	% of total shares	% Change during the year
1	Rajendra Mutha	8,029,920	25.57%	0.00%	8,029,920	25.57%	0.00%
2	Krsnaa Diagnostics (Mumbai) Private Limited	697,756	2.22%	22.90%	567,756	1.81%	0.00%

(v) 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 period end (i.e. March 31, 2022).

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

(vii) For details of shares reserved for issue under the Share based payment plan of the company, please refer note 40

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

19 Instrument entirely equity in nature

Compulsorily Convertible Preference Shares	Series A	Series C	Total
Balance as on April 1, 2021	1,386.57	1,037.34	2,423.90
Changes in Compulsorily Convertible Preference Shares	(1,386.57)	(1,037.34)	(2,423.90)
Balance as on March 31, 2022	-	-	-
Balance as on April 1, 2022	-	-	-
Changes in Compulsorily Convertible Preference Shares	-	-	-
Balance as on March 31, 2023	-	-	-

Disclosures on Compulsory Convertible Preference Shares

(i) Authorized Capital

Particulars	As at March 31, 2023	As at March 31, 2022
March 31, 2023: Nil, March 31, 2022: 40,61,914 Series A Compulsory Convertible Preference Shares ('Series A -CCPS') of ₹123 each	-	499.62
March 31, 2023: Nil, March 31, 2022: 3,038,886 Series C Compulsory Convertible Preference Shares of ₹250 each.	-	759.72
Total	-	1,259.34

(ii) Issued, subscribed and paid up

Particulars	As at March 31, 2023	As at March 31, 2022
March 31, 2022 - Nil, March 31, 2021 - 40,61,914 Series A Compulsory Convertible Preference Shares ('Series A -CCPS') of ₹123 each	-	-
March 31, 2022 - Nil, March 31, 2021 - 3,038,886 Series C Compulsory Convertible Preference Shares of ₹250 each.	-	-
Total	-	-

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

Particulars	Series A-CCPS		Series C- CCPS	
	Number of shares	Amount	Number of shares	Amount
Outstanding as on March 31, 2021	4,061,914	499.62	3,038,886	759.72
Add: Issued during the period	-	-	-	-
Less: Converted to equity shares during the year	4,061,914	499.62	3,038,886	759.72
Outstanding as on March 31, 2022	-	-	-	-
Less: Converted to equity shares during the year	-	-	-	-
Outstanding as on March 31, 2023	-	-	-	-

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

20 Other equity

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

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	20.39	8.20
Add: Employee stock option expense	6.73	12.42
Less: Transferred to general reserve on forfeiture/lapse of stock options	(0.48)	(0.23)
Closing balance	26.64	20.39

*ESOOA recognizes the fair value of options as at the grant date spread over the vesting period. (Refer note 40)

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 40 for details of these plans.

(B) Securities premium

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	6,390.93	233.19
Add : Securities premium credited on share issue	-	6,331.88
Less: Securities premium utilised to write off the share issue expenses	-	(218.04)
Add: Deferred Tax Asset on share issue expenses	(10.98)	43.90
Closing balance	6,379.95	6,390.93

(C) Surplus in the Statement of Profit and Loss

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	294.99	(412.27)
Add: Profit for the year	635.09	707.03
Add: Transfer from ESOOA (on account of stock option being lapsed after vesting)	0.48	0.23
Less: Dividend paid to equity shareholders	(78.49)	-
Closing balance	852.07	294.99

(D) Other reserves

Particulars	As at March 31, 2023	As at March 31, 2022
-As at beginning of year	4.20	0.68
-Re-measurement gains on defined benefit plans (net of tax)	5.16	3.52
Closing balance[^]	9.36	4.20

[^]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	7,268.02	6,710.51
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Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

21 Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Term loan		
From Bank	165.00	256.30
Less: Current Maturities of borrowings	55.00	60.08
Total non current maturities of borrowings	110.00	196.22

Terms of repayment and security offered:

Term Loan from Banks:

- a) During the year 2020-21, the company has taken a loan of ₹ 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 starting from the month of April 2022.

Security Given:

1. Exclusive charge on specific movable fixed assets funded out of loan
2. Exclusive charge on all current assets of borrower, both present & future
3. Fixed Deposit of ₹ 308.00 millions

- b) During the year 2020-21, the company has taken a loan of ₹ 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 has been foreclosed out of IPO funds in October 2022.

Security given: Loan was secured by way of the hypothecation of the MRI Machine funded out of loan.

22 Lease Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities	159.81	153.62
Less: Current Maturities of Lease Liabilities	26.97	19.10
Total non current maturities of lease obligations	132.84	134.52

For details of assets taken on leases & terms of repayment of lease liabilities - refer note 41.

23 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposit received	18.13	16.39
Payable for capital purchases	318.68	277.74
Total other financial liabilities	336.81	294.13

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

24 Employee benefit obligations

Particulars	Long Term	
	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Provision for leave encashment (unfunded)	8.96	2.61
Total Provisions	8.96	2.61

Particulars	Short Term	
	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Provision for gratuity (funded) (Refer note 39)	16.60	11.71
Provision for leave encashment (unfunded)	4.59	8.07
Total Provisions	21.19	19.78

25 Other non-current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Revenue	0.07	1.25
Total other long term liabilities	0.07	1.25

26 Short-term borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Current Maturities of long term borrowings	55.00	60.08
Total short-term borrowings	55.00	60.08

27 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises	6.82	3.27
Total outstanding dues of creditors other than micro enterprises and small enterprises	584.34	761.26
Total trade payables	591.16	764.53

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

Trade Payable ageing Schedule as on March 31, 2023:

Particulars	Particulars Outstanding for following periods from due date of Payment					Total
	Unbilled	1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	-	6.82	-	-	-	6.82
Others	120.57	441.41	21.97	0.38	-	584.34
Disputed - MSME	-	-	-	-	-	-
Disputed - Other	-	-	-	-	-	-
Total	120.57	448.23	21.97	0.38	-	591.16

Trade Payable ageing Schedule as on March 31, 2022:

Particulars	Particulars Outstanding for following periods from due date of Payment					Total
	Unbilled	1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	-	3.27	-	-	-	3.27
Others	113.81	616.57	26.60	4.29	-	761.26
Disputed - MSME	-	-	-	-	-	-
Disputed - Other	-	-	-	-	-	-
Total	113.81	619.84	26.60	4.29	-	764.53

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

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Amount remaining unpaid to any supplier at the end of each reporting period:		
Principal	6.82	3.27
Interest	0.34	0.15
Total	7.16	3.42
(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.	0.34	0.15
(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.	-	-

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

28 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Other financial liabilities at amortised cost		
Interest accrued	0.67	0.77
Security deposits received	0.07	0.07
Payable for capital purchases	134.38	83.58
Employee Benefits Expenses Payable	92.83	72.95
Employee reimbursement payable	2.90	1.87
Payable for Initial Public Offer related expenses	2.68	71.18
Total other financial liabilities	233.53	230.42

29 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory due payable	18.25	17.55
Advance from Customers	5.22	0.47
Deferred Revenue	1.18	1.27
Income Tax Payable	-	26.95
Payable to selling shareholders	-	56.23
Total other current liabilities	24.65	102.47

30 Revenue from operations

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Sale of services	4,640.83	4,538.93
Consultancy income	-	9.97
Total revenue from operations	4,640.83	4,548.90

31 Other income

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest income		
on fixed deposits	154.73	122.38
on other deposits	0.05	0.06
on income tax refund	4.39	2.57
on other financial assets at amortised cost	22.07	24.08
on loan to subsidiaries	0.31	0.17

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Miscellaneous income	3.59	0.02
Gain on sale/disposal of fixed assets	1.76	-
Provisions for doubtful debt written back	7.20	-
Total other income	194.10	149.28

32 Cost of material consumed

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Inventory at the beginning of the year	91.70	72.10
Add: Purchases	900.83	622.56
Less: Inventory at the end of the year	(250.74)	(91.70)
Cost of material consumed	741.79	602.96

33 Employee benefits expense

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Salaries, wages, bonus and other allowances	557.96	442.92
Contribution to provident and other funds	51.88	37.92
Gratuity expenses (Refer note 39)	14.34	11.14
Employee stock option scheme compensation (Refer note 40)	6.73	12.42
Staff welfare expenses	25.36	22.98
Total employee benefits expense	656.27	527.38

34 Finance costs

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest on borrowing from :		
On bank and NBFC	40.37	132.96
On loans from related parties	-	1.65
On Lease liabilities	17.89	23.52
On Other financial liabilities at amortised cost	5.90	10.50
Bank Charges	9.68	8.36
Other borrowing costs	2.99	7.90
Total finance costs	76.83	184.89

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

35 Depreciation and amortization expense

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Depreciation (Refer note 6)	531.94	410.31
Amortization (Refer note 7)	5.88	3.56
Total depreciation and amortization expense	537.82	413.87

36 Other expenses

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Power & Fuel	68.40	61.63
Rent	88.32	84.01
Repairs and maintenance - Machinery	157.24	152.67
Insurance	4.50	5.16
Rates and taxes	7.95	4.29
Logistics expenses	21.38	45.37
Travelling and lodging expenses	47.71	37.23
Auditors' remuneration (Refer note below)	2.68	2.60
Security and facility management expenses	97.13	65.90
Business promotion expenses	31.12	16.88
Printing & Stationery	48.77	30.49
Communication expenses	23.00	18.54
Corporate social responsibility expenses (Refer Note 48)	10.25	5.66
Office expenses	26.91	21.91
Legal and professional charges	47.80	36.28
Sitting Fees to Directors	2.70	3.20
Provision for doubtful debt	0.00	8.30
Reporting Charges	480.28	378.39
Loss on sale/disposal of fixed assets	-	2.48
Information Technology Support & Service Charges	60.78	1.55
Miscellaneous expenses	11.76	10.63
Total other expenses	1,238.68	993.16

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Breakup of auditor's remuneration:		
Statutory audit fees*	1.15	1.36
Limited review fees*	1.24	1.24
Out of Pocket Expenses	0.29	-
Total	2.68	2.60

* Auditor's remuneration is inclusive of Goods & Service Taxes.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

37 Income Tax

(A) Deferred tax relates to the following:

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets		
On Expenses provided but allowable in Income Tax on payment basis - Provision for employee benefits	8.17	5.64
On Deduction available u/s 80JJAA	18.82	20.90
On Lease liability	8.44	-
On Provision for doubtful debts and advances	12.86	14.68
On Share issue expenses adjusted to securities premium account	32.93	43.90
On ESOP expense reserve	6.70	5.13
Total Deferred tax assets	87.92	90.25
Deferred tax liabilities		
On Difference between book depreciation and tax depreciation	195.86	168.19
Discount amount of Deferred payment Credit	19.71	-
Total Deferred tax liabilities	215.57	168.19
Deferred tax (liability), net	(127.65)	(77.94)

(B) Reconciliation of deferred tax (liabilities), net:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance as of April 1	(77.94)	(106.95)
Tax liability recognized in Statement of Profit and Loss	(36.99)	(13.71)
On re-measurements (losses) of post-employment benefit obligations	(1.73)	(1.18)
Tax liability recognized directly in equity	(10.99)	43.90
Closing balance as at March 31	(127.65)	(77.94)

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

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Deferred tax charge on account of difference between book depreciation and tax depreciation	27.68	40.55
Deferred tax charge on account deferred vendor credit balance	19.71	-
Deferred tax charge/(credit) on expenses allowed on payment basis:		
- Provision for employee benefits	(4.28)	(3.18)
- On Provision for doubtful debts and advances	1.82	(2.10)
Deferred tax asset on deduction u/s 80JJAA	2.07	(16.43)
Deferred tax asset on Lease Liability	(8.44)	-
Deferred tax asset on ESOP expense reserve	(1.57)	(5.13)
	36.99	13.71

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

(D) Income tax expense

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
- Income tax expense	149.31	175.26
- Adjustments in respect of current income tax of previous year	0.52	-
- Deferred tax charge	36.99	13.71
Income tax expense reported in the statement of profit or loss	186.82	188.97

(E) Income tax expense charged to OCI

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Net loss on remeasurements of defined benefit plans	1.73	1.18
Income tax charged to OCI	1.73	1.18

(F) Reconciliation of tax charge

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Profit before tax	821.91	896.00
Income tax expense at tax rates applicable	206.86	225.51
Tax effects of:		
- Item not deductible for tax	7.52	12.68
- Directly accounted in equity	(10.98)	(10.98)
- 80 JJAA	(14.23)	(28.00)
- ESOP expense reserve	-	(5.13)
- earlier year tax impact	0.52	-
- Others	(2.86)	(5.11)
Income tax expense	186.82	188.97

38 Earnings per share

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

Diluted earnings per share amounts are calculated by dividing the profit 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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

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

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Profit attributable to equity holders adjusted for the effect of dilution	635.09	707.03
Weighted average number of equity shares for basic EPS	31,397,613	29,876,508
Effect of dilution:		
Share options	800,396	7,087
Weighted average number of equity shares adjusted for the effect of dilution	32,198,009	29,883,596
Basic profit per share (₹)	20.23	23.66
Diluted profit per share (₹)	19.72	23.66

The Company is having following potential equity shares :

Shares allotted to employees in pursuance of the Employee Stock Option Plan (ESOP).

39 Employee benefits

(A) Defined Contribution Plans

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

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Employers' Contribution to Provident Fund (Refer note 33)	42.33	30.77
Employers' Contribution to Employee State Insurance (Refer note 33)	9.47	7.08
Employers' Contribution to Labour Welfare Fund (Refer note 33)	0.08	0.07
	51.88	37.92

(B) Defined benefit plans

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary and dearness allowance per month computed proportionately for 15 days divided by 26 days multiplied for the number of years of service. The gratuity plan is a funded plan.

Company maintains plan assets against with Life Insurance Corporations Limited to meet the obligation of Gratuity as per payment of Gratuity Act, 1972.

i) Actuarial assumptions

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate (per annum)	7.30%	6.40%
Rate of increase in Salary	6.00%	6.00%
Expected average remaining working lives of employees (years)	3.55	4.92
Attrition rate	28%	20%
Expected rate of return on plan assets	6.40%	6.10%

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

ii) Changes in the present value of defined benefit obligation

Particulars	Employees's gratuity plan	
	As at March 31, 2023	As at March 31, 2022
Present value of obligation at the beginning of the year	20.35	14.34
Interest cost	1.26	0.84
Current service cost	13.68	10.74
Benefits paid	(1.25)	(1.02)
Actuarial (gain) on obligations	(6.77)	(4.55)
Present value of obligation at the end of the year/period	27.27	20.35

iii) Expense recognized in the Statement of Profit and Loss

Particulars	Employees's gratuity plan	
	Year ended March 31, 2023	Year ended March 31, 2022
Current service cost	13.68	10.74
Interest cost	0.66	0.40
Total expenses recognized in the Statement Profit and Loss*	14.34	11.14

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

Particulars	Year Ended	
	March 31, 2023	March 31, 2022
Opening amount recognised in OCI outside profit and loss account	(5.64)	(0.95)
Remeasurement for the year - obligation (Gain)	(6.77)	(4.55)
Remeasurement for the year - plan asset (Gain)	(0.12)	(0.14)
Total Remeasurements (Credit) for the year recognised in OCI	(6.89)	(4.69)
Closing amount recognised in OCI outside profit and loss account	(12.53)	(5.64)

v) Changes in the Fair Value of Plan Assets

Particulars	As at March 31, 2023	As at March 31, 2022
	Present value of obligation at the and of the year	8.65
Interest Income	0.60	0.45
Contributions	4.00	3.66
Mortality Charges and Taxes	(0.20)	(0.24)
Benefits paid	(2.50)	(1.94)
Return on plan assets, excluding amount recognized in Interest Income - Gain	0.12	0.14
Fair value of plan assets at the end of the period	10.67	8.65

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

vi) Assets and liabilities recognized in the Balance Sheet:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of unfunded obligation as at the end of the year	(27.27)	(20.35)
Fair value of the plan assets at the end of period	10.67	8.65
(Deficit)	(16.60)	(11.71)
Current liability	16.60	11.71
Non-current liability	-	-
Unfunded net (liability) recognized in Balance Sheet*	(16.60)	(11.71)

*Included in provision for employee benefits (Refer note 24)

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

Particulars	As at March 31, 2023	As at March 31, 2022
Net asset / (liability) recognised at the beginning of the period	(11.72)	(7.76)
Company contributions	4.00	3.66
Amount recognised outside	6.89	4.69
Expense recognised at the end of period	(14.34)	(11.14)
Mortality Charges and Taxes	(0.20)	(0.24)
Gratuity Benefits Received from Fund against payment made by company last year	(1.23)	(0.93)
Net asset / (liability) recognised at the end of the period	(16.60)	(11.71)

viii) Expected contribution to the fund in the next year

Particulars	As at March 31, 2023	As at March 31, 2022
Gratuity	4.00	3.70

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

Particulars	Employee's gratuity	
	As at March 31, 2023	As at March 31, 2022
Impact on defined benefit obligation		
Discount rate		
1.00% increase	(26.35)	(19.40)
1.00% decrease	28.25	21.43
Rate of increase in salary		
1.00% increase	27.97	21.20
1.00% decrease	(26.61)	(19.59)
Impact of change in withdrawal rate		
1.00% increase	27.15	(20.26)
1.00% decrease	27.39	20.49

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

x) Maturity profile of defined benefit obligation

Particulars	Employee's gratuity	
	As at March 31, 2023	As at March 31, 2022
Year		
Apr 2022 - Mar 2023	-	2.30
Apr 2023 - Mar 2024	5.11	2.60
Apr 2024 - Mar 2025	4.36	2.98
Apr 2025 - Mar 2026	3.94	3.39
Apr 2026 - Mar 2027	5.98	5.87
Apr 2027 - Mar 2028	6.87	-
Apr 2027 - Mar 2032	-	37.10
Apr 2028 - Mar 2033	35.15	-

40 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, 2023	As at March 31, 2022
	Number	Number
Options outstanding at beginning of year:		
Tranche 1 (Exercise Price: 225)	1,427,906	1,552,566
Tranche 2 (Exercise Price: 350)	494,108	494,108
Add:		
Options granted during the year:		
Tranche 1 (Exercise Price: 225)	-	-
Tranche 2 (Exercise Price: 350)	-	-
Less:		
Options exercised during the year	-	-
Options forfeited during the year		
Tranche 1 (Exercise Price: 225)	34,006	124,660
Tranche 2 (Exercise Price: 350)	73,108	-
Options outstanding at the end of year:		
Tranche 1 (Exercise Price: 225)	1,393,900	1,427,906
Tranche 2 (Exercise Price: 350)	421,000	494,108
Option exercisable at the end of year:		
Tranche 1 (Exercise Price: 225)	696,950	356,974
Tranche 2 (Exercise Price: 350)	210,500	123,527

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

In accordance with the above mentioned ESOP Scheme, ₹ 6.73 million (FY2022-23) & ₹ 12.42 million (FY2021-22) has been charged to the Statement of Profit and Loss in respective periods in relation to the Employee Stock Option Scheme Compensation. (Refer note 33)

The options outstanding at the period ending on March 31, 2023 with exercise price of ₹ 225 are 13,93,900 options (Tranche 1) & with exercise price of ₹ 350 are 4,21,000 (Tranche 2) and a weighted average remaining contractual life of all options are between 1 to 2 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 (₹)	15.28	22.48	31.20	41.71
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 (₹)	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 (₹)	36.16	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 (₹)	572.35	572.35	572.35	572.35

Above fair value calculations are for options before split of share from face value ₹10 to ₹5 while the number of options reported above are after split.

41 Leases where company is a lessee

Leases in relation to plant & machinery comprise of CT & MRI machinies taken on finance lease model from Philips india Limited - details are as follows.

- 32 Slice CT Machine for operations at KDMC Center taken on lease in October 2020 - to be paid over 84 Installments.
- 3T MRI Machine at DY Patil Kolhapur Center taken on lease in October 2019 - to be paid over 84 Installments.
- 1.5T MRI Machine at Sutar Hospital taken on lease in December 2020 - to be paid over 84 Installments
- 1.5T MRI Machine at Udipi Center taken on lease in October 2020 - to be paid over 84 Installments.

Leases in relation to Land & Building comprises of Stores & Office taken on lease for business purpose - The agreement ranges from 60 months to 120 months. Since these are long term lease - they are capitalized pursuant to IND AS 116

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

i) Changes in the carrying value of Right-of-use Assets

Particulars	Category of ROU Asset		Total
	Land & Building	Plant & Machinery	
Balance as at April 1, 2021	-	182.14	182.14
Additions	11.35	-	11.35
Deletions	-	7.27	7.27
Depreciation	1.46	13.95	15.42
Balance as at March 31, 2022	9.89	160.92	170.81
Additions	27.41	-	27.41
Deletion	-	-	-
Depreciation	4.61	13.95	18.57
Balance as at March 31, 2023	32.69	146.97	179.66

ii) Changes in lease liabilities

Particulars	Category of Lease Liability		Total
	Land & Building	Plant & Machinery	
Balance as at April 1, 2021	-	167.78	167.78
Additions	11.35	-	11.35
Lease Payments	1.12	24.39	25.51
Balance as at March 31, 2022	10.23	143.39	153.62
Additions	30.00	15.92	45.92
Lease Payments	6.16	33.57	39.73
Balance as at March 31, 2023	34.07	125.74	159.81

iii) Break-up of current and non-current lease liabilities

Particulars	March 31, 2023	March 31, 2022
Current Lease Liabilities	26.97	19.10
Non-current Lease Liabilities	132.84	134.52

iv) Maturity analysis of lease liabilities

Particulars	March 31, 2023	March 31, 2022
Less than one year	26.97	19.10
One to five years	123.25	114.28
More than five years	9.59	20.23
Total	159.81	153.62

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

v) Amounts recognised in statement of Profit and Loss account

Particulars	March 31, 2023	March 31, 2022
Interest on Lease Liabilities	17.89	23.52
Depreciation on ROU Assets	18.56	15.42

vi) Changes in liabilities arising from financing activities, including both changes arising from cash and non-cash changes:

Particulars	March 31, 2023	March 31, 2022
Opening lease liabilities	153.62	167.78
Non Cash flow movement		
- Additions to ROU	27.41	11.35
- Unwinding cost on lease liability	17.89	18.51
Cash flow movement		
- Payment of Principal amount of lease liability	(21.73)	(18.50)
- Payment of interest on lease liability	(18.00)	(19.43)
- Payment on account of buyout of Leased assets	-	(6.08)
Closing Lease liabilities	159.18	153.62

42 Related Party Disclosures:

In accordance with the requirements of Ind AS - 24 'Related Party Disclosures', names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods are:

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

Entity under common control

Krsna International Limited-Yemen

Wholly owned Subsidiaries

KDPL Diagnostics (Amritsar) Private Limited
 KDPL Diagnostics (Bathinda) Private Limited
 KDPL Diagnostics (Jalandhar) Private Limited
 KDPL Diagnostics (Ludhiana) Private Limited
 KDPL Diagnostics (Patiala) Private Limited
 KDPL Diagnostics (SAS Nagar) Private Limited
 Krsnaa Diagnostics (Mohali) Private Limited

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

Key Management Personnel (KMP)

Mr. Rajendra Mutha - Chairman & Wholetime Director
 Mr. Yash Mutha - Wholetime Director
 Ms. Pallavi Bhatevara - Managing Director
 Ms. Manisha Chitgopekar - Company Secretary (till October 11, 2021)
 Mr. Nikhil Deshpande - Company Secretary (from October 12, 2021 to April 24, 2023)
 Ms. Sunita Mutha- Relative of KMP
 Mr. Pawan Daga - Chief Financial Officer (from January 18, 2021)
 Mr. Prakash Iyer - Independent Director (from April 25, 2021 to May 28, 2022)
 Mr. Chetan Desai - Independent Director (from April 25, 2021)
 Ms. Chhaya Palrecha - Independent Director (from April 25, 2021)
 Mr. Prem Pradeep - Independent Director
 Mr. Rajiv Verma - Independent Director (from April 25, 2021)
 Mr. Adesh Kumar Gupta - Independent Director (from May 28, 2022)

Entity in which KMP exercise significant influence

Krsna Diagnostics (Mumbai) Private Limited

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

List of Parties	Year Ended March 31, 2023	Year Ended March 31, 2022
(i) Key Management Personnel (KMP)		
Compensation of key management personnel		
Ms. Pallavi Bhatevara	4.10	5.09
Mr. Rajendra Mutha	26.40	26.41
Mr. Yash Mutha	4.80	4.80
Mr. Pawan Daga	3.01	1.90
Ms. Manisha Chitgopekar	0.00	0.20
Mr. Nikhil Deshpande	1.68	0.75
Sitting fees paid to directors		
Mr. Prakash Iyer	0.15	0.75
Mr. Chetan Desai	0.65	0.70
Ms. Chhaya Palrecha	0.70	0.90
Mr. Rajiv Verma	0.65	0.85
Mr. Adesh Kumar Gupta	0.55	-
(ii) Expenses Incurred:		
Ms. Sunita Mutha - Rent Expenses	36.82	36.82
Ms. Pallavi Bhatevara - Interest Expenses	-	1.65
(iii) Income from Subsidiaries		
a) Interest on loan to subsidiaries	0.31	0.17
b) Revenue share income from subsidiaries:	163.00	15.69

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

List of Parties	Year Ended March 31, 2023	Year Ended March 31, 2022
(iv) Loans (liability) taken earlier now repaid during the period		
Mr. Rajendra Mutha	-	1.19
Ms. Pallavi Bhatevara	-	18.54
(v) Loans (asset) given during the period to subsidiaries		
KDPL Diagnostics (Amritsar) Private Limited	0.16	0.29
KDPL Diagnostics (Bathinda) Private Limited	3.96	0.29
KDPL Diagnostics (Jalandhar) Private Limited	0.19	0.29
KDPL Diagnostics (Ludhiana) Private Limited	0.19	0.29
KDPL Diagnostics (Patiala) Private Limited	0.04	0.29
KDPL Diagnostics (SAS Nagar) Private Limited	0.64	0.71
Krsnaa Diagnostics (Mohali) Private Limited	44.09	11.87
(vi) Loans (asset) received back during the period		
KDPL Diagnostics (Amritsar) Private Limited	0.37	0.08
KDPL Diagnostics (Bathinda) Private Limited	4.17	0.08
KDPL Diagnostics (Jalandhar) Private Limited	0.40	0.08
KDPL Diagnostics (Ludhiana) Private Limited	0.40	0.08
KDPL Diagnostics (Patiala) Private Limited	0.25	0.08
KDPL Diagnostics (SAS Nagar) Private Limited	0.69	0.67
Krsnaa Diagnostics (Mohali) Private Limited	46.48	9.48

(C) Outstanding Balances

List of Parties	As at March 31, 2023	As at March 31, 2022
i) Entity under common control		
Krsna International Limited-Yemen -Receivable	31.01	31.01
Less: Provision	(31.01)	(31.01)
	-	-
ii) Investments Made in Subsidiaries		
KDPL Diagnostics (Amritsar) Private Limited	0.10	0.10
KDPL Diagnostics (Bathinda) Private Limited	0.10	0.10
KDPL Diagnostics (Jalandhar) Private Limited	0.10	0.10
KDPL Diagnostics (Ludhiana) Private Limited	0.10	0.10
KDPL Diagnostics (Patiala) Private Limited	0.10	0.10
KDPL Diagnostics (SAS Nagar) Private Limited	0.10	0.10
Krsnaa Diagnostics (Mohali) Private Limited	0.10	0.10
iii) Loan receivable from subsidiaries:		
KDPL Diagnostics (Amritsar) Private Limited	-	0.21
KDPL Diagnostics (Bathinda) Private Limited	-	0.21

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

List of Parties	As at March 31, 2023	As at March 31, 2022
KDPL Diagnostics (Jalandhar) Private Limited	-	0.21
KDPL Diagnostics (Ludhiana) Private Limited	-	0.21
KDPL Diagnostics (Patiala) Private Limited	-	0.21
KDPL Diagnostics (SAS Nagar) Private Limited	-	0.04
Krsnaa Diagnostics (Mohali) Private Limited	-	2.39
iv) Trade Receivable/(Trade advance received) from subsidiaries		
KDPL Diagnostics (Amritsar) Private Limited	1.50	0.32
KDPL Diagnostics (Bathinda) Private Limited	1.47	0.00
KDPL Diagnostics (Jalandhar) Private Limited	0.29	0.57
KDPL Diagnostics (Ludhiana) Private Limited	(2.04)	0.59
KDPL Diagnostics (Patiala) Private Limited	(2.17)	0.19
KDPL Diagnostics (SAS Nagar) Private Limited	2.02	2.57
Krsnaa Diagnostics (Mohali) Private Limited	30.24	10.13
v) Key Management Personnel (KMP)		
(b) Compensation payable to KMPs		
Mr. Yash Mutha	0.21	0.34
Mr. Pawan Daga	0.18	0.14
Ms. Pallavi Bhatevara	0.22	0.30
Mr. Nikhil Deshpande	0.11	0.11
Mr. Rajendra Mutha	32.26	25.91
(b) Other Payables		
Ms. Sunita Mutha	4.49	3.19

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except for borrowings and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2023 & March 31, 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

43 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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

44 Fair Value Measurement

Financial Instruments by Category:

Financial Asset	March 31, 2023		March 31, 2022	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Investment				
- in shares of Janata Sahakari Bank Limited, Pune	-	2.90	-	2.90
- Mutual Funds	0.01	-	0.01	-
Security Deposit (Current + Non Current)	-	176.23	-	212.12
Fixed deposit accounts with maturity for more than 12 months	-	1,553.31	-	1,036.72
Trade receivables	-	745.45	-	593.07
Cash and cash equivalents	-	221.32	-	883.24
Bank balances other than cash and cash equivalent	-	860.76	-	1,534.28
Interest accrued on fixed deposits	-	77.33	-	24.00
Loan to Subsidiaries	-	-	-	3.48
Other receivables	-	21.96	-	0.62
Total Financial Asset	0.01	3,659.26	0.01	4,290.43

Financial Liabilities	March 31, 2023		March 31, 2022	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Borrowings (including current maturities of long term borrowings and short term borrowings)	-	165.00	-	256.30
Security deposit received (Current + Non current)	-	18.20	-	16.46
Trade Payable	-	591.16	-	764.53
Interest accrued	-	0.67	-	0.76
Payable for capital purchases	-	453.06	-	361.32
Lease Liabilities	-	159.81	-	153.62
Employee reimbursement payable	-	2.90	-	1.87
Employee Benefits Expenses Payable	-	92.83	-	72.95
Payable for IPO expenses	-	2.68	-	71.18
Total Financial Liabilities	-	1,486.31	-	1,698.99

45 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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

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

As at March 31, 2023	Level 1	Level 2	Level 3	Total
Financial Asset				
Investment in Kotak Liquid Fund Regular Plan Growth	-	0.01	-	0.01
Total Financial Asset	-	0.01	-	0.01
Financial Liabilities	-	-	-	-
Total Financial Liabilities	-	-	-	-
As at March 31, 2022	Level 1	Level 2	Level 3	Total
Financial Asset				
Investment in Kotak Liquid Fund Regular Plan Growth	-	0.01	-	0.01
Total Financial Asset	-	0.01	-	0.01
Financial Liabilities	-	-	-	-
Total Financial Liabilities	-	-	-	-

b 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.

46 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. 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 analyses assumes that all other variables, remain

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

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, 2023	March 31, 2022
Increase by 100 basis point	5.13	11.85
Decrease by 100 basis point	(5.13)	(11.85)

(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 the year ended are as follows:

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
The movement in the provision for bad and doubtful debts for the year ended are as follows:		
Opening balance	58.30	50.00
Changes in loss allowance:		
1. Loss allowance based on Expected credit loss	(7.20)	8.30
2. Write off as bad debts	-	-
Closing Balance	51.10	58.30
The movement in the provision for doubtful advances for the year ended are as follows:		
Opening balance	31.01	31.01
Changes in loss allowance:		
1. Loss allowance based on Expected credit loss	-	-
2. Write off as bad debts	-	-
Closing Balance	31.01	31.01

Company has one customer as at March 31, 2023 & March 31, 2022 which accounts for 10% or more of the total trade receivables at each reporting date

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

(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:

As at March 31, 2023	Less than 1 year	1 to 5 years	More than 5 years	Total
Short term borrowings & leases	81.97	-	-	81.97
Long-term borrowings & leases	-	233.25	9.59	242.84
Trade payables	591.16	-	-	591.16
Other financial liability	233.53	318.67	18.14	570.34
	906.67	551.92	27.72	1,486.32

As at March 31, 2022	Less than 1 year	1 to 5 years	More than 5 years	Total
Short term borrowings & leases	79.18	-	-	79.18
Long-term borrowings & leases	-	305.16	25.58	330.74
Trade payables	764.53	-	-	764.53
Other financial liability	230.42	286.56	7.57	524.55
	1,074.13	591.72	33.14	1,699.00

47 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 board of directors have recommended the final dividend of ₹ 2.75 per equity share of the face value of ₹ 5 per equity share for the year ended March 31, 2023. The payment of dividend is subject to approval of shareholders at the ensuing Annual General meeting of the company. 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.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

Particulars		Year Ended March 31, 2023	Year Ended March 31, 2022
Equity Share Capital		156.99	156.99
Other Equity		7,268.02	6,710.51
Total equity	(i)	7,425.01	6,867.50
Borrowings & lease liability		324.81	409.91
Less: cash and cash equivalents		(221.32)	(883.24)
Net debt	(ii)	103.49	(473.33)
Overall financing	(iii) = (i) + (ii)	7,528.49	6,394.18
Gearing ratio	(ii)/ (iii)	0.01	(0.07)

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022.

48 Corporate Social Responsibility (CSR)

Particulars		Year Ended March 31, 2023	Year Ended March 31, 2022
Gross amount required to be spent		10.25	5.66
Amount spend during the year		10.25	5.66

Amount spent during the year

Particulars	March 31, 2023		
	In cash	Yet to be paid in cash	Total
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*	10.25	-	10.25
	10.25	-	10.25
Less: Amount capitalized as CSR assets			-
			10.25

* Ventilators donated to various Municipal Corporations

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

Amount spent during the year

Particulars	March 31, 2022		Total
	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*	5.66	-	5.66
	5.66	-	5.66
Less: Amount capitalized as CSR assets			-
			5.66

* Ventilators donated to various Municipal Corporations

49 Disclosure pursuant to Schedule V read with regulations 34(3) and 53(f) of the SEBI(Listing Obligations And Disclosure Requirements) Regulations,2015

A) Amount of loans / advances in nature of loans outstanding from subsidiaries as at March 31, 2023 -

Name of the Company	Balance as at		Maximum outstanding	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
KDPL Diagnostics (Amritsar) Private Limited	-	0.21	0.21	0.27
KDPL Diagnostics (Bathinda) Private Limited	-	0.21	2.77	0.27
KDPL Diagnostics (Jalandhar) Private Limited	-	0.21	0.19	0.27
KDPL Diagnostics (Ludhiana) Private Limited	-	0.21	0.19	0.27
KDPL Diagnostics (Patiala) Private Limited	-	0.21	0.04	0.27
KDPL Diagnostics (Sas Nagar) Private Limited	-	0.04	0.64	0.69
Krsnaa Diagnostics (Mohali) Private Limited	-	2.39	19.03	5.76

B) Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount -

Name of the Company	Balance as at		Maximum outstanding	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Krsna International Limited-Yemen	31.01	31.01	31.01	31.01
Less: Credit impaired & full provided for in book	(31.01)	(31.01)	(31.01)	(31.01)
Net	-	-	-	-

C) Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan as at March 31, 2023 & March 31, 2022 - Nil

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

50 Utilisation of money raised through public issue

During the year ended March 31, 2022, the Company had raised ₹ 4,000 Million through public issue of fresh equity shares, mainly with an objective of repayment of borrowings, capital expenditure for setting-up new centers in Punjab, Karnataka, Himachal Pradesh & Maharashtra and for general corporate purposes. The Company has estimated to incur expenses aggregating ₹ 662.19 Million (out of which, 218.04 Million pertains company's share) towards the initial public offering which includes both issue of fresh equity shares as well as offer for sale of equity shares by existing share holders. Given below are the details of utilisation of proceeds raised through public issue during the year ended March 31, 2022.

Particulars	March 31, 2023	March 31, 2022
Unutilized amount at the beginning of the year	1,802.76	-
Amount raised through public issue	-	4,000.00
Less - Share Issue Expenses relating to fresh offer	-	(218.04)
Net IPO Proceeds available for utilization	1,802.76	3,781.96
Less: amount utilized during the year		
Payment towards project expenditure relating to Capital Expenditure	345.24	583.50
Payment towards repayment of borrowings	31.79	1,429.02
Payment towards general corporate purpose	454.73	5.00
Less: Interest Received on Utilized funds & Others		
Add: Interest received on funds re-invested during the year	41.26	34.98
Add: Amount pending to be released in current account of the company	-	3.32
Amount Utilized at the year end	1,012.25	1,802.76

Details of short-term investments made from unutilized portion of public issue raised during the year ended:

Particulars	March 31, 2023	March 31, 2022
Balance amount in current account	1.00	3.00
Investment in fixed deposits of banks	1,011.24	1,799.76
	1,012.25	1,802.76

51 Commitment & Contingency

Particulars	March 31, 2023	March 31, 2022
Contingent Liabilities		
Other money for which the Company is contingently liable (Note 1)	36.50	36.50
	36.50	36.50

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

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

Particulars	March 31, 2023	March 31, 2022
Capital Commitments		
- Estimated Amount of contracts remaining to be executed on capital account Net of Advances	549.99	618.81
	549.99	618.81

52 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.

53 Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

Type of Borrower	Loans/Advances granted Individually or Jointly with other. (Individually / Jointly)	Repayable on demand (Yes / No)	Terms/ Period of repayment is specified (Yes / No)	March 31, 2023		March 31, 2022	
				Amount outstanding as at the balance sheet date	% of Total	Amount outstanding as at the balance sheet date	% of Total
Promoter							
Directors							
KMPs							
Related Parties:							
i. Subsidiaries	Individually	Yes	No	-	-	3.48	10%
ii. Krsna International Limited-Yemen (Entity under common control)	Individually	Yes	No	31.01	100%	31.01	90%
Less: Credit impaired and fully Provide for				(31.01)	-100%	(31.01)	-100%
Total of Loan and Advances in the nature of Loan (Refer Note 9 & 16)				-	-	3.48	10%

54 Capital-Work-in Progress (CWIP)

(a) For Capital-work-in progress ageing schedule

March 31, 2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	235.36	14.78	-	4.66	254.81
Projects temporarily suspended	-	-	-	-	-

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

March 31, 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	277.91	-	-	4.66	282.57
Projects temporarily suspended	-	-	-	-	-

(b) In case of the following projects (CWIP), where completion is overdue or has exceeded its cost compared to its original plan:

March 31, 2023

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress:				
i. Work in Progress (Karnataka) *	4.66	-	-	-
Projects where activity has been suspended: Nil				

* For few centers in Karnataka, Project has exceeded its original plan of completion due to delay in allotting space at center by tender authorities

March 31, 2022

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress:				
i. Work in Progress (Karnataka) *	-	4.66	-	-
Projects where activity has been suspended: Nil				

* For few centers in Karnataka, Project has exceeded its original plan of completion due to delay in allotting space at center by tender authorities

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

55 Reconciliation of quarterly statements of current assets filed with banks for the period March 31, 2023

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-22		Trade Receivable Upto 120 Days	962.58	960.13	2.45	Statement was submitted to bank before book closure process.
		Inventories	108.48	108.48	-	
		(Trade Payable) Upto 90 days	289.36	327.58	(38.22)	
Sep-22	Indusind Bank	Trade Receivable Upto 120 Days	961.72	961.90	(0.18)	Amount reported to Bank is net of of Advance to supplier.
		Inventories	173.04	173.04	-	
		(Trade Payable) Upto 90 days	301.58	288.58	13.00	
Dec-22		Trade Receivable Upto 120 Days	1,039.45	1,039.02	0.43	
		Inventories	221.73	221.73	-	
		(Trade Payable) Upto 90 days	261.72	259.92	1.80	
Mar-23		Trade Receivable Upto 120 Days	686.98	689.06	(2.08)	
		Inventories	250.74	250.74	-	
		(Trade Payable) Upto 90 days	287.81	287.34	0.46	

March 31, 2022

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-21		Trade Receivable Upto 120 Days	797.31	791.25	6.06	Statement submitted to bank Net of Advance from Customer
		Inventories	109.63	109.63	-	
		(Trade Payable) Upto 90 days	(138.71)	(138.71)	-	
Sep-21	Indusind Bank	Trade Receivable Upto 120 Days	842.73	840.00	2.74	
		Inventories	95.50	92.64	2.86	
		(Trade Payable) Upto 90 days	(195.46)	(195.46)	-	
Dec-21		Trade Receivable Upto 120 Days	703.94	703.94	-	
		Inventories	97.85	97.85	-	
		(Trade Payable) Upto 90 days	(260.06)	(260.06)	-	
Mar-22		Trade Receivable Upto 120 Days	487.10	487.10	-	Statement submitted to bank Net of Advance to Vendor
		Inventories	91.70	91.70	-	
		(Trade Payable) Upto 90 days	(432.08)	(413.31)	(18.77)	

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

The company has subsequent to year end, filed the revised statement/returns for all the quarters with figures matching with books of accounts.

56 Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

57 Compliance with number of layers of companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

58 There are no immovable properties standing in the books of the company, hence the discloser of title deed not held in the name of the company is not applicable

59 The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

60 The company has not being declared as wilful defaluter by any bank or financials instiution or any government authority

61 The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

62 Utilisation of Borrowed funds and share premium:

- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficarie"
- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

63 The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year, (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

64 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

65 Dividend

The board of directors have recommended the dividend of ₹ 2.75 per share of the face value of ₹ 5 per share for the year ended March 31, 2023. The payment of dividend is subject to approval of shareholders at the ensuing Annual General meeting of the company.

66 Ratios

S No.	Ratio	Numerator	Denominator	Ratio as on	Ratio as on	Variation	Reason (If variation is more than 25%)
				March 31, 2023	March 31, 2022		
(a)	Current Ratio	Current Assets	Current Liability	2.38	2.81	-15.24%	
(b)	Debt-Equity Ratio	Debt = Long term borrowing and current maturities of long-term borrowings and lease liabilities.	Equity	0.04	0.06	-26.71%	Equity balance has increased in current on account of profit, while the debt has reduced in current year - hence ratio is decreased.'
(c)	Debt Service Coverage Ratio	Net Operating Income = Net profit after taxes + Non-cash operating expenses/(income) + finance cost	Debt Service = Repayment of borrowings (excluding the foreclosure amount prepaid during the current year) + interest paid + lease payments	7.98	6.69	19.29%	
(d)	Return on Equity Ratio	Net Income = Net Profits after taxes	Average Shareholders' Equity	8.89%	15.39%	-42.27%	Variance in return on equity is on account of following : <ol style="list-style-type: none"> 1. Average equity is higher in FY 2022-23 as compared to FY 2021-22 due to fresh issue of shares in IPO in FY 2021-22. 2. The average equity for previous period was less owing to fair value loss on CCPS in Financial year 2020-21 3. Profit after tax has reduced in current year
(e)	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	4.33	7.36	-41.15%	<ol style="list-style-type: none"> 1. New centers were opened in FY 2022-23. Due to this, overall closing stock levels increased in FY 2022-23. 2. Increase in Core business i.e. Non Covid business has increased the levels of consumptions.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

S No.	Ratio	Numerator	Denominator	Ratio as on	Ratio as on	Variation	Reason (If variation is more than 25%)
				March 31, 2023	March 31, 2022		
(f)	Trade Receivables Turnover Ratio	Revenue from operations	Average Trade Receivables	6.93	6.76	2.59%	
(g)	Trade Payables Turnover Ratio	Purchases	Average Trade Payable * Trade payables related to purchases & consumables only	12.09	6.92	74.83%	The variance is on account of following 1. Purchase have increased in current financial year owing to increase in business operations. 2. Average trade payable balance have reduced in current year on account of early payment as compared to previous year.
(h)	Net Capital Turnover Ratio	Revenue from operations	Average Working Capital	2.67	3.24	-17.65%	
(i)	Net Profit Ratio	Net Profit	Revenue from Operations	13.68%	15.54%	-11.95%	
(j)	Return on Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed = Average of Shareholders' Equity + Long Term Borrowings & Leases.	11.89%	18.69%	-36.36%	The variance in the ratio is on account of following: 1. Average equity in higher 12 FY 2022-23 as compared to FY 2021-22 due to fresh issue of shares in IPO in FY 2021-22. 2. The average equity for previous period was less owing to fair value loss on CCPS.
(k)	Return on Investment	Income generated from investments	Average Investments	-	-	-	- There are no returne on investment made in equity instruments hence no ratio is reported.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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

67 The Code on Social Security 2020

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.

68 Casual vacancy of Company Secretary

The Company is in the process of filling up the vacancy for the position of Company Secretary who resigned on April 24, 2023.

69 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.

See accompanying notes to IND AS Standalone Financial Statements

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

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

For and on behalf of the Board of Directors
Krsnaa Diagnostics Limited
(Formerly known as Krsnaa Diagnostics Private Limited)
CIN:L74900PN2010PLC138068

Anup Mundhra

Partner
Membership No: 061083

Rajendra Mutha

Chairman
DIN: 01066737

Pallavi Bhatevara

Managing Director
DIN: 03600332

Yash Mutha

Executive Officer
DIN: 07285523

Pawan Daga

Chief Financial Officer

Place: Pune
Date: May 27, 2023

Place: Pune
Date: May 27, 2023

Independent Auditor's Report

To the Members of Krsnaa Diagnostics Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Krsnaa Diagnostics Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2023 and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries, the aforesaid consolidated 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 prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2023, of consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

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 SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the

Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters

Allowance for expected credit loss for trade receivables

Refer Note 13 of consolidated financial statements with respect to the disclosures of trade receivables.

As on March 31, 2023, trade receivables of the holding company, amount to ₹ 796.55 million against which provision of ₹ 51.10 million was made towards expected credit loss in the books of account.

Calculation of expected credit loss is a complex area and requires management to make significant assumptions on customer payment behaviour and estimating the level and timing of expected future cash flows.

We have identified allowance for expected credit loss as a key audit matter in view of the significant management judgement and estimation uncertainty involved.

How Was the Key Audit Matter Addressed in the Audit

Our audit procedures in respect of this area include but are not limited to following:

- Obtained understating of the Holding Company's accounting policy on assessment of impairment of trade receivables, including design and

implementation of related management controls around it. We have verified the operating effectiveness of these controls on a sample basis.

- Requested for and obtained independent balance confirmations from the Holding Company's customers on sample basis.
- Obtained ageing report of trade receivables and verified the completeness and accuracy of the same. Also reperformed ageing for sample of customer balances.
- Verified the appropriateness of the method and model used for computing the ECL provision and tested the reasonableness of the underlying assumptions used therein . Ensured the same is consistent with previous years and free from management bias.
- Tested the mathematical accuracy of the computation.
- Compared the Holding Company's provisioning rates against historical trend of actual collection data.
- Evaluated management comments and recovery plans for trade receivables outstanding for more than 180 days, including validation of the same.
- Verified subsequent receipts after the year-end on sample basis.
- Verified the adequacy and accuracy of the disclosures made in the financial statement in relation to such provision in accordance with the requirements of the relevant Ind AS.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Director's report including annexure to the Director's report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements.

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing ("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 consolidated financial statements.

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

Other Matters

a. We did not audit the financial statements seven subsidiaries, whose financial statements reflect total assets of ₹ 48.99 million as at March 31, 2023, total revenues of ₹ 393.40 million and net cash inflow amounting to ₹ 4.59 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the

aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group entities incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There were no pending litigations which would impact the consolidated financial position of the Group.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and

Protection Fund by the Holding Company and its subsidiary companies, incorporated in India.

- iv. (1) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (2) The respective Managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (3) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement
- v. On the basis of our verification and on consideration of the reports of the statutory auditors of subsidiaries that are Indian companies under the Act, we report that:
 - the final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
 - the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of their respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 64 to the consolidated financial statements)
- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company and its subsidiary companies incorporated in India only w.e.f. April 1, 2023, reporting under this clause is not applicable.
2. In our opinion, according to information, explanations given to us, the remuneration paid by the Holding Company, to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder. The aforesaid provision is not applicable in case of seven (7) subsidiaries, being private companies.
3. According to the information and explanations given to us, the details of Qualifications/adverse remarks made by the auditor of the subsidiaries, in the Companies (Auditor's Report) Order 2020 (CARO)

Reports issued till the date of our audit report for the companies included in the consolidated financial statements are as follows:

Sr. No	Name of the Company	CIN	Type of Company (Subsidiary)	Clause number of the CARO Report which is qualified or Adverse
1	KDPL Diagnostics (Amritsar) Private Limited	U85100PN2021PTC199780	Wholly Owned Subsidiary	3(xvii)
2	KDPL Diagnostics (Bhatinda) Private Limited	U85100PN2021PTC199781	Wholly Owned Subsidiary	3(xvii)
3	KDPL Diagnostics (Jalandhar) Private Limited	U85100PN2021PTC199783	Wholly Owned Subsidiary	3(xvii)
4	KDPL Diagnostics (Ludhiana) Private Limited	U85100PN2021PTC199690	Wholly Owned Subsidiary	3(xvii)
5	KDPL Diagnostics (Patiala) Private Limited	U85100PN2021PTC199785	Wholly Owned Subsidiary	3(xvii)
6	KDPL Diagnostics (SAS Nagar) Private Limited	U85110PN2021PTC199787	Wholly Owned Subsidiary	3(xvii)
7	Krsnaa Diagnostics (Mohali) Private Limited	U85300PN2021PTC202948	Wholly Owned Subsidiary	3(xvii)

For **M S K A & Associates**
 Chartered Accountants
 ICAI Firm Registration No. 105047W

Anup Mundhra
 Partner
 Membership No. 061083
 UDIN: 23061083BGTDV2212

Place: Pune
 Date: May 27, 2023

Annexure A to the Independent Auditor's Report on Even Date on the Consolidated Financial Statements of Krsnaa Diagnostics Limited

Auditor's Responsibilities for the Audit of the Consolidated 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 consolidated 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 adequate internal financial controls with reference to consolidated 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Anup Mundhra
Partner

Place: Pune
Date: May 27, 2023

Membership No. 061083
UDIN: 23061083BGTDV2212

Annexure B to the Independent Auditor's Report on Even Date on the Consolidated Financial Statements of Krsnaa Diagnostics Limited

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Krsnaa Diagnostics Limited on the Consolidated Financial Statements for the year ended March 31, 2023]

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Krsnaa Diagnostics Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group") which are companies incorporated in India, as of that date. None of the subsidiary companies have reporting under Section 143(3)(i) of the Act applicable to them.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, has, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal financial controls with reference to consolidated financial statements criteria established by the Holding 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 ("the ICAI").

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding company, is responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the Holding Company considering the essential components of internal control stated in 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 the respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding company and its subsidiary companies which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing 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 adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

consolidated financial statements of the Holding Company and its subsidiary companies which are companies incorporated in India.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

Anup Mundhra

Partner

Membership No. 061083

UDIN: 23061083BGTDV2212

Place: Pune

Date: May 27, 2023

Consolidated Balance Sheet

As at March 31, 2023

(Amount in Rupees million unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	5	4,678.47	3,833.79
Capital work-in-progress	7	254.80	282.57
Intangible assets	6	28.28	23.15
Financial assets			
Investments	8	2.91	2.91
Loans	9	-	-
Other financial assets	10	1,711.16	1,155.15
Deferred tax asset (net)	37	13.88	7.88
Other non-current assets	11	151.81	114.61
Total non-current assets		6,841.31	5,420.06
Current assets			
Inventories	12	250.74	91.70
Financial assets			
Trade receivables	13	730.97	578.73
Cash and cash equivalents	14	227.20	884.53
Bank balances other than cash and cash equivalent	15	860.76	1,534.28
Other financial assets	16	117.96	118.56
Other current assets	17	69.99	133.67
Total current assets		2,257.62	3,341.47
Total assets		9,098.93	8,761.53
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	156.99	156.99
Other equity	20	7,230.37	6,687.10
Non controlling interest		-	-
Total equity		7,387.36	6,844.09
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	21	110.00	196.22
Lease Liabilities	22	132.84	134.52
Other financial liabilities	23	336.81	294.13
Employee benefit obligations	24	12.26	3.16
Deferred Tax Liabilities	37	127.65	77.95
Other non-current liabilities	25	0.07	1.25
Total non-current liabilities		719.63	707.23
Current liabilities			
Financial liabilities			
Borrowings	26	55.00	60.08
Lease Liabilities	22	26.97	19.10
Trade payables			
i) total outstanding dues of micro enterprises and small enterprises	27	6.82	3.27
ii) total outstanding dues of creditors other than micro enterprise and small enterprise	27	614.43	769.73
Other financial liabilities	28	244.32	234.82
Other current liabilities	29	22.89	103.40
Employee benefit obligations	24	21.51	19.81
Total current liabilities		991.94	1,210.21
Total liabilities		1,711.57	1,917.44
Total equity and liabilities		9,098.93	8,761.53

See accompanying notes to IND AS Consolidated Financial Statements

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

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

For and on behalf of the Board of Directors
Krsnaa Diagnostics Limited
 (Formerly known as Krsnaa Diagnostics Private Limited)
 CIN:L74900PN2010PLC138068

Anup Mundhra
 Partner
 Membership No: 061083

Rajendra Mutha
 Chairman
 DIN: 01066737

Pallavi Bhatevara
 Managing Director
 DIN: 03600332

Yash Mutha
 Executive Officer
 DIN: 07285523

Pawan Daga
 Chief Financial Officer

Place: Pune
 Date: May 27, 2023

Place: Pune
 Date: May 27, 2023

Statement of Consolidated Profit and Loss

For the year ended March 31, 2023

(Amount in Rupees million unless otherwise stated)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Income			
Revenue from operations	30	4,871.23	4,554.50
Other income	31	193.79	149.09
Total income		5,065.02	4,703.59
Expenses			
Cost of material consumed	32	741.79	602.96
Employee benefits expense	33	745.64	541.53
Finance costs	34	76.97	184.90
Depreciation and amortization expense	35	537.82	413.87
Fees to hospitals and others		812.07	1,079.92
Other expenses	36	1,348.72	1,015.33
Total expenses		4,263.01	3,838.51
Profit before tax		802.01	865.08
Tax expense			
Income Tax charge	37	149.31	175.26
Adjustments for earlier years		0.52	-
Deferred Tax			
Deferred tax charge/(credit)		31.07	5.94
Total income tax expense		180.90	181.20
Profit for the year		621.11	683.88
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of net defined benefit liability		6.54	4.32
Income tax effect		(1.65)	(1.09)
Other comprehensive income for the year, net of tax		4.89	3.23
Total comprehensive income for the year		626.00	687.11
Profit for the year			
Attributable to:			
Equity Holders of the Holding Company		621.11	683.88
Non Controlling Interests		-	-
		621.11	683.88
Other comprehensive income for the year			
Attributable to:			
Equity Holders of the Holding Company		4.89	3.23
Non Controlling Interests		-	-
		4.89	3.23
Total comprehensive income for the year			
Attributable to:			
Equity Holders of the Holding Company		626.00	687.11
Non Controlling Interests		-	-
		626.00	687.11
Earnings per share			
Basic earnings per share (₹)	38	19.78	22.89
Diluted earnings per share (₹)	38	19.29	22.88

See accompanying notes to IND AS Consolidated Financial Statements

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

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

For and on behalf of the Board of Directors
Krsnaa Diagnostics Limited
(Formerly known as Krsnaa Diagnostics Private Limited)
CIN:L74900PN2010PLC138068

Anup Mundhra
Partner
Membership No: 061083

Rajendra Mutha
Chairman
DIN: 01066737

Pallavi Bhatevara
Managing Director
DIN: 03600332

Yash Mutha
Executive Officer
DIN: 07285523

Pawan Daga
Chief Financial Officer

Place: Pune
Date: May 27, 2023

Place: Pune
Date: May 27, 2023

Statement of Changes in Equity

(Amount in Rupees million unless otherwise stated)

(A) Equity share capital

Particulars	Equity Share Capital	
	No. of shares	Amount
Balance as at April 1, 2021 [Face value of ₹ 10 each]	6,494,964	64.95
Less: Old shares of face value ₹ 10 discarded against split of shares	6,494,964	64.95
Add: New shares of face value ₹ 5 issued against split of shares	12,989,928	64.95
Add: CCPS converted to equity shares of face value ₹ 5	14,201,600	71.01
Add: Issued through Initial Public Offer	4,206,085	21.03
Balance as at March 31, 2022 [Face value of ₹ 5 each]	31,397,613	156.99
Balance as at April 1, 2022 [Face value of ₹ 5 each]	31,397,613	156.99
Changes during the period	-	-
Balance as at March 31, 2023 [Face value of ₹ 5 each]	31,397,613	156.99

(B) Other equity

Particulars	Reserve and surplus			Other items of other comprehensive income	Total
	Employee Stock options outstanding account (ESOOA)	Securities premium	Retained earnings		
Balance as at April 1, 2021	8.20	233.19	(412.26)	0.68	(170.20)
Profit for the period	-	-	683.90	-	683.90
Other comprehensive income	-	-	-	3.23	3.23
Total other comprehensive income for the period	-	-	683.90	3.23	687.13
Transactions with owners in their capacity as owners:					
Securities premium on conversion of Class A & Class C Compulsorily Convertible Preference Shares and issue of shares through initial public offer	-	6,331.88	-	-	6,331.88
Securities premium utilised to write off the share issue expenses	-	(218.04)	-	-	(218.04)
Deferred tax on share issue expenses	-	43.90	-	-	43.90
Employee stock option expense	12.42	-	-	-	12.42
Forfeiture of share options	(0.24)	-	0.24	-	0.00
Balance as at March 31, 2022	20.38	6,390.93	271.88	3.91	6,687.10

Statement of Changes in Equity

(Amount in Rupees million unless otherwise stated)

Particulars	Reserve and surplus			Other items of other comprehensive income	Total
	Employee Stock options outstanding account (ESOOA)	Securities premium	Retained earnings		
Balance as at April 1, 2022	20.38	6,390.93	271.88	3.91	6,687.10
Profit for the period	-	-	621.11	-	621.11
Other comprehensive income	-	-	-	4.90	4.90
Total other comprehensive income for the period	-	-	621.11	4.90	626.01
Transactions with owners in their capacity as owners:					
Deferred tax on share issue expenses	-	(10.98)	-	-	(10.98)
Employee stock option expense	6.73	-	-	-	6.73
Payment of dividend to equity shareholders	-	-	(78.49)	-	(78.49)
Forfeiture of share options	(0.48)	-	0.48	-	-
Balance as at March 31, 2023	26.63	6,379.95	814.98	8.81	7,230.37

See accompanying notes to IND AS Consolidated Financial Statements

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

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

For and on behalf of the Board of Directors
Krsnaa Diagnostics Limited
(Formerly known as Krsnaa Diagnostics Private Limited)
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Executive Officer
DIN: 07285523

Pawan Daga
Chief Financial Officer

Place: Pune
Date: May 27, 2023

Place: Pune
Date: May 27, 2023

Statement of Consolidated Cash Flow

For the year ended March 31, 2023

(Amount in Rupees million unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash flow from operating activities		
Profit for the period	802.01	865.10
Adjustments for:		
Depreciation and amortization expenses	537.82	413.87
Finance cost	76.97	184.90
Interest income	(159.17)	(122.44)
Loss on Sale/Disposal of Assets	(1.76)	2.48
Provision for doubtful trade receivable balances	(7.20)	8.30
Effect of Financial Instruments measured at amortised cost	(5.33)	(7.49)
Employee stock option scheme compensation	6.73	12.42
Operating profit before working capital changes	1,250.07	1,357.14
Changes in working capital		
(Decrease) in trade payables	(167.29)	(60.04)
increase in employee payables	17.35	12.81
increase in other current liabilities	3.23	1.15
(Decrease)/increase in other non current liabilities	(1.18)	(31.78)
Increase/(decrease) in other non current financial liabilities	277.74	(58.01)
(Decrease)/increase in other current financial liabilities	(250.44)	16.00
(Increase) in inventories	(159.04)	(19.61)
(Increase)/decrease in trade receivables	(144.31)	160.33
Decrease/(increase) in other current financial assets	71.97	(75.55)
(Increase)/decrease in non current financial assets	(18.62)	35.45
Decrease/(increase) in other current assets	6.21	(9.35)
Decrease in other non current assets	8.62	21.99
Cash generated from operations	894.31	1,350.53
Income tax paid (Net of refunds)	(131.30)	(66.29)
Net cash flows generated from operating activities (A)	763.01	1,284.24
B. Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	(1,413.60)	(1,322.19)
Proceeds from sale of property, plant and equipment and intangible assets	66.34	10.90
Investment in term deposits with banks (having original maturity of more than three months)	156.92	(1,264.56)
Investment in Debt Mutual Fund	-	(0.01)
Interest received	101.45	169.50
Net cash flow used in investing activities (B)	(1,088.89)	(2,406.36)

Statement of Consolidated Cash Flow

For the year ended March 31, 2023

(Amount in Rupees million unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
C. Cash flow from Financing activities		
Proceeds from issuance of equity share capital	-	4,000.00
Repayment of long term borrowings	(91.30)	(1,594.31)
Proceeds/(Repayment) of short term borrowings (net)	-	(299.41)
Payment of lease liabilities[refer note 41(vi)]	(39.70)	(38.16)
Share issue expenses	(68.50)	(146.81)
Dividend payment to equity shareholders	(78.49)	-
Interest paid	(53.46)	(161.41)
Net cash flow generated from/(used) in financing activities (C)	(331.45)	1,759.90
Net increase in cash and cash equivalents (A+B+C)	(657.33)	637.78
Cash and cash equivalents at the beginning of the year	884.53	246.75
Cash and cash equivalents at the end of the year	227.20	884.53
Refer to Note 14		
Cash and cash equivalents comprise:		
Balances with banks		
On current accounts	211.31	287.53
Debit balance in bank overdraft	5.30	56.10
Fixed deposits with maturity of less than 3 months	-	537.49
Cash on hand	10.59	3.41
Total cash and bank balances at end of the year	227.20	884.53

See accompanying notes to IND AS Consolidated Financial Statements

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

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

For and on behalf of the Board of Directors
Krsnaa Diagnostics Limited
(Formerly known as Krsnaa Diagnostics Private Limited)
CIN:L74900PN2010PLC138068

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Executive Officer
DIN: 07285523

Pawan Daga
Chief Financial Officer

Place: Pune
Date: May 27, 2023

Place: Pune
Date: May 27, 2023

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(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) ("Holding Company") is a public company domiciled in India and was incorporated on December 20, 2010 under the provisions of the Companies Act, 1956 applicable in India. Its registered and principal office of business is located at HO - S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1, Near Chinchwad Station, Chinchwad, Pune, Maharashtra - 411019. The Company is primarily engaged in the business of providing Diagnostic Services primarily in relation to Pathology Investigation, Radiology Investigation and Telereporting.

The holding company was converted to a public limited company with effect from May 6, 2021. The Holding Company was listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) on August 16, 2021.

The Holding company has invested into seven special purpose vehicles (SPVs) which are wholly owned subsidiaries namely, - KDPL Diagnostics (Ludhiana) Private Limited on March 22, 2021, KDPL Diagnostics (Amritsar) Private Limited on March 24, 2021, KDPL Diagnostics (Bathinda) Private Limited on March 24, 2021, KDPL Diagnostics (Jalandhar) Private Limited on March 24, 2021, KDPL Diagnostics (Patiala) Private Limited on March 24, 2021, KDPL Diagnostics (SAS Nagar) Private Limited on March 24, 2021 and Krsnaa Diagnostics (Mohali) Private Limited on July 27, 2021, and are engaged in the same business, together referred as 'Group'.

2 Significant accounting policies

Significant accounting policies adopted by the group are as under:

2.1 Basis of Preparation of Ind AS Consolidated Financial Statements

(a) Statement of Compliance with Ind AS

These Consolidated 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 Consolidated Financial Statements were approved by the holding company's Board of Directors and authorised for issue on May 27, 2023.

(b) Basis of measurement

The Consolidated 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 Group'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 group has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

(c) Use of estimates

The preparation of Consolidated Financial Statements are in conformity of Ind AS which 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 Consolidated Financial Statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the Consolidated Financial Statements. Actual results could differ from these estimates.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

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 Group 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.

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 Group 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	7 to 13 years	13 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 Group 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	Life Used by Company
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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

2.4 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the Consolidated Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Statements are presented in Indian rupee (₹), which is the Group's functional and presentation currency.

(b) 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 group 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 Group.

The Group 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 Group'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 Consolidated 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 towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the company as part of the contract.

The Group 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

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

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 Group has received consideration from the customer. If a customer pays consideration before the Group transfers services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group 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 Group's right to receive payment is established.

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 Consolidated 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 substantially 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 tax asset and current tax liabilities are offset when entity has legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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.

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2.8 Leases

The Group as a lessee

The Group's lease asset classes primarily consist of leases for Machinery. The Group 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 Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group 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 Group 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.

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 Group 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 Group 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 Group 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

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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 Group 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 Group 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.

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

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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 Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, 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 Group 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 Group 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 Group 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.

ECL is the difference between all contractual cash flows that are due to the Group 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.

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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.

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 Group 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

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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.

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.

(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 Group 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

(b) Post employment benefit obligations

(i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group 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 Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group 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 Group 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 Group'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.

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(c) Other Long term employee benefits

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 Group'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.

(d) Share-based payments

Employees (including senior executives) of the Group 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 Group'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 Group'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

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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 Consolidated 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 Consolidated 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 Group based its assumptions and estimates on parameters available when the Consolidated 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 Group. 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 40.

(b) 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 39.

(c) 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

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assumptions about future operating results and the determination of a suitable discount rate.

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

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end.

4.1 Standards (including amendments) issued but not yet effective

The Ministry of Corporate Affairs ("MCA") has notified Companies (Indian Accounting Standard) Amendment Rules, 2023 dated March 31, 2023 to amend certain Ind ASs which are effective from April 01, 2023:

Below is a summary of such amendments:

(i) Disclosure of Accounting Policies - Amendment to Ind AS 1 Presentation of financial statements

The MCA issued amendments to Ind AS 1, providing guidance to help entities meet the accounting policy disclosure requirements. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023. The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(ii) Definition of Accounting Estimates - Amendments to Ind AS 8 Accounting policies, changes in accounting estimates and errors

The amendment to Ind AS 8, which added the definition of accounting estimates, clarifies that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023. The amendments are not expected to have a material impact on the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12 Income taxes

The amendment to Ind AS 12, requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

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- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent

with the new requirements. These entities will not be affected by the amendments.

The Company is currently assessing the impact of the amendments.

iv) The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

4.2 Standards that became effective during the year

There are no new Standards that became effective during the year. Amendments that became effective during the year did not have any material effect

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5 Property, plant and equipment

Particulars	Gross block			Accumulated Depreciation			Net block		
	As at April 1, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	As at April 1, 2021	For the Period	Deductions/ Adjustments	As at March 31, 2022	As at March 31, 2022
Owned assets									
Plant and Machinery	2,801.31	913.66	42.18	3,672.79	456.53	279.85	30.55	705.83	2,966.96
Furniture and Fixtures	6.76	-	-	6.76	2.18	1.08	-	3.26	3.50
Office Equipment	35.28	23.80	0.52	58.56	12.78	9.01	0.50	21.29	37.27
Vehicles	26.75	1.30	-	28.05	3.64	3.48	-	7.11	20.94
Leasehold Improvement	581.15	191.87	2.96	770.06	120.01	74.19	1.24	192.96	577.10
Data Processing Equipment	68.48	42.69	(22.06)*	133.23	33.93	27.29	(14.80)#	76.02	57.21
Leased assets									
Right of Use Asset -Plant & Machinery	0.80	-	-	0.80	0.80	-	-	0.80	-
Right of Use Asset -Building	-	11.35	-	11.35	-	1.46	-	1.46	9.89
* Data Processing Equipment	27.07	-	27.07	-	19.80	-	19.80	-	-
* Plant and Machinery	185.79	-	-	185.79	10.92	13.95	-	24.87	160.92
Total	3,733.39	1,184.67	50.67	4,867.39	660.59	410.31	37.29	1,033.60	3,833.79

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

The adjustment pertains to re-classification of assets from leases assets to owned assets on account of lease buyout

Particulars	Gross block			Accumulated Depreciation			Net block		
	As at April 1, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at April 1, 2022	For the Period	Deductions/ Adjustments	As at March 31, 2023	As at March 31, 2023
Owned assets									
Plant and Machinery	3,672.79	868.07	98.23	4,442.63	705.83	351.32	32.34	1,024.81	3,417.82
Furniture and Fixtures	6.76	-	-	6.76	3.26	0.99	-	4.25	2.51
Office Equipment	58.56	35.03	0.25	93.34	21.29	14.64	-	35.93	57.41
Vehicles	28.05	-	-	28.05	7.11	3.54	-	10.65	17.40
Leasehold Improvement	770.06	451.61	-	1,221.67	192.96	104.73	-	297.69	923.98
Data Processing Equipment	133.23	60.96	2.83	191.36	76.02	38.16	2.51	111.67	79.69
Leased assets									
Right of Use Asset -Plant & Machinery	0.80	-	-	0.80	0.80	-	-	0.80	-
Right of Use Asset -Building	11.35	27.41	-	38.75	1.46	4.61	-	6.07	32.69
* Plant and Machinery	185.79	-	-	185.79	24.87	13.95	-	38.82	146.97
Total	4,867.39	1,443.08	101.31	6,209.15	1,033.60	531.94	34.85	1,530.69	4,678.47

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

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6 Intangible assets

Particulars	Gross block			Accumulated Amortisation			Net block	
	As at April 1, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at April 1, 2021	For the Period	Deductions/ Adjustments	As at March 31, 2022	As at March 31, 2022
Computer Software	31.73	14.43	0.02	19.45	3.56	0.02	22.99	23.15
Total	31.73	14.43	0.02	19.45	3.56	0.02	22.99	23.15

Particulars	Gross block			Accumulated Amortisation			Net block	
	As at April 1, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at April 1, 2022	For the Period	Deductions/ Adjustments	As at March 31, 2023	As at March 31, 2023
Computer Software	46.14	12.36	1.50	22.99	5.88	0.15	28.72	28.28
Total	46.14	12.36	1.50	22.99	5.88	0.15	28.72	28.28

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

7 Capital Work in Progress

Particulars	Amount
As at April 1, 2021	37.18
Add: Additions during the year	799.70
Less: Capitalised during the year	(554.31)
As at March 31, 2022	282.57
As at April 1, 2022	282.57
Add: Additions during the year	956.70
Less: Capitalised during the year	(984.47)
As at March 31, 2023	254.80

8 Financial Assets- Investments

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in equity instruments (fully paid-up)		
A. Unquoted equity shares at cost	-	-
B. Other equity instruments		
29,000 Equity shares of ₹ 100 each fully paid-up in Janata Sahakari Bank Limited, Pune	2.90	2.90
Total Investments in other shares (B)	2.90	2.90
Total (Equity Instruments) (A+B)	2.90	2.90
Investments in Mutual Funds at fair value through profit and loss (fully paid)		
Investment in Kotak Liquid Fund Regular Plan Growth	0.01	0.01
Total (Mutual Fund)	0.01	0.01
Total	2.91	2.91
Current	-	-
Non- Current	2.91	2.91
	2.91	2.91
Aggregate book value of:		
Quoted investments	-	-
Unquoted investments	2.91	2.91
Aggregate amount of impairment in value of Investments	-	-

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

9 Non-current financial assets - Loans

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured loan at amortised cost		
Credit Impaired		
Loans to related party	31.01	31.01
Less: Provision for doubtful advances	(31.01)	(31.01)
	-	-

10 Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured security deposit at amortised cost		
Considered Good		
Security Deposits	154.55	118.43
Cash balance with tax authorities*	3.30	-
In Fixed deposit accounts with maturity for more than 12 months from balance sheet date	1,553.31	1,036.72
	1,711.16	1,155.15

* Amount represents cash in hand which was seized by tax authorities in search conducted at the premise of the company in July, 2022.

11 Other non-current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Capital advance	93.80	6.89
Prepaid expenses	45.74	54.36
Advance tax and tax deducted at source [Net of provision for income tax]	12.27	53.36
	151.81	114.61

12 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Valued at lower of cost and net realisable value		
Consumables (Reagents, chemicals, diagnostics kits, medicines and consumables)	250.74	91.70
	250.74	91.70

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

13 Trade receivable

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured		
- Considered good	730.97	572.92
- Considered doubtful	-	-
Less-Allowance for bad and doubtful debts	-	-
Receivables which have significant increase in Credit Risk	-	29.39
Less : Allowance for bad and doubtful debts	-	(9.24)
Credit impaired	51.10	49.06
Less : Allowance for bad and doubtful debts	(51.10)	(49.06)
	730.97	593.07
Unsecured		
- Considered good	730.97	578.73
- Considered doubtful	51.10	58.30
Less-Allowance for bad and doubtful debts	(51.10)	(58.30)
	730.97	578.73
Further classified as:		
Receivable from related parties	-	-
Receivable from others	730.97	578.73
	730.97	578.73

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

Trade receivable ageing schedule as on March 31, 2023:

Particulars	Outstanding for the following period from Invoice date						Total
	Not Due*	Less Than 6 Month	6 Months to 1 year	1 to 2 year	2 to 3 year	More than 3 year	
(i) Undisputed Trade receivables - considered good	-	713.01	17.96	-	-	-	730.97
(ii) Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	0.00
(iii) Undisputed Trade Receivables - credit impaired	-	-	2.04	-	-	49.06	51.10
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	(2.04)	-	-	(49.06)	(51.10)
Total	-	713.01	17.96	-	-	-	730.97

* Ageing of trade receivable is calculated from the date of invoice

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

Trade receivable ageing schedule as on March 31, 2022:

Particulars	Not Due*	Outstanding for the following period from Invoice date					Total
		Less Than 6 Month	6 Months to 1 year	1 to 2 year	2 to 3 year	More than 3 year	
(i) Undisputed Trade receivables – considered good	-	514.21	44.37	-	-	-	558.58
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	29.28	-	0.11	29.39
(iii) Undisputed Trade Receivables – credit impaired	-	-	0.50	2.28	-	46.27	49.06
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	(0.50)	(11.42)	-	(46.38)	(58.30)
Total	-	514.21	44.37	20.14	-	-	578.73

* Ageing of trade receivable is calculated from the date of invoice

14 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks:		
On current accounts	211.31	287.53
In Fixed Deposits with original maturity less than 3 months	-	537.49
Debit balance in Cash Credit and Bank Overdraft account	5.31	56.10
Cash on hand	10.59	3.41
	227.20	884.53

15 Bank balances other than Cash and cash equivalent

Particulars	As at March 31, 2023	As at March 31, 2022
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date	860.76	1,534.28
	860.76	1,534.28

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

16 Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued on fixed deposits	77.33	24.00
Other receivables	18.66	0.62
Security deposits	21.97	93.94
Total	117.96	118.56

17 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	33.42	57.10
Advance to Suppliers	34.87	19.36
GST credit receivable	0.04	56.28
Advance to Employees	1.58	0.93
Other Advances	0.08	0.08
Total	69.99	133.67

18 Share capital

Particulars	As at March 31, 2023	As at March 31, 2022
(A) Equity shares		
Authorized		
29,43,15,384 Equity Shares of ₹ 5 each (March 31, 2022: 4,24,48,000 Equity Shares of ₹ 5 each)	1,471.58	212.24
	1,471.58	212.24
Issued, subscribed and paid up		
3,13,97,613 Equity Shares of ₹ 5 each	156.99	156.99
Total	156.99	156.99

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

Particulars	Number of shares	Amount
Outstanding as on April 01, 2021	6,494,964	64.95
Less: Old shares of face value ₹ 10 discarded against split of shares	6,494,964	64.95
Add: New shares of face value ₹ 5 issued against split of shares	12,989,928	64.95
Add: CCPS converted to equity shares of face value ₹ 5	14,201,600	71.01
Add: Issued through Initial Public Offer	4,206,085	21.03
Outstanding as on March 31, 2022	31,397,613	156.99
Outstanding as on April 01, 2022	31,397,613	156.99
Changes During FY 2022-23	-	-
Outstanding as on March 31, 2023	31,397,613	156.99

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

(ii) Rights, preferences and restrictions attached to shares

Equity shares :-The company has equity shares having par value of ₹ 5 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.

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

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares				
Rajendra Mutha	8,029,920	25.57%	8,029,920	25.57%
Phi Capital Trust - Phi Capital Growth Fund – I	4,984,967	15.88%	4,984,967	15.88%
Tata Mutual Fund - Tata Small Cap Fund	1,653,026	5.26%	992,000	3.16%
ICICI Prudential Pharma Healthcare and Diaganostic	1,602,801	5.10%	960,293	3.06%

* As on March 31, 2022, though the shareholding of these investors does not exceed 5%, however the same is reported for comparison purpose.

(iv) Details of Shares held by Promoters at the end of the year

Sr. No.	Promoter Name	March 31, 2023			March 31, 2022		
		Number of shares (FV ₹ 5)	% of total shares	% Change during the year	Number of shares (FV ₹10)	% of total shares #	% Change during the year*
1	Rajendra Mutha	8,029,920	25.57%	0.00%	8,029,920	25.57%	140.90%
2	Krsnaa Diagnostics (Mumbai) Private Limited	697,756	2.22%	22.90%	567,756	1.81%	0.00%

(v) 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 period end.

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

(vii) For details of shares reserved for issue under the Share based payment plan of the company, please refer note 40.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

19 Instrument entirely equity in nature

Compulsorily Convertible Preference Shares	Series A	Series C	Total
Balance as on April 1, 2021	1,386.57	1,037.34	2,423.90
Changes in Compulsorily Convertible Preference Shares	(1,386.57)	(1,037.34)	(2,423.90)
Balance as on March 31, 2022	-	-	-
Balance as on April 1, 2022	-	-	-
Changes in Compulsorily Convertible Preference Shares	-	-	-
Balance as on March 31, 2023	-	-	-

Disclosures on Compulsory Convertible Preference Shares

(i) Authorized Capital

Particulars	As at March 31, 2023	As at March 31, 2022
40,61,914 (March 31, 2021: 40,61,914) Series A Compulsory Convertible Preference Shares ('Series A -CCPS') of ₹123 each	-	499.62
3,038,886 (March 31, 2021: 3,038,886) Series C Compulsory Convertible Preference Shares of ₹250 each.	-	759.72
Total	-	1,259.34

(ii) Issued, subscribed and paid up

Particulars	As at March 31, 2023	As at March 31, 2022
March 31, 2022 - Nil, March 31, 2021 - 40,61,914 Series A Compulsory Convertible Preference Shares ('Series A -CCPS') of ₹123 each	-	-
March 31, 2022 - Nil, March 31, 2021 - 3,038,886 Series C Compulsory Convertible Preference Shares of ₹250 each.	-	-
Total	-	-

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

Particulars	Series A-CCPS		Series C- CCPS	
	Number of shares	Amount	Number of shares	Amount
Outstanding as on March 31, 2021	4,061,914	499.62	3,038,886	759.72
Add: Issued during the period	-	-	-	-
Less: Converted to equity shares during the year	4,061,914	499.62	3,038,886	759.72
Outstanding as on March 31, 2022	-	-	-	-
Less: Converted to equity shares during the year	-	-	-	-
Outstanding as on March 31, 2023	-	-	-	-

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

20 Other equity

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

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	20.38	8.20
Add: Employee stock option expense	6.73	12.42
Less: Transferred to general reserve on forfeiture of stock options	(0.48)	(0.24)
Closing balance	26.63	20.38

*ESOOA recognizes the fair value of options as at the grant date spread over the vesting period. (Refer note 40)

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 40 for details of these plans.

(B) Securities premium

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	6,390.93	233.19
Add : Securities premium credited on share issue	-	6,331.88
Less: Securities premium utilised to write off the share issue expenses	-	(218.04)
Add: Deferred Tax Asset on share issue expenses	(10.98)	43.90
Closing balance	6,379.95	6,390.93

(C) Surplus in the Statement of Profit and Loss

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	271.88	(412.26)
Add: Profit for the year	621.11	683.90
Add: Vested and lapsed ESOP reserve	0.48	0.24
Less: Dividend paid to equity shareholders	(78.49)	-
Closing balance	814.98	271.88

(D) Other reserves

Particulars	As at March 31, 2023	As at March 31, 2022
-As at beginning of year	3.91	0.68
-Re-measurement gains/ (losses) on defined benefit plans (net of tax)	4.90	3.23
Closing balance[^]	8.81	3.91
[^] 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	7,230.38	6,687.11

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

21 Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Term loan		
From Bank	165.00	256.30
Less: Current Maturities of borrowings	55.00	60.08
Total non current maturities of borrowings	110.00	196.22

Terms of repayment and security offered:

Term Loan from Banks:

- a) During the year 2020-21, the company has taken a loan of ₹ 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 April 2022.

Security Given:

1. Exclusive charge on specific movable fixed assets funded out of loan
2. Exclusive charge on all current assets of borrower, both present & future
3. Fixed Deposit of ₹ 308.00 millions

- b) During the year 2020-21, the company has taken a loan of ₹ 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 has been foreclosed out of IPO funds in October 2022.

Security given: Loan was secured by way of the hypothecation of the MRI Machine funded out of loan.

22 Lease Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	159.81	153.62
Less: Current Maturities of Lease Liabilities	26.97	19.10
Total non current maturities of lease obligations	132.84	134.52

For details of assets taken on leases & terms of repayment of lease liabilities - refer note 41.

23 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposit received	18.13	16.39
Payable for capital purchases	318.68	277.74
Total other financial liabilities	336.81	294.13

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

24 Employee benefit obligations

Particulars	Long Term	
	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Provision for gratuity (funded)	2.21	0.38
Provision for leave encashment (unfunded)	10.05	2.78
Total Provisions	12.26	3.16

Particulars	Short Term	
	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Provision for gratuity (funded) (Refer note 39)	16.60	11.71
Provision for leave encashment (unfunded)	4.91	8.10
Total Provisions	21.51	19.81

25 Other non-current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Revenue	0.07	1.25
Total other long term liabilities	0.07	1.25

26 Short-term borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured, from bank		
Current Maturities of borrowings	55.00	60.08
Total short-term borrowings	55.00	60.08

27 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises	6.82	3.27
Total outstanding dues of creditors other than micro enterprises and small enterprises	614.43	769.73
Total trade payables	621.25	773.00

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

Trade Payable ageing Schedule as on March 31, 2023:

Particulars	Particulars Outstanding for following periods from due date of Payment					
	Unbilled	1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	-	6.82	-	-	-	6.82
Others	145.51	446.55	21.98	0.39	-	614.43
Disputed - MSME	-	-	-	-	-	-
Disputed - Other	-	-	-	-	-	-
Total	145.51	453.37	21.98	0.39	-	621.25

Trade Payable ageing Schedule as on March 31, 2022:

Particulars	Particulars Outstanding for following periods from due date of Payment					
	Unbilled	1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	-	3.27	-	-	-	3.27
Others	113.81	625.05	26.60	4.28	-	769.73
Disputed - MSME	-	-	-	-	-	-
Disputed - Other	-	-	-	-	-	-
Total	113.81	742.12	26.60	4.28	-	773.00

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

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Amount remaining unpaid to any supplier at the end of each reporting period:		
Principal	6.82	3.27
Interest	0.34	0.15
Total	7.16	3.42
(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.	0.34	0.15
(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.	-	-

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

28 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Other financial liabilities at amortised cost		
Interest accrued	0.67	0.77
Security deposits received	0.07	0.07
Payable for capital purchases	134.38	83.58
Employee Benefits Expenses Payable	103.62	77.35
Employee reimbursement payable	2.90	1.87
Payable for IPO expenses	2.68	71.18
Total other financial liabilities	244.32	234.82

29 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory due payable	20.50	18.41
Advance from Customers	1.20	0.47
Deferred Revenue	1.19	1.27
Income Tax Payable	-	26.95
Payable to selling shareholders	-	56.23
Other Payables	-	0.07
Total other current liabilities	22.89	103.40

30 Revenue from operations

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Sale of services	4,871.23	4,544.53
Consultancy income	-	9.97
Total revenue from operations	4,871.23	4,554.50

31 Other income

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest income		
on fixed deposits	154.73	122.38
on other deposits	0.05	0.06
on income tax refund	4.39	2.57
on other financial assets at amortised cost	22.07	24.08

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Gain on sale/disposal of fixed assets	1.76	-
Provisions for doubtful debt written back	7.20	-
Miscellaneous income	3.59	0.02
Total other income	193.79	149.09

32 Cost of material consumed

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Inventory at the beginning of the year	91.70	72.10
Add: Purchases	900.83	622.56
Less: Inventory at the end of the year	(250.74)	(91.70)
Cost of material consumed	741.79	602.96

33 Employee benefits expense

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Salaries, wages, bonus and other allowances	634.79	455.48
Contribution to provident and other funds	59.09	39.06
Gratuity expenses (Refer note 39)	16.38	11.14
Employee stock option scheme compensation (Refer note 40)	6.73	12.42
Staff welfare expenses	28.64	23.42
Total employee benefits expense	745.64	541.53

34 Finance costs

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest on borrowing from :		
On bank and NBFC	40.24	132.96
On loans from related parties	-	1.65
On finance lease	16.17	23.52
On Other financial liabilities at amortised cost	7.94	10.50
Bank Charges	12.62	8.37
Other borrowing costs	-	7.90
Total finance costs	76.97	184.90

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

35 Depreciation and amortization expense

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Depreciation (Refer note 5)	531.94	410.31
Amortization (Refer note 6)	5.88	3.56
Total depreciation and amortization expense	537.82	413.87

36 Other expenses

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Power & Fuel	90.81	63.35
Rent	89.98	84.25
Repairs and maintenance - Machinery	157.75	152.74
Insurance	4.50	5.16
Rates and taxes	9.85	4.29
Logistics expenses	21.75	51.18
Travelling and lodging expenses	51.29	37.49
Auditors' remuneration (Refer note below)	3.43	2.87
Security and facility management expenses	126.56	70.18
Business promotion expenses	31.91	18.09
Printing & Stationery	49.65	30.49
Communication expenses	25.31	19.44
Corporate social responsibility expenses (Refer Note 48)	10.25	5.66
Office expenses	32.36	22.98
Legal and professional charges	48.25	36.95
Sitting Fees to Directors	2.70	3.20
Provision for doubtful debt	-	8.30
Reporting Charges	519.75	383.81
Loss on sale/disposal of fixed assets	-	2.48
Information Technology Support & Service Charges	60.78	1.55
Miscellaneous expenses	11.83	10.86
Total other expenses	1,348.72	1,015.33

Details	Year Ended March 31, 2023	Year Ended March 31, 2022
Breakup of auditor's remuneration:		
Statutory audit Fees*	1.82	1.63
Limited Review Fees*	1.32	1.24
Out of Pocket Expenses	0.29	-
Total	3.43	2.87

* Auditor's remuneration inclusive of Goods & Service Taxes

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

37 Income Tax

(A) Deferred tax relates to the following:

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets		
On Expenses provided but allowable in Income Tax on payment basis - Provision for employee benefits	9.18	5.64
On Deduction available u/s 80JJAA	18.82	20.90
On Lease liability	8.44	-
On Provision for doubtful debts and advances	12.86	14.67
On Share issue expenses adjusted to securities premium account	32.93	43.90
On ESOP expense reserve	6.70	5.13
On losses of subsidiaries	12.87	7.88
Total Deferred tax assets	101.80	98.12
Deferred tax liabilities		
On Difference between book depreciation and tax depreciation	195.86	168.19
Discount amount of Deferred Payment Credit	19.71	-
Total Deferred tax liabilities	215.57	168.19
Deferred tax (liability), net	(113.77)	(70.07)

(B) Reconciliation of deferred tax (liabilities), net:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance as of April 1	(70.07)	(106.95)
Tax liability recognized in Statement of Profit and Loss	(31.07)	(5.94)
On re-measurements (losses) of post-employment benefit obligations	(1.65)	(1.09)
Tax liability recognized directly in equity	(10.98)	43.91
Closing balance as at March 31	(113.77)	(70.07)

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

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Deferred tax charge on account of difference between book depreciation and tax depreciation	27.68	40.57
Deferred tax charge on account deferred vendor credit balance	19.71	-
Deferred tax charge/(credit) on expenses allowed on payment basis:		
- Provision for employee benefits	(5.19)	(3.08)
- On Provision for doubtful debts and advances	1.82	(2.09)
Deferred tax asset on deduction u/s 80JJAA	2.07	(16.43)
Deferred tax asset on Lease Liability	(8.44)	-
Deferred tax asset on ESOP expense reserve	(1.57)	(5.13)
Deferred tax asset on losses of subsidiaries	(5.00)	(7.88)
	31.07	5.94

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

(D) Income tax expense

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
- Income tax expense	149.31	175.26
- Adjustments in respect of current income tax of previous year	0.52	-
- Deferred tax charge	31.07	5.94
Income tax expense reported in the statement of profit or loss	180.90	181.20

(E) Income tax expense charged to OCI

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Net loss on remeasurements of defined benefit plans	1.65	1.09
Income tax charged to OCI	1.65	1.09

(F) Reconciliation of tax charge

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Profit before tax	802.01	865.08
Income tax expense at tax rates applicable	201.85	217.72
Tax effects of:		
- Item not deductible for tax	7.52	12.68
- Directly accounted in equity	(10.98)	(10.98)
- 80 JJAA	(14.23)	(28.00)
- ESOP expense reserve	-	(5.13)
- earlier year tax impact	0.52	-
- Others	(3.77)	(5.10)
Income tax expense	180.90	181.20

38 Earnings per share

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

Diluted earnings per share amounts are calculated by dividing the profit 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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

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

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Profit attributable to equity holders adjusted for the effect of dilution	621.11	683.88
Weighted average number of equity shares for basic EPS	31,397,613	29,876,508
Effect of dilution:		
Share options	800,396	7,989
Weighted average number of equity shares adjusted for the effect of dilution	32,198,009	29,884,497
Basic profit per share (₹)	19.78	22.89
Diluted profit per share (₹)	19.29	22.88

The Holding Company is having following potential equity shares :

Shares allotted to employees in pursuance of the Employee Stock Option Plan (ESOP).

39 Employee benefits

(A) Defined Contribution Plans

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

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Employers' Contribution to Provident Fund (Refer note 33)	47.68	31.71
Employers' Contribution to Employee State Insurance (Refer note 33)	11.23	7.08
Employers' Contribution to Labour Welfare Fund (Refer note 33)	0.18	0.27
	59.09	39.06

(B) Defined benefit plans

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary and dearness allowance per month computed proportionately for 15 days divided by 26 days multiplied for the number of years of service. The gratuity plan is a funded plan.

Company maintains plan assets against with Life Insurance Corporations Limited to meet the obligation of Gratuity as per payment of Gratuity Act, 1972.

Company maintains plan assets against with Life Insurance Corporations Limited to meet the obligation of Gratuity as per payment of Gratuity Act, 1972.

i) Actuarial assumptions

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate (per annum)	7.30%	6.40%
Rate of increase in Salary	6.00%	6.00%
Expected average remaining working lives of employees (years)	3.55	4.92
Attrition rate	28%	20%
Expected rate of return on plan assets	6.40%	6.10%

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

ii) Changes in the present value of defined benefit obligation

Particulars	Employees's gratuity plan	
	As at March 31, 2023	As at March 31, 2022
Present value of obligation at the beginning of the year	20.74	14.35
Interest cost	1.29	0.84
Current service cost	15.13	10.75
Benefits paid	(1.25)	(1.02)
Actuarial (gain)/ loss on obligations	(6.42)	(4.18)
Present value of obligation at the end of the year*	29.49	20.74

*Included in provision for employee benefits (Refer note 24)

iii) Expense recognized in the Statement of Profit and Loss

Particulars	Employees's gratuity plan	
	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Current service cost*	15.13	10.75
Interest cost*	0.69	0.39
Total expenses recognized in the Statement Profit and Loss*	15.82	11.14

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

Particulars	Year Ended	
	March 31, 2023	March 31, 2022
Opening amount recognised in OCI outside profit and loss account	(5.27)	(0.95)
Remeasurement for the year - obligation (Gain) / Loss	(6.42)	(4.18)
Remeasurement for the year - plan asset (Gain) / Loss	(0.12)	(0.14)
Total Remeasurements Cost / (Credit) for the year recognised in OCI	(6.54)	(4.32)
Closing amount recognised in OCI outside profit and loss account	(11.82)	(5.27)

*Included in Employee benefits expense (Refer Note 33).

v) Changes in the Fair Value of Plan Assets

Particulars	As at March 31, 2023	As at March 31, 2022
	Present value of obligation at the end of the year	8.65
Interest Income	0.60	0.45
Contributions	4.00	3.66
Mortality Charges and Taxes	(0.20)	(0.24)
Benefits paid	(2.50)	(1.94)
Return on plan assets, excluding amount recognized in Interest Income - Gain / (Loss)	0.12	0.14
Fair value of plan assets at the end of the period	10.67	8.65

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

vi) Assets and liabilities recognized in the Balance Sheet:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of unfunded obligation as at the end of the year	(29.49)	(20.74)
Fair value of the plan assets at the end of period	10.67	8.65
Surplus / (Deficit)	(18.82)	(12.09)
Current liability	18.82	12.09
Non-current liability	-	-
Unfunded net asset / (liability) recognized in Balance Sheet*	(18.82)	(12.09)

*Included in provision for employee benefits (Refer note 24)

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

Particulars	As at March 31, 2023	As at March 31, 2022
Net asset / (liability) recognised at the beginning of the period	(12.09)	(7.77)
Group's contributions	4.00	3.66
Amount recognised outside profit & loss a/c	6.54	4.32
Expense recognised at the end of period	(15.82)	(11.14)
Mortality Charges and Taxes	(0.20)	(0.24)
Gratuity Benefits Received from Fund against payment made by Group last year	(1.23)	(0.92)
Net asset / (liability) recognised at the end of the period	(18.82)	(12.09)

viii) Expected contribution to the fund in the next year

Particulars	As at March 31, 2023	As at March 31, 2022
Gratuity	4.00	3.70

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

Particulars	Employee's gratuity	
	As at March 31, 2023	As at March 31, 2022
Impact on defined benefit obligation		
Discount rate		
1.00% increase	(28.46)	(19.40)
1.00% decrease	30.58	21.43
Rate of increase in salary		
1.00% increase	30.28	21.20
1.00% decrease	(28.73)	(19.59)
Impact of change in withdrawal rate		
1.00% increase	(29.37)	(20.26)
1.00% decrease	29.59	20.49

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

x) Maturity profile of defined benefit obligation

Particulars	Employee's gratuity	
	As at March 31, 2023	As at March 31, 2022
Year		
Apr 2022- Mar 2023	-	2.30
Apr 2023- Mar 2024	5.11	2.60
Apr 2024- Mar 2025	4.36	2.98
Apr 2025- Mar 2026	3.94	3.39
Apr 2026- Mar 2027	5.99	5.87
Apr 2027- Mar 2028	7.54	-
Apr 2027- Mar 2032	-	37.10
Apr 2028- Mar 2033	43.39	-

40 Employee Stock Option Scheme 2020 (ESOP)

The board of holding company 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 holding 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, 2023	As at March 31, 2022
	Number	Number
Options outstanding at beginning of year:		
Tranche 1 (Exercise Price: 225)	1,427,906	1,552,566
Tranche 2 (Exercise Price: 350)	494,108	494,108
Add:		
Options granted during the year:		
Tranche 1 (Exercise Price: 225)	-	-
Tranche 2 (Exercise Price: 350)	-	-
Less:		
Options exercised during the year	-	-
Options forfeited during the year		
Tranche 1 (Exercise Price: 225)	34,006	124,660
Tranche 2 (Exercise Price: 350)	73,108	-
Options outstanding at the end of year:		
Tranche 1 (Exercise Price: 225)	1,393,900	1,427,906
Tranche 2 (Exercise Price: 350)	421,000	494,108
Option exercisable at the end of year:		
Tranche 1 (Exercise Price: 225)	696,950	356,974
Tranche 2 (Exercise Price: 350)	210,500	123,527

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

In accordance with the above mentioned ESOP Scheme, ₹ 6.73 million (FY 2022-23) & ₹ 12.42 million (FY 2021-22) has been charged to the Statement of Profit and Loss in respective periods in relation to the Employee Stock Option Scheme Compensation. (Refer note 33)

The options outstanding at the period ending on March 31, 2023 with exercise price of ₹ 225 are 13,93,900 options (Tranche 1) & with exercise price of ₹ 350 are 4,21,000 (Tranche 2) and a weighted average remaining contractual life of all options are between 1 to 2 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 (₹)	15.28	22.48	31.20	41.71
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 (₹)	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 (₹)	36.16	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 (₹)	572.35	572.35	572.35	572.35

Above fair value calculations are for options before split of share from face value ₹10 to ₹5 while the number of options reported above are after split.

41 Leases where company is a lessee

Leases in relation to plant & machinery comprise of CT & MRI machines taken on finance lease model from Philips India Limited - details are as follows:

- 32 Slice CT Machine for operations at KDMC Center taken on lease in October 2020 - to be paid over 84 Installments.
- 3T MRI Machine at DY Patil Kolhapur Center taken on lease in October 2019 - to be paid over 84 Installments.
- 1.5T MRI Machine at Sutar Hospital taken on lease in December 2020 - to be paid over 84 Installments
- 1.5T MRI Machine at Udupi Center taken on lease in October 2020 - to be paid over 84 Installments.

Leases in relation to Land & Building comprises of Stores & Office taken on lease for business purpose - The agreement ranges from 60 months to 120 months. Since these are long term lease - they are capitalized pursuant to IND AS 116.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

i) Changes in the carrying value of Right-of-use Assets

Particulars	Category of ROU Asset		Total
	Land & Building	Plant & Machinery	
Balance as at April 1, 2021	-	182.14	182.14
Additions	11.35	0.00	11.35
Deletions	-	7.27	7.27
Depreciation	1.46	13.95	15.41
Balance as at March 31, 2022	9.89	160.92	170.82
Additions	27.41	-	27.41
Deletion	-	-	-
Depreciation	4.61	13.95	18.57
Balance as at March 31, 2023	32.69	146.97	179.67

ii) Changes in lease liabilities

Particulars	Category of Lease Liabilities		Total
	Land & Building	Plant & Machinery	
Balance as at April 1, 2021	-	167.78	167.78
Additions	11.35	-	11.35
Lease Payments	1.12	24.39	25.51
Balance as at March 31, 2022	10.23	143.39	153.62
Additions	30.00	15.92	45.92
Lease Payments	6.16	33.57	39.73
Balance as at March 31, 2023	34.07	125.74	159.81

iii) Break-up of current and non-current lease liabilities

Particulars	March 31, 2023	March 31, 2022
Current Lease Liabilities	26.97	19.10
Non-current Lease Liabilities	132.84	134.52

iv) Maturity analysis of lease liabilities

Particulars	March 31, 2023	March 31, 2022
Less than one year	26.97	19.10
One to five years	123.25	114.28
More than five years	9.59	20.23
Total	159.81	153.62

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

v) Amounts recognised in statement of Profit and Loss account

Particulars	March 31, 2023	March 31, 2022
Interest on Lease Liabilities	17.89	23.52
Depreciation on ROU Assets	18.56	15.42

vi) Changes in liabilities arising from financing activities, including both changes arising from cash and non-cash changes:

Particulars	March 31, 2023	March 31, 2022
Opening lease liabilities	153.62	167.78
Non Cash flow movement		
- Addtions to ROU	27.41	11.35
- Unwinding cost on lease liability	17.89	18.51
Cash flow movement		
- Payment of Principal amount of lease liability	(21.11)	(18.50)
- Payment of interest on lease liability	(18.00)	(19.43)
- Payment on account of buyout of Leased assets	-	(6.08)
Closing Lease liabilities	159.81	153.62

42 Related Party Disclosures:

In accordance with the requirements of Ind AS - 24 'Related Party Disclosures', names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods are:

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

Entity under common control

Krsna International Limited-Yemen

Key Management Personnel (KMP)

Mr. Rajendra Mutha - Chairman & Wholetime Director

Mr. Yash Mutha - Wholetime Director

Ms. Pallavi Bhatevara - Managing Director

Ms. Manisha Chitgopekar - Company Secretary (till October 11,2021)

Mr. Nikhil Deshpande - Company Secretary (from October 12, 2021 to April 24, 2023)

Ms. Sunita Mutha- Relative of KMP

Mr. Pawan Daga - Chief Financial Officer (from January 18, 2021)

Mr. Prakash Iyer - Independent Director (from April 25, 2021 to May 28, 2022)

Mr. Chetan Desai - Independent Director (from April 25, 2021)

Ms. Chhaya Palrecha - Independent Director (from April 25, 2021)

Mr. Prem Pradeep - Independent Director

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

Mr. Rajiv Verma - Independent Director (from April 25, 2021)
 Mr. Adesh Kumar Gupta - Independent Director (from May 28, 2022)
 Mr. Ram Singh - Director in Subsidiaries (w.e.f. Incorporation)
 Mr. Chetan Karnawat - Director in Subsidiaries (w.e.f. Incorporation)

Entity in which KMP exercise significant influence

Krsna Diagnostics (Mumbai) Private Limited

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

Name of the Related Party	Year Ended March 31, 2023	Year Ended March 31, 2022
(i) Key Management Personnel (KMP)		
Compensation of key management personnel		
Ms. Pallavi Bhatevara	4.10	5.09
Mr. Rajendra Mutha	26.40	26.41
Mr. Yash Mutha	4.80	4.80
Mr. Pawan Daga	3.01	1.90
Ms. Manisha Chitgopekar	-	0.20
Mr. Nikhil Deshpande	1.68	0.75
Sitting fees paid to directors		
Mr. Prakash Iyer	0.15	0.75
Mr. Chetan Desai	0.65	0.70
Ms. Chhaya Palrecha	0.70	0.90
Mr. Rajiv Verma	0.65	0.85
Mr. Adesh Kumar Gupta	0.55	-
(ii) Expenses Incurred:		
Ms. Sunita Mutha - Rent Expenses	36.82	36.82
Ms. Pallavi Bhatevara - Interest Expenses	-	1.65
(iii) Loans (liability) taken earlier now repaid during the period		
Mr. Rajendra Mutha	-	1.19
Ms. Pallavi Bhatevara	-	18.54

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

(C) Outstanding Balances

Particulars	As at March 31, 2023	As at March 31, 2022
i) Entity under common control		
Krsna International Limited-Yemen -Receivable	31.01	31.01
Less: Provision	(31.01)	(31.01)
	-	-
ii) Key Management Personnel (KMP)		
(a) Compensation payable to KMPs		
Mr. Yash Mutha	0.21	0.34
Mr. Pawan Daga	0.18	0.14
Ms. Pallavi Bhatevara	0.22	0.30
Mr. Nikhil Deshpande	0.11	0.11
Mr. Rajendra Mutha	32.26	25.91
(b) Other Payables		
Ms. Sunita Mutha	4.49	3.19

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except for borrowings and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2023 & March 31, 2022, the group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

43 Segment reporting

The Group'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 Group as one operating segment.

All non-current assets of the group are located in India.

Group's entire revenue from operations are generated in its country of domicile i.e India.

Information about major customers in the group

- For the Financial year ended March 31, 2023 there is no external customers which contributes to more than 10% of total revenue
- For the Financial year ended March 31, 2022, in case of one customer, Group has revenue from rendering of diagnostic services amounting to ₹ 722.93 million, which contributes to more than 10% of total revenue.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

44 Fair Value Measurement

Financial Instruments by Category:

Financial Asset	March 31, 2023		March 31, 2022	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Investment				
- in shares of Janata Sahakari Bank Limited, Pune	-	2.90	-	2.90
- Mutual Funds	0.01	-	0.01	-
Security Deposit (Current + Non Current)	-	176.52	-	212.37
Fixed deposit accounts with maturity for more than 12 months	-	1,553.31	-	1,036.72
Trade receivables	-	730.97	-	578.73
Cash and cash equivalents	-	227.20	-	884.53
Bank balances other than cash and cash equivalent	-	860.76	-	1,534.28
Interest accrued on fixed deposits	-	77.33	-	24.00
Other receivables	-	21.96	-	0.62
Total Financial Asset	0.01	3,650.95	0.01	4,274.15

Financial Liabilities	March 31, 2023		March 31, 2022	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Borrowings (including current maturities of long term borrowings and short term borrowings)	-	165.00	-	256.30
Security deposit received (Current + Non current)	-	18.20	-	16.46
Trade Payable	-	621.25	-	773.00
Interest accrued	-	0.67	-	0.76
Payable for capital purchases	-	453.07	-	361.32
Lease Liabilities	-	159.81	-	153.62
Employee reimbursement payable	-	2.90	-	1.87
Employee Benefits Expenses Payable	-	103.62	-	77.35
Payable for IPO expenses	-	2.68	-	71.18
Total Financial Liabilities	-	1,527.20	-	1,711.86

45 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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

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

As at March 31, 2023	Level 1	Level 2	Level 3	Total
Financial Asset				
Investment in Kotak Liquid Fund Regular Plan Growth	-	0.01	-	0.01
Total Financial Asset	-	0.01	-	0.01
Financial Liabilities	-	-	-	-
Total Financial Liabilities	-	-	-	-
As at March 31, 2022	Level 1	Level 2	Level 3	Total
Financial Asset				
Investment in Kotak Liquid Fund Regular Plan Growth	-	0.01	-	0.01
Total Financial Asset	-	0.01	-	0.01
Financial Liabilities	-	-	-	-
Total Financial Liabilities	-	-	-	-

b 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.

46 Financial risk management objectives and policies

The Group is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Group's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Group 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 Group have certain debt obligations with floating interest rates. Further, the Group is not exposed to currency risk as the Group does not have any significant foreign currency outstandings/receivables neither is the Group 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 analyses assumes that all other variables, in

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

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, 2023	March 31, 2022
Increase by 100 basis point	5.13	11.85
Decrease by 100 basis point	(5.13)	(11.85)

(B) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group 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 Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Group 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 Group 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 Group uses expected credit loss model to assess the impairment loss or gain.

The movement in the provision for the year ended are as follows:

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
The movement in the provision for bad and doubtful debts for the year ended are as follows:		
Opening balance	58.30	50.00
Changes in loss allowance:		
1. Loss allowance based on Expected credit loss	(7.20)	8.30
2. Write off as bad debts	-	-
Closing Balance	51.10	58.30
The movement in the provision for doubtful advances for the year ended are as follows:		
Opening balance	31.01	31.01
Changes in loss allowance:		
1. Loss allowance based on Expected credit loss	-	-
2. Write off as bad debts	-	-
Closing Balance	31.01	31.01

Group has one customer as at March 31, 2023 & March 31, 2022 which accounts for 10% or more of the total trade receivables at each reporting date.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

(C) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group 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 Group's financial liabilities:

As at March 31, 2023	Less than 1 year	1 to 5 years	More than 5 years	Total
Short term borrowings & leases	81.97	-	-	81.97
Long-term borrowings & leases	-	233.25	9.59	242.84
Trade payables	621.25	-	-	621.25
Other financial liability	244.32	336.81	-	581.14
	947.54	570.06	9.59	1,527.20

As at March 31, 2022	Less than 1 year	1 to 5 years	More than 5 years	Total
Short term borrowings & leases	79.18	-	-	79.18
Long-term borrowings & leases	-	305.16	25.58	330.74
Trade payables	773.00	-	-	773.00
Other financial liability	234.82	294.13	-	528.95
	1,087.00	599.29	25.57	1,711.87

47 Capital management

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

The board of directors of holding company have recommended the final dividend of ₹ 2.75 per equity share of the face value of ₹ 5 per equity share for the year ended March 31, 2023. The payment of dividend is subject to approval of shareholders at Annual General meeting of the holding company. The group 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. 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.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

Particulars		Year Ended March 31, 2023	Year Ended March 31, 2022
Equity Share Capital		156.99	156.99
Other Equity		7,230.37	6,687.10
Total equity	(i)	7,387.36	6,844.09
Borrowings & lease liability		324.81	409.91
Less: cash and cash equivalents		(227.20)	(884.53)
Net debt	(ii)	97.61	(474.62)
Overall financing	(iii) = (i) + (ii)	7,484.97	6,369.48
Gearing ratio	(ii)/ (iii)	0.01	(0.07)

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022.

48 Corporate Social Responsibility (CSR)

Particulars		Year Ended March 31, 2023	Year Ended March 31, 2022
Gross amount required to be spent		10.25	5.66
Amount spend during the year		10.25	5.66

Amount spent during the year

Particulars	March 31, 2023		
	In cash	Yet to be paid in cash	Total
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*	10.25	-	10.25
	10.25	-	10.25
Less: Amount capitalized as CSR assets			-
			10.25

* Ventilators donated to various Municipal Corporations

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

Amount spent during the year

Particulars	March 31, 2022		Total
	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*	5.66	-	5.66
	5.66	-	5.66
Less: Amount capitalized as CSR assets			-
			5.66

* Ventilators donated to various Municipal Corporations

49 Disclosure pursuant to Schedule V read with regulations 34(3) and 53(f) of the SEBI(Listing Obligations And Disclosure Requirements) Regulations,2015

A) Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount -

Name of the Company	Balance as at		Maximum outstanding	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Krsna International Limited-Yemen	31.01	31.01	31.01	31.01
Less: Credit impaired & full provided for in book	(31.01)	(31.01)	(31.01)	(31.01)
Net	-	-	-	-

B) Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan as at March 31, 2023 & March 31, 2022 - Nil

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

50 Utilisation of money raised through public issue

During the year ended March 31, 2022, the holding company had raised ₹ 4,000 Million through public issue of fresh equity shares, mainly with an objective of repayment of borrowings, capital expenditure for setting-up new centers in Punjab, Karnataka, Himachal Pradesh & Maharashtra and for general corporate purposes. The holding company has estimated to incur expenses aggregating ₹ 662.19 Million (out of which, 218.04 Million pertains holding company's share) towards the initial public offering which includes both issue of fresh equity shares as well as offer for sale of equity shares by existing share holders of holding company. Given below are the details of utilisation of proceeds raised through public issue during the year ended March 31, 2022.

Particulars	March 31, 2023	March 31, 2022
Unutilized amount at the beginning of the year	1,802.76	-
Amount raised through public issue	-	4,000.00
Less - Share Issue Expenses relating to fresh offer	-	(218.04)
Net IPO Proceeds available for utilization	1,802.76	3,781.96
Less: amount utilized during the year		
Payment towards project expenditure relating to Capital Expenditure	345.24	583.50
Payment towards repayment of borrowings	31.79	1,429.02
Payment towards general corporate purpose	454.73	5.00
Less: Interest Received on Utilized funds & Others		
Add: Interest received on funds re-invested during the year	41.26	34.98
Add: Amount pending to be released in current account of the company	-	3.32
Amount Utilized at the year end	1,012.25	1,802.76

Details of short-term investments made from unutilized portion of public issue raised during the year ended:

Particulars	March 31, 2023	March 31, 2022
Balance amount in current account	1.00	3.00
Investment in fixed deposits of banks	1,011.25	1,799.76
	1,012.25	1,802.76

51 Contingent Liability

Particulars	March 31, 2023	March 31, 2022
Contingent Liabilities		
Other money for which the Group is contingently liable (Note 1)	36.50	36.50
	36.50	36.50

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

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

Particulars	March 31, 2023	March 31, 2022
Capital Commitments		
- Estimated Amount of contracts remaining to be executed on capital account Net of Advances	549.99	618.81
	549.99	618.81

52 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 Holding Company has entered into agreement with LHMS whereby the services at RKS hospitals at HP are provided by the Holding 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 Holding 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.

53 Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

Type of Borrower	Loans/Advances granted Individually or Jointly with other. (Individually / Jointly)	Repayable on demand (Yes / No)	Terms/ Period of repayment is specified (Yes / No)	March 31, 2023		March 31, 2022	
				Amount outstanding as at the balance sheet date	% of Total	Amount outstanding as at the balance sheet date	% of Total
Promoter							
Directors							
KMPs							
Related Parties:							
i. Krsna International Limited-Yemen (Entity under common control)	Individually	Yes	No	31.01	100%	31.01	100%
Less: Credit impaired and fully Provide for				(31.01)	-100%	(31.01)	-100%
Total of Loan and Advances in the nature of Loan (Refer Note 9 & 16)				-	-	-	-

54 Capital-Work-in Progress (CWIP)

(a) For Capital-work-in progress ageing schedule

March 31, 2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	235.36	14.78	-	4.67	254.80
Projects temporarily suspended	-	-	-	-	-

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

March 31, 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	277.91	-	-	4.66	282.57
Projects temporarily suspended	-	-	-	-	-

(b) In case of the following projects (CWIP), where completion is overdue or has exceeded its cost compared to its original plan:

March 31, 2023

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress:				
i. Work in Progress (Karnataka) *	4.66	-	-	-
Projects where activity has been suspended: Nil				

* For few centers in Karnataka, Project has exceeded its original plan of completion due to delay in allotting space at center by tender authorities

March 31, 2022

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress:				
i. Work in Progress (Karnataka) *	-	4.66	-	-
Projects where activity has been suspended: Nil				

* For few centers in Karnataka, Project has exceeded its original plan of completion due to delay in allotting space at center by tender authorities

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

55 Registration of charges or satisfaction with Registrar of Companies

The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

56 Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

57 There are no immovable properties standing in the books of the Group, hence the discloser of title deed not held in the name of the company is not applicable

58 The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

59 The Group has not being declared as wilful defaulter by any bank or financial institution or any government authority

60 The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

61 Utilisation of Borrowed funds and share premium:

- (i) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiary"
- (ii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

62 The Group does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year, (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

63 The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

64 Dividend

The board of directors of the holding company have recommended the dividend of ₹ 2.75 per share of the face value of ₹ 5 per share for the year ended March 31, 2023. The payment of dividend is subject to approval of shareholders at the ensuing Annual General meeting of the holding company.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

65 Group Information

Information about subsidiary

Name	Country of incorporation	Principal activities	% of Equity Interest	
			March 31, 2023	March 31, 2022
KDPL Diagnostics (Amritsar) Private Limited	India	Radiology services	100.00%	100.00%
KDPL Diagnostics (Bathinda) Private Limited	India	Radiology services	100.00%	100.00%
KDPL Diagnostics (Jalandhar) Private Limited	India	Radiology services	100.00%	100.00%
KDPL Diagnostics (Ludhiana) Private Limited	India	Radiology services	100.00%	100.00%
KDPL Diagnostics (Patiala) Private Limited	India	Radiology services	100.00%	100.00%
KDPL Diagnostics (SAS Nagar) Private Limited	India	Radiology services	100.00%	100.00%
Krsnaa Diagnostics (Mohali) Private Limited	India	Pathology services	100.00%	100.00%

66 Additional information required by Schedule III of the Companies Act 2013.

As on March 31, 2023:

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total comprehensive Income (TCI)	
	As % of conso. net assets	Amt	As % of conso. P&L	Amt	As % of conso. OCI	Amt	As % of TCI	Amt
Parent								
Krsnaa Diagnostics Limited	100.51%	7,425.01	102.25%	635.09	105.51%	5.16	102.28%	640.25
Subsidiaries								
KDPL Diagnostics (Amritsar) Private Limited	-0.01%	(0.87)	-0.06%	(0.35)	-0.71%	(0.03)	-0.06%	(0.38)
KDPL Diagnostics (Bathinda) Private Limited	-0.01%	(0.90)	-0.12%	(0.77)	-1.09%	(0.05)	-0.13%	(0.82)
KDPL Diagnostics (Jalandhar) Private Limited	0.00%	(0.15)	0.05%	0.30	-1.07%	(0.05)	0.04%	0.25
KDPL Diagnostics (Ludhiana) Private Limited	0.00%	(0.21)	0.07%	0.42	-0.88%	(0.04)	0.06%	0.38
KDPL Diagnostics (Patiala) Private Limited	0.00%	(0.10)	0.09%	0.58	-0.58%	(0.03)	0.09%	0.55
KDPL Diagnostics (SAS Nagar) Private Limited	-0.03%	(2.00)	0.14%	0.87	-1.09%	(0.05)	0.13%	0.82
Krsnaa Diagnostics (Mohali) Private Limited	-0.45%	(33.42)	-2.42%	(15.03)	-0.31%	(0.01)	-2.40%	(15.04)
Total Net Assets	100.00%	7,387.36	100.00%	621.11	99.80%	4.89	100.00%	626.00
Holding Company Interest	100.00%	7,387.36	100.00%	621.11	100.00%	4.89	100.00%	626.00
Non-controlling Interest	0.00%	(0.00)	0.00%	(0.00)	0.00%	(0.00)	0.00%	(0.00)
Total	100.00%	7,387.36	100.00%	621.11	100.00%	4.89	100.00%	626.00

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

As on March 31, 2022:

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total comprehensive Income (TCI)	
	As % of conso. net assets	Amt	As % of conso. P&L	Amt	As % of conso. OCI	Amt	As % of TCI	Amt
Parent								
Krsnaa Diagnostics Limited	100.34%	6,867.50	103.38%	707.03	108.75%	3.51	103.41%	710.54
Subsidiaries								
KDPL Diagnostics (Amritsar) Private Limited	-0.01%	(0.49)	-0.09%	(0.59)	0.00%	-	-0.09%	(0.59)
KDPL Diagnostics (Bathinda) Private Limited	0.00%	(0.07)	-0.03%	(0.18)	0.00%	-	-0.03%	(0.18)
KDPL Diagnostics (Jalandhar) Private Limited	-0.01%	(0.41)	-0.07%	(0.51)	0.00%	-	-0.07%	(0.51)
KDPL Diagnostics (Ludhiana) Private Limited	-0.01%	(0.59)	-0.10%	(0.69)	0.00%	-	-0.10%	(0.69)
KDPL Diagnostics (Patiala) Private Limited	-0.01%	(0.65)	-0.11%	(0.76)	0.00%	-	-0.11%	(0.76)
KDPL Diagnostics (SAS Nagar) Private Limited	-0.04%	(2.83)	-0.42%	(2.90)	0.00%	-	-0.42%	(2.88)
Krsnaa Diagnostics (Mohali) Private Limited	-0.27%	(18.38)	-2.56%	(17.50)	-8.75%	(0.28)	-2.59%	(17.79)
Total Net Assets	100.00%	6,844.09	100.00%	683.90	100.00%	3.23	100.00%	687.13
Holding Company Interest	100.00%	6,844.09	100.00%	683.90	100.00%	3.23	100.00%	687.13
Non-controlling Interest	0.00%	(0.00)	0.00%	(0.00)	0.00%	(0.00)	0.00%	(0.00)
Total	100.00%	6,844.09	100.00%	683.90	100.00%	3.23	100.00%	687.13

67 The Code on Social Security 2020

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.

68 Casual vacancy of Company Secretary

The Holding Company is in the process of filling up the vacancy for the position of Company Secretary who resigned on April 24, 2023.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

69 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.

See accompanying notes to IND AS Consolidated Financial Statements

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

As per our report of even date

For **MSKA & Associates**

Chartered Accountants

Firm Registration No.:105047W

For and on behalf of the Board of Directors

Krsnaa Diagnostics Limited

(Formerly known as Krsnaa Diagnostics Private Limited)

CIN:L74900PN2010PLC138068

Anup Mundhra

Partner

Membership No: 061083

Rajendra Mutha

Chairman

DIN: 01066737

Pallavi Bhatevara

Managing Director

DIN: 03600332

Yash Mutha

Executive Officer

DIN: 07285523

Pawan Daga

Chief Financial Officer

Place: Pune

Date: May 27, 2023

Place: Pune

Date: May 27, 2023

KRSNAA DIAGNOSTICS LIMITED

Corporate Identification Number (CIN): L74900PN2010PLC138068

Registered Office: S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1, Near Chinchwad Station, Chinchwad, Pune 411019

Tel. No.: +91 20 2740 2400

E-mail: investors@krsnaa.in **Website:** www.krsnaadiagnostics.com

NOTICE OF THE 13TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE THIRTEENTH ANNUAL GENERAL MEETING ("AGM") OF MEMBERS OF KRSNAA DIAGNOSTICS LIMITED ("THE COMPANY") WILL BE HELD ON MONDAY, SEPTEMBER 25, 2023 AT 11:00 HRS (IST) THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO-VISUAL MEANS ("OAVM"), DEEMED VENUE FOR THE MEETING SHALL BE THE REGISTERED OFFICE ADDRESS OF THE COMPANY SITUATED AT S. NO. 243/A, HISSA NO. 6, CTS NO. 4519, 4519/1, NEAR CHINCHWAD STATION, CHINCHWAD, TALUKA - HAVELI PUNE MAHARASHTRA 411019 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

Item No. 1 – Adoption of Financial Statements:

To receive, consider and adopt:

- the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023 together with the Reports of the Board of Directors and the Auditors thereon and
- the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023 together with the Reports of the Auditors thereon.

Item No. 2 – Declaration of Final Dividend:

To declare final dividend of ₹ 2.75/- (Two Rupees and Seventy Five Paise only) per equity share of face value of ₹ 5/- (Rupees Five only) each for the Financial Year ended March 31, 2023.

Item No. 3 – Re - appointment of Ms. Pallavi Bhatevara (DIN: 03600332) as the Director, liable to retire by rotation:

To appoint a Director in place of Ms. Pallavi Bhatevara (DIN: 03600332), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

Item No. 4 – Ratification of Remuneration payable to Cost Auditors for the Financial Year 2023-24

To consider and if thought fit, pass with or without modification(s), the following resolution as **Ordinary Resolution(s)**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) / re-enactment(s) thereof, for the time being in force) and any other applicable provisions / statutes as may be applicable from time to time, the shareholders hereby ratify the remuneration of ₹ 100,000/- (Rupees One Lakh) plus applicable taxes thereon and reimbursement of out-of-pocket expenses at actuals payable to M/s Harshad S. Deshpande & Associates, Cost and Management Accountants, (Firm Registration No. 00378), appointed as Cost Auditors of the Company for conducting the cost audit of the accounts for the financial year ending March, 31, 2024.

RESOLVED FURTHER THAT the Board of Directors and / or Chief Financial Officer and / or Company Secretary of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

Item No. 5 - Ratification of Employee Stock Option Scheme 2020

To consider and if thought fit, pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT in furtherance of and supplement to the special resolution passed by the shareholders of the

Company in their Extra-Ordinary General Meeting held on July 01, 2020 and pursuant to the applicable provisions of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, (including any statutory modification(s) or re-enactment thereof for the time being in force) ("SEBI ESOP Regulations"), Section 62 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, and the rules notified thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and other relevant provisions for the time being in force and as may be modified from time to time, provisions contained in the Memorandum of Association and the Articles of Association of the Company, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and other rules, regulations and guidelines of any/ various statutory/ regulatory authority(ies) that are or may become applicable (collectively referred herein as the "Applicable Laws") and subject to any approvals, permissions and sanctions of any / various authority(ies) as may be required and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions and based on the recommendation of the Nomination and Remuneration Committee of the board of directors of the Company, which may be agreed to by the board of directors of the Company (hereinafter referred to as the "Board" which shall be deemed to include Nomination & Remuneration Committee constituted by the Board under Section 178 of the Companies Act, 2013 to exercise its powers, including the powers, conferred by this resolution), the Employee Stock Option Scheme 2020 (hereinafter referred as the "ESOS-2020" or "Scheme") as approved by the shareholders of the Company in their Extra-Ordinary General Meeting held on July 01, 2020, prior to Initial Public Offering (IPO) of Shares of the Company, be and is hereby ratified within the meaning of Regulation 12 of SEBI SBEB Regulations and consent of the members of the Company be and is hereby accorded to the Board to create, offer, issue and allot at any time to or to the benefit of such person(s) who are in permanent employment of the Company, including any existing or future Director of the Company, whether whole time or otherwise (excluding the Independent Directors and promoters of the Company), options exercisable into not more than

2,50,000 Equity Shares of the Company, in one or more tranches, and on such terms and conditions as may be fixed or determined by the Board in accordance with the provisions of the Applicable laws or guidelines issued by the relevant Authority and to amend the ESOS 2020 as may be required and each option would be exercisable for one Equity Share of a face value of ₹ 5/- each fully paid-up on payment of the requisite exercise price to the Company.;

RESOLVED FURTHER THAT the Equity Shares to be issued and allotted by the Company under the ESOS 2020 shall rank pari-passu in all respects with then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Company shall confirm to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

RESOLVED FURTHER THAT the Board of Directors and/or the Nomination and Remuneration Committee, subject to compliance with the SEBI (SBEB & SE) Regulations, 2021, and other applicable laws, rules and regulations, be and are hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Plan and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including but not limited to appoint Advisors, Merchant Bankers, Consultants or Representatives, being incidental for the effective implementation and administration of the Plan and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

RESOLVED FURTHER THAT Ms. Pallavi Bhatevara, Managing Director or Mr. Sujoy Sujoy Bose, Company Secretary & Compliance Officer of the Company be and are hereby severally authorised for carrying out any or all of the activities that the Board of Directors are authorised to do for the purpose of giving effect to this resolution.”

For and on behalf of the Board of Directors
Krsnaa Diagnostics Limited

Rajendra Mutha
Chairperson and
Whole Time Director
(DIN: 01066737)

Place: Pune
Date: August 12, 2023

Registered Office:

S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1,
Near Chinchwad Station, Chinchwad,
Taluka - Haveli Pune MH 411019
CIN: L74900PN2010PLC138068

NOTES

1. The Ministry of Corporate Affairs ("MCA") vide its General Circular Nos. 14/2020, 17/2020, 20/2020 and 02/2021 dated April 8, 2020, April 13, 2020, May 5, 2020 January 13, 2021, December 8, 2021, December 14, 2021, 02/2022 dated May 5, 2022, and latest circular 10/2022 dated December 28, 2022 respectively ("MCA Circulars") and the Securities and Exchange Board of India ("SEBI") in continuation to previous Circulars dated 12th May, 2020, Circular dated 15th January, 2021, Circular dated 13th May, 2022 Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023 dated 5th January, 2023, allowed companies whose AGMs were due to be held in the year 2023 to conduct their AGMs on or before September 30, 2023, in accordance with the requirements provided inter-alia in paragraphs 3 and 4 of the General Circular No. 20/2020 dated May 5, 2020 without the physical presence of the Members. Accordingly, the AGM of the Company is being held through VC/OAVM. The deemed venue of the meeting shall be deemed to be the Registered Office of the Company situated at S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1, Near Chinchwad Station, Chinchwad, Taluka - Haveli Pune 411019 MH India.
2. In compliance with the aforesaid Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories as on August 25, 2023 Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.krsnaadiagnostics.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL <https://www.evoting.nsdl.com>
3. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 ("the Act").
4. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 ("Listing Regulations") (as amended), and MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has engaged National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-Voting system as well as voting on the date of the AGM will be provided by NSDL.
5. Pursuant to aforesaid MCA Circulars, the facility for appointment of proxies by the Members will not be available. Since the AGM will be held through VC/OAVM, route map, proxy form and attendance slip are not annexed to the Notice.
6. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 ("the Act"), in respect of businesses to be transacted at the Annual General Meeting ("AGM"), as set out under Item No (s). 4, 5 and 6 above and as required under Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed hereto.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the 13th AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 25, 2023. Members seeking to inspect such documents can send an email to investors@krsnaa.in.

Dividend-related information

1. The Board of Directors has recommended a Final Dividend of ₹ 2.75 per equity share of ₹ 5.00 each for the Financial Year ended on March 31, 2023, that is proposed to be paid within a period of 30 days from the date of declaration, subject to approval of the shareholders at the 13th AGM.
2. The Company has fixed September 15, 2023 as the record date for determination of entitlement for payment of Final Dividend.
3. Pursuant to amendments in the Income Tax Act, 1961 ("IT Act") dividend income is taxable in the hands of the

shareholders from April 1, 2020 and the Company is required to deduct tax at source (“TDS”) from dividend paid to the Members as per the rates prescribed in IT Act. In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants (“DP”) or in case shares are held in physical form, with Company’s Registrar and Transfer Agents viz., KFin Technologies Limited (“RTA”).

4. Further, in order to receive dividend(s) in a seamless manner, Members who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means (“Electronic Bank Mandate”), are requested to update your Electronic Bank Mandate through your DPs.
5. In the event the Company is unable to pay the dividend to any Member directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate or otherwise, the Company shall dispatch the dividend warrant/Bankers’ cheque/demand draft or any other permitted instrument(s), to such Member, as soon as possible.

INSTRUCTION FOR MEMBERS FOR REMOTE E-VOTING AND ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

The remote e-voting period begins on September 22, 2023 at 9:00 A.M. (IST) and ends on September 24, 2023 at 5:00 P.M. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the cut-off date i.e. September 15, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the aforesaid cut-off date.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in DEMAT mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in DEMAT mode are allowed to vote through their DEMAT account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their DEMAT accounts in order to access e-Voting facility.

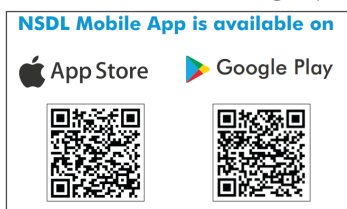
Login method for Individual shareholders holding securities in DEMAT mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders

Login Method

2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>. Select **“Register Online for IDeAS Portal”** or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
4. Shareholders/Members can also download NSDL Mobile App **“NSDL Speede”** facility by scanning the QR code mentioned below for seamless voting experience.



Individual Shareholders holding securities in demat mode with CDSL

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.

Type of shareholders	Login Method
	<ol style="list-style-type: none"> If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in DEMAT mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:

for those shareholders whose email ids are not registered.

- | | |
|---|--|
| <p>a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.</p> <p>b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.</p> <p>c) How to retrieve your 'initial password'?</p> <p>(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.</p> <p>(ii) If your email ID is not registered, please follow steps mentioned below in process</p> | <p>6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:</p> <p>a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.</p> <p>b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.</p> <p>c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.</p> <p>d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.</p> <p>7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.</p> <p>8. Now, you will have to click on "Login" button.</p> <p>9. After you click on the "Login" button, Home page of e-Voting will open.</p> |
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Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your Vote.

General Guidelines for Shareholders

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csdineshbirla@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will

be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details / Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Mr. Abhijeet Gunjal at evoting@nsdl.co.in

Process for those shareholders whose email IDs are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this Notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@krsnaa.in
2. In case shares are held in DEMAT mode, please provide DPID-CLID (16 digit DPID + CLID or 16digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors@krsnaa.in. If you are an Individual shareholders holding securities in DEMAT mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in DEMAT mode.**
3. Alternatively shareholder / members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in DEMAT mode are allowed to vote through their DEMAT account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their DEMAT account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system at the AGM.
3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-Voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled commencement time of the Meeting and window for joining the Meeting shall be kept open throughout the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Please note that Participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@krsnaa.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@krsnaa.in. These queries will be replied to by the company suitably by email.
6. Members who need assistance before or during the AGM with use of technology, can send a request at evoting@nsdl.co.in or use a Toll-free No. (helpline): 022 - 4886 7000 and 022 - 2499 7000 or send a request to Mr. Abhijeet Gunjal at evoting@nsdl.co.in
7. Further instructions, if any, regarding this AGM and related matters, shall be available on the website of the Company, under Investors section.

Other Information

1. Mr. Dinesh Birla (FCS 7658), Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-Voting process and to conduct the same in a fair and transparent manner.
2. The Scrutinizer after scrutinizing the votes cast by remote e-voting and e-voting during the e-AGM will make a consolidated Scrutinizer's Report and submit the same forthwith not later than 48 hours of conclusion of the e-AGM to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same.
3. The results declared along with the Scrutinizer's report will be placed on the website of the Company i.e. <https://krsnaadiagnostics.com> under Investors section and on the website of NSDL i.e. <https://evoting.nsdl.com>. The results shall simultaneously be communicated to BSE Limited and the National Stock Exchange of India Limited.

4. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of Bank and branch details, bank account number, MICR code, IFSC code etc.

Type of holder	Process to be followed
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, KFin Technologies Limited either by email to einward.ris@kfintech.com or by post to Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032.
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes/update thereof for securities held in physical mode Form ISR-1
	Update of signature of securities holder Form ISR-2
	For nomination as provided in the Rule 19(1) of Companies (Share Capital and Debenture) Rules, 2014 Form SH-13
	Cancellation of nomination by the holder(s) (along with ISR-3)/Change of Nominee Form SH-14
	Form for requesting issue of Duplicate Certificate and other service requests for shares held in physical form Form ISR- 4
	Members may download all the forms from website of the Company or RTA i.e. https://krsnaadiagnostics.com or www.kfintech.com

- i. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
- ii. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to RTA in case the shares are held in physical form.
5. Members are requested to address all correspondence, including dividend related matters, to (RTA):
K V S Gopala Krishna
KFin Technologies Limited,
Unit: Krsnaa Diagnostics Limited,
Selenium Tower B, Plot 31-32, Financial District,
Nanakramguda Serilingampally
Mandal, Hyderabad 500 032, India
Tel: +91 40 6716 2222
Fax: +91 40 2342 0814
E-mail: einward.ris@kfintech.com
6. To support the Green initiatives taken by the MCA, Members are requested to register their email ID(s) (if not already done), so that all future communication/ documents can be sent in electronic mode.
- Members holding shares in physical form and who have not registered their email ID(s) may get their email ID's registered with the RTA, by sending an email to einward.ris@kfintech.com. Members are requested to provide details such as name, folio number, certificate number, PAN, mobile number, and email ID and attach image of share certificate in PDF or JPEG format.

In respect of DEMAT holdings, for registration of email- ID, the members are requested to register the same with the respective DP by following the procedure prescribed by their DP.

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013 ("The Act")

Item No. 4 – Ratification of Remuneration payable to Cost Auditors for the Financial Year 2023-24

The Board of Directors of the Company at its meeting held on August 12, 2023, on recommendation by the Audit Committee, appointed M/s Harshad S. Deshpande & Associates (Firm Registration Number: 00378), Cost and Management Accountants, as the Cost Auditors for the Financial Year 2023-24 at a remuneration of ₹ 100,000/- (INR One Lakh only) plus applicable taxes and out of pocket expenses.

As per Section 148 of Companies Act, 2013 and applicable rules thereunder, the remuneration payable to the Cost Auditors is to be ratified by the shareholders of the Company.

The Board considers the remuneration payable to the Cost Auditors as fair and recommends the resolution contained in Item no. 4 of the accompanying notice for approval of the Shareholders as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of this AGM Notice.

Item No. 5 – Ratification of Employee Stock Option Scheme 2020 as per SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

Pursuant to the resolution of the Board passed on July 01, 2020 and the Shareholders' resolution dated July 01, 2020, the Company had established the 'Krsnaa Employees Stock Option Scheme 2020' (herein after referred as "ESOS 2020" or "Scheme"). Under the said ESOS 2020, 20,46,666 options have been granted as on the date of this notice out of total authorization of 20,46,666 options, each option granted under ESOS 2020 is convertible into one equity share.

As per Regulation 12 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations"), no company shall make any fresh grant of ESOPs, which involves allotment or transfer of shares to its employees under any ESOP Schemes formulated prior to its IPO and prior to the listing of its equity shares (Pre-IPO Scheme) unless (i) such pre-IPO scheme is in conformity with SEBI SBEB Regulations; and (ii) such pre-IPO scheme is ratified by its shareholders subsequent to IPO.

Considering, that the Company came out with a Public Issue of its Equity shares in August 2021 and its equity

shares are listed at BSE and NSE with effect from August 16, 2021, the Company's ESOS 2020 is required to be ratified by the shareholders of the Company pursuant to Regulation 12 of the SEBI SBEB Regulations for making any fresh grant of ESOPs under this Scheme. Accordingly, same is referred to the shareholders for their ratification in terms of Regulation 12 and other applicable provisions of the SEBI SBEB Regulations. The said Scheme is in conformity with the SEBI SBEB Regulations and the Company has not granted any fresh grant of options to employees as on date after the public issue of the Company.

The following would, inter alia, be the broad terms and conditions of ESOS 2020:

a) Brief description of ESOS 2020

The objective of the ESOS 2020 is, inter alia to reward the employees (as defined hereinafter) for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this ESOS 2020 to attract and retain talent in the organization. The Company views options as instruments that would enable the employees to get a share in the value they create for the Company in the years to come and align the objectives of the employees with the objectives of the Company.

After suitable amendments, the following would inter alia be the broad terms and conditions of the ESOS 2020:

b) Total number of options to be granted under ESOS 2020

A total of 20,46,666 options were available for being granted to employees of the Company under the ESOS 2020. Each option when exercised would be converted into one Equity Share of ₹ 5 each fully paid-up. Options lapsed or cancelled due to any reason including the reason of lapse of exercise period or due to resignation of the employees/ directors (other than independent directors) or otherwise, would be available for being re-granted at a future date. The board of directors of the Company (the "Board") is authorized to re-grant such lapsed / cancelled options. In case of any corporate action(s) such as split/ consolidation, rights issues, bonus issues and others, a fair and reasonable adjustment will be made to the options granted. The number and/ or the exercise price of the options shall be adjusted in a manner such that the total value of options remains the same before and after such corporate action. The

vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the option grantees.

Details of grants, exercise and lapsing of options as at August 12, 2023 on a cumulative basis are as follows:

Particulars	
Options granted	20,46,666
Options lapsed/expired	2,31,766
Options exercised	0
Options outstanding	18,14,900

c) Identification of classes of employees entitled to participate in the ESOS 2020:

All permanent employees of the Company and executive directors of the Company other than independent directors (hereinafter referred to as "employees") of the Company shall be eligible subject to determination by the Board.

However, following classes of employees/ directors shall not be eligible who are:

- i) Independent directors;
- ii) Promoters or persons belonging to promoter group;
- iii) Director who either by himself or through his relatives or through any body corporate, directly or indirectly, holds more than ten percent of the issued and, subscribed and paid-up equity share capital of the Company.

d) Appraisal process for determining the eligibility of the employees to employee stock options:

The options shall be granted to the employees as per performance appraisal system of the Company or where the Board may determine the eligibility criteria for the employees under the ESOS 2020 based on their evaluation on various parameters, such as length of service, grade, performance, technical knowledge, leadership qualities, merit, contribution and conduct, future potential, etc., and such other factors as may be deemed appropriate by it.

e) Requirements of vesting and period of vesting:

The options granted shall vest so long as the employees continues to be in the employment of the Company, as applicable. The Nomination and

Remuneration Committee of the Board may also specify certain performance parameters in discussion with the Managing Director of the Company subject to which the options would vest beyond the minimum vesting period of one year, in accordance with applicable law. The vesting period of options granted not earlier than one year and not later than six years from the date of Grant of such Options. The specific vesting dates, schedule and conditions subject to which vesting would take place would be according to the letter of grant given to the employee at the time of grant of options.

f) The maximum period within which the options shall be vested:

The options granted shall vest not later than six years from the date of grant of such options.

g) Exercise price or pricing formula:

- a) The options will be granted at the following exercise prices as decided by the Compensation Committee:
 - i. Post listing, at a price equal to or higher than or at a discount to the market price, being latest available closing price, prior to the date of the meeting of the Compensation Committee, in which options are granted/ shares are issued, on the stock exchange on which the shares of the Company are listed, as decided by the Compensation Committee. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date shall be considered; or
 - ii. Prior to listing, at a price equal to or higher than or at a discount to the per share price determined by an independent Valuer for the equity shares of the Company as decided by the Compensation Committee.

h) Exercise period and the process of exercise:

From the date of vesting of options, the employees shall be entitled to exercise the options upon completion of vesting period, which period shall not exceed a period of 5 years from the respective date of vesting of the options. However, the applicable exercise period may vary depending on circumstances such as retirement, resignation, termination due to misconduct or due to breach of policies or the terms of employment of the Company, permanent

disablement, death, abandonment of service or termination due to other reasons.

i) Lock-in period:

The Shares arising out of Exercise of Vested Options is not subject to any lock-in period after such Exercise.

j) Maximum number of options to be issued per employee and in aggregate:

The maximum number of options that may be granted to an employee under the ESOS 2020 in aggregate per employee under ESOS 2020 shall be determined by the nomination and remuneration committee of the Board with respect to an individual employee. Further, the maximum number of options to be granted per employee per grant and in aggregate shall not exceed 20,46,666 (Twenty lakhs forty-six thousand six hundred sixty-six only)

Further, the number of Options that may be granted to any specific identified employee under ESOS 2020 shall not be equal to or exceeding the number of Shares equivalent to 1% of the Issued Capital (excluding outstanding warrants and conversions) of the Company and in aggregate if the prior specific approval from members of the Company through a special resolution to this effect is not obtained.

k) Maximum quantum of benefits to be provided per employee under a Scheme

The Maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the Market Price of the shares as on the date of sale of shares arising out of Exercise of options.

l) Method of option valuation:

To calculate the employee compensation cost, the Company shall use the fair value method for valuation of the options granted.

Since the company opts for expensing of share based employee benefits using the fair value method, the following statement will not be applicable viz.

In case the Company opts for exercising of share based employee benefits using the intrinsic value method, the difference between the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors' Report prepared in accordance with Section 134 of the Companies Act and other applicable provisions (the "Directors' Report") and the impact

of this difference on profits and on earnings per share of the Company shall also be disclosed in the Directors' Report.

m) The conditions under which option vested in employees may lapse:

The vested options shall lapse in case of resignation or termination of employment due to misconduct. Further, irrespective of employment status, in case vested options are not exercised within the prescribed exercise period, then such vested options shall lapse.

n) The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee:

In the event of resignation / termination (other than due to misconduct or breach of Company Policies / Terms of Employment) of the Option Grantee from employment with the Company, all the Unvested Options shall stand forfeited on the date of submission of the resignation or termination, as applicable. However, all the Vested Options as on the date of submission of resignation / date of termination shall be exercisable by the Option Grantee before his last working day with the Company or before the expiry of the Exercise Period, whichever is earlier.

However, this specified period is subject to the terms and conditions formulated by the nomination and remuneration committee of the Board in this regard.

o) Route of administration of ESOS 2020 / Whether the scheme is to be implemented and administered directly by the Company or through a trust

The ESOS 2020 shall be implemented and administered directly by the Company under the guidance of nomination and remuneration committee of the Board.

p) Whether scheme involves new issue of shares by the Company or Secondary acquisition by the trust

The Scheme will involve only new issue of shares by the Company

q) The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.

Not Applicable

r) Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s).

Not applicable

s) Certificate from auditors

The Board of Directors shall at each annual general meeting place before the shareholders, a certificate from the Secretarial Auditors of the company that the scheme(s) has been implemented in accordance with the prescribed regulations and in accordance with the resolution of the company in the general meeting.

t) Disclosure and Accounting Policies:

The Company shall comply with the disclosure and the accounting policies prescribed as per prevailing accounting guidelines as well as the Guidance Note on Accounting for Employee Share-based Payments and/ or any relevant Accounting Standards as may be prescribed by the Regulatory authorities from time to time.

The Company shall also comply with the accounting policies and disclosure requirements as prescribed under Regulation 15 of the SEBI SBEB Regulations.

Further, the Company shall disclose details of Grant, Vest, Exercise and lapse of the Employee Stock Options in the Directors' Report or in an annexure thereof as prescribed under SEBI (SBEB) Regulations or any other Applicable Laws as in force.

As the ESOS 2020 provides for further shares to be offered to employees of the Company, consent of the shareholders is being sought to ratify and amend the ESOS 2020 as may be required, pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, as amended by way of a special resolution.

None of the directors, or key managerial personnel of the Company and their relatives are in any way, concerned or interested in this resolution, except to the extent of the securities that may be offered to them under the ESOS 2020.

The Board recommends the resolutions set out at Item No. 5 of this Notice for your approval as a special resolution.

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER LISTING REGULATIONS AND APPLICABLE SECRETARIAL STANDARDS:

PALLAVI BHATEVARA

Age	45 Years
Date of first appointment on the Board	January 29, 2013
Qualification	Higher Secondary
Brief Profile	Pallavi Bhatevara is the Managing Director of our Company. She has passed the higher secondary exams from the Maharashtra State Board of Secondary and Higher Secondary Education. She has been associated with our Company since January 29, 2013 and has 10 years of experience in the field of diagnostic services. She is currently responsible for expansion and growth of our Company and is involved in the tendering process and implementation and execution of projects.
Nature of expertise in specific functional area/skills and capabilities	<ol style="list-style-type: none"> 1. Business Operations and Management; 2. Technical Expertise; 3. Business operations at Global Level including industry knowledge; 4. Strategy and Planning
Directorships in other Companies	NIL
Memberships of Committees in other Companies	NIL
Number of Board meetings of the Company attended during FY 2022-23	4 (Four) Board Meetings
Listed entities from which Pallavi Bhatevara has resigned as Director in past 3 years	Not applicable
No. of Shares held in the Company, including shareholding as a beneficial owner	3,00,806
Disclosure of inter-se relationships between Directors and Key Managerial Personnel	Mr. Pallavi Bhatevara is not related to any one of the Directors or Key Managerial Personnel of the Company as per applicable regulatory provisions.



Krsnaa Diagnostics Limited

Registered Office & Corporate Office

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

Website: www.krsnaadiagnostics.com