



Krsnada
DIAGNOSTICS®

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Annual Report
For FY 2018-19

DIRECTORS' REPORT

To,
The Members,

Your Directors are pleased to present the Company's 9th Annual Report on the business and operation of the Company together with the Audited Statements of Accounts of the Company for the year ended on 31st March, 2019.

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

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

(Rs. in Lakhs)

Particulars	2018-19 Current Year	2017-18 Previous Year*
Total Gross Income (including Other Income)	21214.53	10948.78
Total Expenses	19150.63	10407.51
EBITDA	6208.58	3495.81
Net Profit Before Tax	2063.90	541.26
Tax expenses for current year	(817.38)	(55.00)
Net Profit After Tax	1246.52	486.26

2. DIVIDEND

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

3. TRANSFER TO RESERVES

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

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

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

5. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:

The total revenue by your Company for Financial year 2018-19 has achieved of Rs. 21214.53 Lakhs as against Rs. 10948.78 Lakhs for Financial year 2017-18 showing a robust growth of 93.76 %. The Company has crossed an important milestone of exceeding Revenue of Rs. 200 Crores. This achievement was possible with the support of all our stakeholders, staff and our well wishers. EBIDTA has increased by 77.60% from Rs. 3495.81 Lakhs in Financial year 2017-18 to Rs. 6208.58 Lakhs in Financial year 2018-19. Net Profit for the year also has been increased to Rs. 1246.52 Lakhs in financial year 2018-19 as compared to Rs. 486.26 Lakhs in financial year 2017-18.

We are pleased to inform you that the company has won various tenders which are under implementation and as such as we have robust pipeline of projects which will further augment revenue and increased growth and will help company to maintain the momentum of growth of the revenue as well as profitability of the Company in next year. There was no change in the nature of business of the Company.

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

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

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

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

a) Conservation of energy

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

(b) Technology absorption

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

8. FOREIGN EXCHANGE EARNINGS / OUTGO:-

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

9. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

10. PUBLIC DEPOSITS

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

11. EXTRACT OF THE ANNUAL RETURN

As required under Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return in Form No. MGT 9, as at the financial year ended 31st March 2019, is given in **Annexure A**, which forms part of this Board Report.

12. NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met 6 times during the financial year 2018-2019 and intervening gap between any two board meetings was within the period prescribed under the Companies Act, 2013.

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

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

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

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

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

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

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

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

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

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

17. DIRECTORS RESPONSIBILITY STATEMENT

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

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

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

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

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

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

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

18. DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) DIRECTORS

The Present Directors of the Company are as follows:

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

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

The Directors - Mr. Suvidh Bhandia has stepped down from the office of the Director w.e.f 22.06.2018. Mr. Firoze Irani, Mr. Avinash Kenkare, Mr. Sanjay Pandhare and Mr. Sachin Dhoka, have stepped down from the office of the Director of the Company w.e.f. 31.01.2019, pursuant to terms and conditions of the Restated Shareholders Agreement. The Board of Directors placed on record their sincere appreciation for the contributions made by them during their tenure in the Company

B) KEY MANAGERIAL PERSONNEL

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

During the year under review, Ms. Neha Vijay Jangada resigned as a Company Secretary of the Company w.e.f. 10.03.2019.

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

19. DECLARATION OF INDEPENDENT DIRECTORS

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

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

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

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

21. AUDITORS AND AUDITORS' REPORT

Statutory Auditors

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

Cost Audit

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

Internal Audit & Controls

The Company, being an Private Limited Company and as per the provisions of Section 138 of Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 it was not required to appoint internal Auditors for the financial year. However company has appointed PWC as its internal auditor for the year under review.

Report on Frauds, if any

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

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

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

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

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

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

- b. Vigil mechanism: The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is applicable to the Company in respect of Vigil Mechanism and Company nominated Mr. Rajendra Mutha, Director of the Company for the purpose of Vigil Mechanism.
- c. Nomination & Remuneration Committee: The Company is a Private Limited Company and does not fall under the provisions of Section 178 of Companies Act, 2013 to constitute Nomination & Remuneration Committee.

However Company voluntarily had opted for the constitution of remuneration committee for identifying the sufficient or adequate of manpower resources for Business in relation to the financial position of the Company. Following are the members of the Committee.

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

- d. Corporate Social Responsibility Committee (CSR Committee): In the Financial Year 2019-20, the Company is in the process of constituting the CSR Committee pursuant to the provisions of Section 135 of the Companies Act, 2013,
- e. Stakeholders Relationship Committee: The Company was not required to constitute the Stakeholders Relationship Committee as the number of shareholders during the financial year were less than 1000.

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

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

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

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

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

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable during the year under review.

25. CHANGES IN SHARE CAPITAL:

During the year under review, the company has undertaken following transactions:

a) **Authorised Capital:**

During the year the Authorised Capital has increased from Rs. 70,18,55,422/- (Rupees Seventy Crore Eighteen Lacs Fifty Five Thousand Four Hundred and Twenty Two Only) to Rs. 1,46,15,76,922/- (One Forty Six Crore

Fifteen Lacs Seventy Six Thousand Nine Hundred and Twenty Two Only), by way of increase of 30,38,886 Compulsory Convertible Cumulative Participating Preference Shares of Rs. 250/- each.

b) Paid up Capital

- **Equity Share Capital:**

The Company has issued 1000 equity shares of face value of Rs. 10/- each at an offer price of Rs. 328.9597 (including Security Premium of Rs. 318.9597/-) during the year under review.

- **Compulsory Convertible Participating Preference Shares [CCPS]:**

The Company has issued 30,38,886 **Compulsory Convertible Participating Preference Shares [CCPS]** of face value of Rs. 250 each at an offer price of Rs. 328.9597 (including Security Premium of Rs. 78.9597) during the year under review.

c) Buy Back Of Securities

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

d) Sweat Equity

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

e) Bonus Shares

No Bonus Shares were issued during the year under review.

f) Issue Of Shares With Differential Rights

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

26. EMPLOYEE RELATIONS

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

27. PARTICULARS OF EMPLOYEES

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

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

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

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

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

Your Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment

of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

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

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

30. ACKNOWLEDGEMENTS

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

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

Sd/-

**Pallavi Bhatevara
Managing Director
DIN: 03600332**

Sd/-

**Rajendra Mutha
Director
DIN: 01066737**

Place: Pune

Date: 17th June, 2019

ANNEXURE A**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2019****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.****I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U74900PN2010PTC138068
2.	Registration Date	22/12/2010
3.	Name of the Company	KRSNAA DIAGNOSTICS PRIVATE LIMITED
4.	Category/Sub-category of the Company	PRIVATE LIMITED COMPANY
5.	Address of the Registered office & contact details	PLOT NO. 98, PAVANANAGAR, OPP. FATHECHAND JAIN SCHOOL, CHINCHWAD PUNE MH 411033 IN
6.	Whether listed company	UNLISTED
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

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

h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	1620240	1620240	31.39%	0	1620240	1620240	31.38%	0.01%
Sub-total (B)(1):-	0	1620240	1620240	31.39%	0	1620240	1620240	31.38%	0.01%
2. Non-Institutions									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	2000	2000	0.039	0	2000	2000	0.039	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	0	100	100	0.002	0	100	100	0.002	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	1000	1000	0.02	0.02%
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	2100	2100	0.04	0	3100	3100	0.06	0.02%
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	2100	2100	0.04	0	3100	3100	0.06	0.02%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	5162100	5162100	100%	0	51,63,100	51,63,100	100%	0.04%

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Rajendra Mutha	33,33,360	64.574	0	33,33,360	64.561	0	0.013
2	Pallavi Bhatevara	206400	3.998	0	206400	3.998	0	0
	Total	3539760	68.57%	0	51,60,000	68.56%	0	0.013

C) Change in Promoters' Shareholding.

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	35,39,760	68.57%	35,39,760	68.56%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): Allotment through Private placement				
	At the end of the year	35,39,760	68.57%	35,39,760	68.56%

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

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

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

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

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

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

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

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

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

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

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

E) Shareholding pattern of Directors and KMP

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	RAJENDRA MUTHA				
	At the beginning of the year	33,33,360	64.57%	33,33,360	64.56%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): Transfer of Shares				
	At the end of the year	33,33,360	64.56%	33,33,360	64.56%

2	PALLAVI BHATEVARA				
	At the beginning of the year	2,06,400	3.998%	2,06,400	3.998%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): Transfer of Shares				
	At the end of the year	2,06,400	3.998%	2,06,400	3.998%

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	97,76,38,128	3,02,55,976	NA	100,78,94,104
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)	97,76,38,128	3,02,55,976		100,78,94,104
Change in Indebtedness during the financial year				
* Addition	72,31,77,583	-		72,31,77,583
* Reduction	-	2,16,84,781		2,16,84,781
Net Change	72,31,77,583	2,16,84,781		70,14,92,802
Indebtedness at the end of the financial year				
i) Principal Amount	170,08,15,711	85,71,195		170,93,86,906
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	170,08,15,711	85,71,195	170,93,86,906	

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Pallavi Bhatevara (Managing Director)	Rajendra Mutha (Director)	Yash Mutha (Whole-Time Director, appointed w.e.f. 31/01/2019)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
	Net Salary	36,55,295	84,00,000	2,99,954	1,23,55,249
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of profit - others, specify				
5	Others, please specify				
	Total (A)	36,55,295	84,00,000	2,99,954	1,23,55,249
	Ceiling as per the Act				

B. Remuneration to other directors: NA

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

	Remuneration					
	Overall Ceiling as per the Act					

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

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

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NA

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

For Krsnaa Diagnostics Private Limited

Sd/-
Pallavi S. Bhatevara
Managing Director
DIN: 03600332

Sd/-
Rajendra K. Mutha
Director
DIN: 01066737

Date: 17.06.2019

Place: Pune

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

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

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

S. No.	Name (s) of the related party & nature of relationship	Nature of transaction	Duration of the transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
1	Lokmanya Hospital Medical Stores	Purchase of consumables	Ongoing transactions	NA	22.06.2018	
2	Mahesh Surgical & Pharmaceuticals	Purchase of consumables	Ongoing transactions	NA	29.03.2019	
3	Sunita Mutha	Payment of Rent & Professional fee	Ongoing transactions	NA	22.06.2018	
4	Somerset Indus Healthcare Fund I	Payment of Professional fee	Ongoing transactions	NA	22.06.2018	
5	Kitara PIIN 1104	Payment of Professional fee	Ongoing transactions	NA	22.06.2018	
6	Phi Capital Trust-Phi Capital Growth Fund	Payment of Professional fee	Ongoing transactions	NA	29.03.2019	

For Krsnaa Diagnostics Private Limited**Sd/-****Pallavi S. Bhatevara
Managing Director
DIN: 03600332****Sd/-****Rajendra K. Mutha
Director
DIN: 01066737****Date: 17.06.2019****Place: Pune**

INDEPENDENT AUDITOR'S REPORT

To the Members of Krsnaa Diagnostics Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Krsnaa Diagnostics Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit and its cash flows for the year ended on that date.

Basis for Opinion

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

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those charged with Governance for Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.



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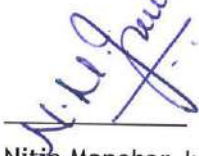
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- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. In our opinion, according to information, explanations given to us, the provisions of Section 197 of the Act and the rules thereunder are not applicable to the Company as it is a private Company.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W



Nitin Manohar Jumani

Partner

Membership No. 111700



Place: Pune

Date: June 17, 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF KRSNAA DIAGNOSTICS PRIVATE LIMITED**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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



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

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W



Nishu Manohar Jumani

Partner

Membership No. 111700



Place: Pune

Date: June 17, 2019

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF KRSNAA DIAGNOSTICS PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2019

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

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



vii.

- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess, Maharashtra labour welfare fund and any other statutory dues applicable to it have been regularly deposited with the appropriate authorities. In case of provident fund, there have been delays ranging from 9 to 14 days, in case of employees' state insurance delays ranging from 3 to 28 days, in case of professional tax delays ranging from 1 to 213 days, goods and service tax delays ranging from 5 to 188 days and in case of tax deducted at source delays ranging from 19 to 176 days in few cases.

However, no undisputed statutory dues were in arrears, as at March 31, 2019 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 of income tax, goods and service tax, customs duty, cess and any other statutory dues which have not been deposited on account of any dispute.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution, bank or debenture holders.

ix. In our opinion, according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.

x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.

xi. According to the information and explanations given to us, since the Company is a Private Company, the provisions of section 197 of the Act will not be applicable. Accordingly, the provisions stated in paragraph 3(xi) of the Order are not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment or private placement of shares during the year and the requirements of Section 42 of the Act have been complied with. The amount raised has been used for the purposes for which they were raised.



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

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W


Nitin Manohar Juman

Partner

Membership No. 111700



Place: Pune

Date: June 17, 2019

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

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Krsnaa Diagnostics Private Limited on the Financial Statements for the year ended March 31, 2019]

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

We have audited the internal financial controls with reference to financial statements of Krsnaa Diagnostics Private Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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



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

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

Meaning of Internal Financial Controls With reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls With reference to financial statements

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



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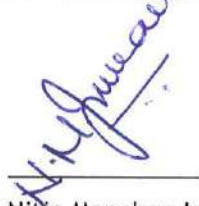
Opinion

In our opinion, the Company has, in all material respects, an internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W



Nitin Manohar Juman

Partner

Membership No. 111700

Place: Pune

Date: June 17, 2019

Krsnaa Diagnostics Private Limited
Balance Sheet as at 31st March, 2019
(Amount in INR)

	Note	31-March-2019	31-Mar-2018
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	1,461,207,922	701,476,422
Reserves and surplus	4	428,770,011	104,209,777
		<u>1,889,977,933</u>	<u>805,686,199</u>
Non-current liabilities			
Long-term borrowings	5	937,550,666	555,729,314
Deferred tax liabilities (Net)	6	64,774,816	-
Other long term liabilities	7	310,976,040	188,500,000
Long-term provisions	8	1,618,632	1,270,858
		<u>1,314,920,154</u>	<u>745,500,172</u>
Current liabilities			
Short-term borrowings	9	539,567,530	274,048,518
Trade payables	10		
Total outstanding dues of micro enterprises and small enterprises		835,849	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		416,470,868	156,660,077
Other current liabilities	11	763,714,524	721,667,784
Short-term provisions	8	5,472,627	4,752,402
		<u>1,726,061,398</u>	<u>1,157,128,781</u>
Total		<u>4,930,959,485</u>	<u>2,708,315,152</u>
ASSETS			
Non-current assets			
Property, Plant and Equipment			
Tangible assets	12	2,223,110,138	1,522,814,171
Intangible assets	13	6,996,265	4,495,367
Capital work-in-progress	14(a)	416,570,710	349,625,305
Intangible asset under development	14(b)	1,320,000	-
Non-current investments	15	2,900,000	2,900,000
Deferred tax assets (Net)	6	-	-
Long term Loans and advances	16	225,829,897	221,049,350
Other non-current assets	17	1,030,245,875	120,548,544
		<u>3,906,972,886</u>	<u>2,221,432,737</u>
Current assets			
Inventories	18	42,123,595	19,503,167
Trade receivables	19	562,230,930	286,406,259
Cash and bank balances	20	232,414,586	87,604,039
Short term Loans and advances	21	163,715,002	79,751,683
Other current assets	22	23,502,486	13,617,267
		<u>1,023,986,599</u>	<u>486,882,414</u>
Total		<u>4,930,959,485</u>	<u>2,708,315,152</u>
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

Nitin Manohar Jumanji
Partner
Membership No: 111700

Place: Pune
Date: June 17, 2019



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

Rajendra Mutha
Director
DIN: 01066737

Place: Pune
Date: June 17, 2019

Yash Mutha
Director - Finance

Place: Pune
Date: June 17, 2019

Pallavi Bhatevara
Managing Director
DIN: 03600332

Place: Pune
Date: June 17, 2019

Manisha Chitgopekar
Company Secretary
Membership No: A 27816

Place: Pune
Date: June 17, 2019



Krsnaa Diagnostics Private Limited
Statement of Profit and Loss for the year ended 31st March, 2019
(Amount in INR)

	Note	31-March-2019	31-Mar-2018
Income:			
Revenue from operations	23	2,098,322,659	1,080,873,012
Less: Revenue shared with hospitals	23	(623,239,664)	(175,046,472)
Net Revenue from operations		1,475,082,995	905,826,540
Other income	24	23,130,386	14,005,856
Total Revenue		1,498,213,381	919,832,396
Expenses:			
Cost of materials consumed	25	173,363,130	105,291,854
Direct Expenses	26	156,932,809	79,249,111
Employee benefits expense	27	182,095,013	159,952,952
Finance costs	28	158,860,221	77,240,514
Depreciation and amortization expense	29	255,608,175	174,300,595
Other expenses	30	364,964,087	269,670,515
Total expenses		1,291,823,435	865,705,541
Profit before tax		206,389,946	54,126,855
Tax expense:			
Current tax		-	-
For current year profits		39,220,894	5,500,000
Adjustments for earlier years		(4,921,245)	-
MAT credit income		(17,336,379)	-
Deferred tax charge	6	64,774,816	-
		81,738,086	5,500,000
Profit/Loss for the year		124,651,860	48,626,855
Earnings per equity share [Nominal value per share Rs.10 (previous year Rs.10)]:			
Basic earnings per share	35	24.15	(2.20)
Diluted earnings per share	35	12.95	(2.20)
Summary of significant accounting policies	2		

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

Basic earnings per share	35	24.15	(2.20)
Diluted earnings per share	35	12.95	(2.20)

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

Nitha Manohar Jumanji
Partner
Membership No:111700

Place: Pune
Date: June 17, 2019



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

Rajendra Mutha
Director
DIN: 01066737

Place: Pune
Date: June 17, 2019

Yash Mutha
Director - Finance

Place: Pune
Date: June 17, 2019

Pallavi Bhatevara
Managing Director
DIN: 03600332

Place: Pune
Date: June 17, 2019

Manisha Chitgopekar
Company Secretary
Membership No: A27816

Place: Pune
Date: June 17, 2019



Krsnaa Diagnostics Private Limited
Cashflow statement for the year ended 31st March, 2019
(Amount in INR)

	31-March-2019	31-Mar-2018
Cash Flow from Operating activities		
Profit/Loss for the year	206,389,946	54,126,855
Adjustments for:		
Depreciation and amortization expenses	255,608,175	174,300,595
Fixed asset balances written off	-	30,762,269
Interest expenses	158,860,221	77,240,514
Interest income	(22,130,472)	(12,759,888)
Dividend income	(78,356)	(252,500)
Provision for doubtful advance written back	-	-
Provision for diminution in value of investment	-	-
Provision for doubtful trade receivable balances	19,156,388	-
Loss on sale of fixed assets	-	13,150,917
Net (gain)/ loss on sale of current investments	-	(349,500)
Operating Profit before working capital changes	617,805,902	336,219,262
Changes in working capital		
(Decrease)/increase in trade payables	260,646,640	108,508,418
(Decrease)/increase in other current liabilities	42,046,740	552,706,444
(Decrease)/increase in Other long term liabilities	122,476,040	(236,325,000)
(Decrease)/increase in short term Provisions	720,225	2,867,129
(Decrease)/increase long term provisions	347,774	-
(Increase)/decrease in trade receivables	(294,981,059)	(145,266,658)
(Increase)/decrease in inventories	(22,620,428)	(9,984,612)
(Increase)/decrease in loans and advances	48,154,399	(51,281,979)
(Increase)/decrease in short term loans and advances	(83,963,319)	(14,610,097)
(Increase)/decrease in other current assets	(9,885,221)	1,497,903
Cash (used in)/generated from operations	680,747,693	544,330,810
Tax Paid netoff refund	69,898,214	19,466,124
Net cash flows (used in)/from operating activities (A)	610,849,479	524,864,686
Cash flow from Investing activities		
Purchase of fixed assets, including movement in CWIP and capital advances	(1,026,670,445)	(880,944,967)
Proceeds from sale of fixed assets	-	4,911,000
Purchase of non-current investments	-	1,000,000
Proceeds from sale of non-current investments	-	349,500
Investments in bank deposits (having original maturity of more than three months)	(1,009,485,884)	(33,039,062)
Dividends received	78,356	252,500
Net cash flow (used in) investing activities (B)	(2,036,077,973)	(907,471,029)
Cash flow from Financing activities		
Proceeds from issuance of equity share capital	1,000,000,055	-
Utilisation of Share Premium	(40,360,181)	-
Proceeds from long-term borrowings	381,821,352	351,382,240
Proceeds from short-term borrowings	265,519,012	124,297,406
Interest paid	(158,860,221)	(77,240,514)
Interest earned	22,130,472	12,759,888
Net cash flow from financing activities (C)	1,470,250,489	411,199,020



Net increase in cash and cash equivalents (A+B+C)	45,021,995	28,592,679
Effect of exchange differences on cash & cash equivalents held in foreign currency		
Cash and cash equivalents at the beginning of the year	40,933,832	12,341,153
Cash and cash equivalents at the end of the year	85,955,827	40,933,832

Cash and cash equivalents comprise (Refer note 19)

Balances with banks		
On current accounts	73,380,187	35,330,988
Cash on hand	12,575,640	5,602,845
Total cash and bank balances at end of the year	85,955,827	40,933,832

Notes :

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

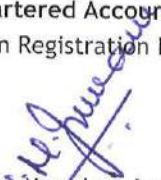
Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

As per our report of even date

For MSKA & Associates
Chartered Accountants

Firm Registration No.:105047W


Nitin Manohar Jumani
Partner
Membership No:111700




Place: Pune
Date: June 17, 2019

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


Rajendra Mutha
Director
DIN: 01066737

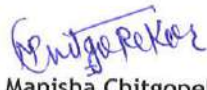
Place: Pune
Date: June 17, 2019


Yash Mutha
Director - Finance

Place: Pune
Date: June 17, 2019


Pallavi Bhatevara
Managing Director
DIN: 03600332

Place: Pune
Date: June 17, 2019


Manisha Chitgopekar
Company Secretary
Membership No: A27816

Place: Pune
Date: June 17, 2019



SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1. Corporate Information/Background

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

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

2. Summary of significant accounting policies

a. Basis of Preparation

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

b. Use of estimates

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

c. Property, Plant and Equipment

Tangible assets

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

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

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

Intangible assets

An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured.



Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive of Input tax credit (IGST/CGST and SGST) or other tax credit available to the Company.

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

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

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

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

The estimated useful life of assets is as follows:

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

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

e. Impairment of Assets

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

f. Borrowing Costs

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



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

h. Foreign currency translation

Initial recognition:

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

Conversion:

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

Exchange differences:

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

i. Investments

Accounting treatment

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

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

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

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

Classification in the financial statements

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

j. Revenue recognition

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

Revenue from services

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



charges are recognized as finance costs in the Statement of Profit and Loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

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

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

p. Contingent Liability, Provisions and Contingent Asset

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

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

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

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

q. Earnings Per Share

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

The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without 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 at the period are adjusted for the effects of all dilutive potential equity share.



3 Share capital

The Company has only one class of share capital having a par value of Rs. 10 per share, referred to herein as equity shares.

Authorised

52,00,000 (previous year: 52,00,000) Equity Shares of Rs. 10 each

40,61,914 (previous year: 40,61,914) Series A Compulsory Convertible Preference Shares (Series A -CCPS) of Rs. 123 each

6,00,960 (previous year: 6,00,960) Series B Compulsory Convertible Cumulative Participating Preference Shares (Series B -CCCPPS) of Rs.250 each

3,038,886 (previous year: NIL) Series C Compulsory Convertible Preference Shares of Rs.250 each (Series C- CCPS) of Rs. 250 each

Issued, subscribed and paid up

51,63,100 (previous year: 51,62,100) Equity Shares of Rs. 10 each

40,61,914 (previous year: 40,61,914) Series A Compulsory Convertible Preference Shares (Series A -CCPS) of Rs. 123 each

6,00,960 (previous year: 6,00,960) Series B Compulsory Convertible Cumulative Participating Preference Shares (Series B -CCCPPS) of Rs. 250 each

3,038,886 (previous year: NIL) Series C Compulsory Convertible Preference Shares of Rs.250 each (Series C- CCPS) of Rs. 250 each

	31-March-2019	31-Mar-2018
Authorised		
52,00,000 (previous year: 52,00,000) Equity Shares of Rs. 10 each	5,20,00,000	5,20,00,000
40,61,914 (previous year: 40,61,914) Series A Compulsory Convertible Preference Shares (Series A -CCPS) of Rs. 123 each	49,96,15,422	49,96,15,422
6,00,960 (previous year: 6,00,960) Series B Compulsory Convertible Cumulative Participating Preference Shares (Series B -CCCPPS) of Rs.250 each	15,02,40,000	15,02,40,000
3,038,886 (previous year: NIL) Series C Compulsory Convertible Preference Shares of Rs.250 each (Series C- CCPS) of Rs. 250 each	75,97,21,500	-
	1,46,15,76,922	70,18,55,422
Issued, subscribed and paid up		
51,63,100 (previous year: 51,62,100) Equity Shares of Rs. 10 each	5,16,31,000	5,16,21,000
40,61,914 (previous year: 40,61,914) Series A Compulsory Convertible Preference Shares (Series A -CCPS) of Rs. 123 each	49,96,15,422	49,96,15,422
6,00,960 (previous year: 6,00,960) Series B Compulsory Convertible Cumulative Participating Preference Shares (Series B -CCCPPS) of Rs. 250 each	15,02,40,000	15,02,40,000
3,038,886 (previous year: NIL) Series C Compulsory Convertible Preference Shares of Rs.250 each (Series C- CCPS) of Rs. 250 each	75,97,21,500	-
	1,46,12,07,922	70,14,76,422

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

Particulars

Outstanding at the beginning of the year

Add: Issued during the year

Outstanding at the end of the year

Particulars	31-March-2019		31-Mar-2018	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
Outstanding at the beginning of the year	5162100	5,16,21,000	5162100	5,16,21,000
Add: Issued during the year	1000	10,000	-	-
Outstanding at the end of the year	5163100	5,16,31,000	5162100	5,16,21,000

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

Outstanding at the beginning and at the end of the year

Particulars	31-March-2019		31-Mar-2018	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
Outstanding at the beginning and at the end of the year	4061914	49,96,15,422	4061914	49,96,15,422

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

Outstanding at the beginning and at the end of the year

Particulars	31-March-2019		31-Mar-2018	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
Outstanding at the beginning and at the end of the year	600960	15,02,40,000	600960	15,02,40,000

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

Issued during the year

Particulars	31-March-2019		31-Mar-2018	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
Issued during the year	3038886	75,97,21,500	-	-

(e) Rights, preferences and restrictions attached to shares

Equity shares :-The company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31st March 2019, the amount of per share 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. On 31 January 2019, the Company has allotted 1,000 Equity Shares of face value Rs. 10 each at an offer price of Rs. 328.9597 each (including Security Premium of Rs. 318.9597 each).

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

Series B-CCCPPS :-The company has allotted 6,00,960 Series B-CCCPPS of Face Value Rs. 250 each on 7 March 2017 through Right Issue offer. Until conversion of Series B-CCCPPS, each Series B-CCCPPS shall carry voting rights equivalent to 1 vote per CCCPS-B. The equity shares to be allotted on conversion of the Series B-CCCPPS shall rank pari passu in all respects with the then existing equity shares of the Company. Fixed dividend is payable annually @0.0001% of the value of Series B-CCCPPS and it shall be converted into equity shares as per the terms in the offer letter. During the year ended 31 March 2019, the amount of per share dividend recognized as distributions to equity shareholders was Rs. Nil (Previous year: Rs. Nil). The terms, preferences, rights and privileges of the Series A-CCPS shall be superior to other shareholders. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Series C-CCPS :-The Company has during the year on 31 January 2019 and 29 March 2019 allotted 2430909 and 607977 of Series C-CCPF of face value of Rs. 250/- at an offer price of Rs. 328.9597 each (including Security Premium of Rs. 78.9597 each). The equity shares to be allotted on conversion of the Series B-CCCPPS shall rank pari passu in all respects with the then existing equity shares of the Company. The Company shall be liable to pay a fixed dividend equivalent to an annual per share dividend equal to 0.0001% of the value of the Series C-CCPS. The holders of the Series C-CCPF shall be entitled to pro-rata participate in any dividend declaration on the Equity Shares on an as converted Basis.

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

Name of the shareholders

Name of the shareholders	31-March-2019		31-Mar-2018	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
<u>Equity shares</u>				
Rajendra Mutha	3333360	64.56%	3333360	64.57%
<u>Series A-CCPS</u>				
Somerset Indus Healthcare	2026142	49.88%	2026142	49.88%
Kitara PIIN 1104	2026142	49.88%	2026142	49.88%
<u>Series B-CCCPPS</u>				
Rajendra Mutha	163957	27.28%	163957	27.28%
Somerset Indus Healthcare	200000	33.28%	200000	33.28%
Kitara PIIN 1104	200000	33.28%	200000	33.28%
<u>Series C-CCPS</u>				
Phi Capital Growth Fund I	3038886	100.00%	-	-

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

4 Reserves and surplus

Securities premium account

Opening balance

Add: Securities premium credited on share issue

Less: Securities premium utilised to write off the share issue expenses

	31-March-2019	31-Mar-2018
Opening balance	12,98,89,447	12,98,89,447
Add: Securities premium credited on share issue	24,02,68,555	-
Less: Securities premium utilised to write off the share issue expenses	(4,03,60,181)	-
	32,97,97,821	12,98,89,447

Surplus/(Deficit) in the Statement of Profit and Loss

Opening balance

Add: Profit for the year

Closing balance

Total

	31-March-2019	31-Mar-2018
Opening balance	(2,56,79,670)	(7,43,06,525)
Add: Profit for the year	12,46,51,860	4,86,26,855
Closing balance	9,89,72,190	(2,56,79,670)
Total	42,87,70,011	10,42,09,777



5 Long-term borrowings

Secured	Non current maturities		Current maturities	
	31-March-2019	31-Mar-2018	31-March-2019	31-Mar-2018
Term loans				
<i>from banks</i>				
Yes Bank Limited	35,997,174	42,190,920	6,193,801	5,565,815
Kotak Bank Limited	3,014,717	2,664,126	2,406,139	1,367,897
Indusind Bank	365,027,860	-	125,100,943	-
HDFC Bank	82,496,129	-	12,588,725	-
<i>from NBFC</i>				
Clix Capital (formerly known as GE Capital Services India)	1,730,549	11,421,671	9,704,708	8,670,239
Hero Fin Corp Limited	68,670,044	80,240,239	13,052,624	12,510,976
SREI Equipment Finance Limited	-	111,016,292	-	32,340,407
Dewan Housing Finance Corporation Ltd.	31,104,310	39,476,089	9,151,138	8,141,297
India Infoline Limited	48,888,622	56,080,770	7,192,148	4,308,848
Midland Microfinance	-	50,000,000	-	100,000,000
Clix Capital	139,829,999	162,639,207	20,207,289	5,210,793
DLL Financial Services Pvt. Ltd.	62,076,874	-	9,572,213	-
Reliance Commercial Finance Limited - 1	57,490,572	-	6,747,402	-
Reliance Commercial Finance Limited - 2	29,788,237	-	2,256,763	-
Long Term Maturities for Finance Lease obligation	11,435,581	-	8,094,815	-
Total long term borrowings including its current maturities	937,550,666	555,729,314	232,268,709	178,116,272
Less: Amount disclosed under the head "Other current liabilities"	-	-	(232,268,709)	(178,116,272)
Total non current maturities of long term borrowings	937,550,666	555,729,314	-	-

*Terms of repayment

- a The Company had taken 2 term loans from Clix Capital formerly known as GE Capital Services India taken during the financial year 2014-15. Interest rate on loans is @ 11.85%. The loan are repayable in 72 monthly instalment including 6 months moratorium period. The total loan value for two loans is Rs. 424.8 lakhs.
The EMI for the two loans are as follows:
Loan 1 - Monthly Instalment of Rs. 27 Lakhs during the year.
Loan 2 - Monthly Instalment of Rs. 63 Lakhs during the year.
The loan is secured by machinery financed by GE Capital Services and by personal guarantee of Rajendra Mutha and Sunita Mutha.
- b The Company had taken term loan for equipment financing from Hero Fin Corp Limited During the year 2017-18 . Interest rate applicable is 12.50% p.a. The loan is repayable in 67 monthly instalment of Rs.19.50 lakhs. The total loan value is Rs. 927.5 lakhs.
Earlier loan of Hero Fincorp @ 13.75% and Maharashtra Medicos outstanding amount towards purchase of machinery has been converted into new loan.
Earlier loan is secured by machinery financed by Hero Fin Corp costing Rs. 915 Lakhs, residential property at flat no 19 and 20, 4th floor shantisadan Chinchwad in the name of Jitendra and Rajendra Mutha and residential property at Kolhapur-R.S. no 177, vijaypath, bungalow no F-9,E ward in the name of Sunita Mutha. Additionally 2 spdc of Rs. 325 Lakhs each and one spdc for interest on full loan value for one year is given as security.
- c The Company had taken a loan value of Rs.16.33 crores repayable in 60 monthly instalments of Rs.33 lakhs each. The loan was secured against machineries financed by SREI Equipment Finance Limited. During the year, the company has repaid the balance loan of Rs. 1433.57 lakhs.
- d During the year 2017-18, the Company had taken term loan for equipment financing from Yes Bank Ltd of Rs. 5.07 Cr @ 10.74% repayable in 84 instalments of Rs. 8.68 lakhs p.m. The loan is secured against pathology machineries financed by Yes Bank Ltd.
- e During the year 2017-18, the company had taken term loan for Genset financing from Kotak Bank Ltd of Rs. 44 Lakhs repayable in 36 instalments of Rs. 1.43 lakhs p.m. The loan is secured against Genset financed by Kotak Bank Ltd.
- f During the year 2017-18, the Company had taken loan for equipment financing from Dewan Housing Finance Ltd. of Rs. 5.06 Cr @ 11.75% repayable in 84 instalments of Rs. 11.19 lakhs p.m. The loan is secured against machineries financed by Dewan Housing Finance Ltd.
- g During the year 2017-18, the Company had taken loan for equipment financing from India Infoline Ltd. Of Rs. 6.27 Cr @ 12.10% repayable in 82 instalments of Rs. 11.65 lakhs p.m. The loan is secured against machineries financed by India Infoline Ltd.
- h During the year 2017-18, the Company had taken loan for working capital requirement from Midland Microfinance Ltd. of Rs. 15 Cr @ 15.5% repayable in 18 monthly instalments. The balance loan has been repaid during the year.
- i During the year 2018-19, the Company has taken five loans for equipments financing from DLL Financial Services Pvt. Ltd. aggregating to Rs. 7.74 Cr @ 9.50% interest repayable in 84 instalments The loan is secured against machineries financed by DLL Financial Services Pvt. Ltd.
- j During the year 2018-19, the Company has taken two loans for equipments financing from Reliance Commercial Finance Ltd. of Rs. 6.78 Cr and Rs. 3.20 Cr. @ the interest rates of 12% and 12.50% respectively repayable in 84 instalments The loans are secured against machineries financed by Reliance Commercial Finance Ltd.
- k During the year 2018-19, the Company has taken two loans for equipments financing from HDFC Bank Ltd. of Rs. 3.15 Cr and Rs. 6.40 Cr. @ the interest rate of 11% repayable in 60 and 80 instalments respectively. The loans are secured against machineries financed by HDFC Bank Ltd.
- l During the year 2018-19, the Company has taken two loans for equipments financing from Indusind Bank aggregating to to Rs. 49.01 cr. @ the interest rate of 10.65% repayable in 108 instalments. The loans are secured against machineries financed by Indusind Bank Ltd.
- m During the year 2018-19, the company has taken data processing units and printers worth Rs. 2.70 Cr on lease for a period of three years from Hewlett Packard Financials Services India Pvt Ltd.



6 Deferred tax liabilities (Net)	31-March-2019	Charge to statement of Profit and loss account	31-Mar-2018
	Deferred tax asset		
Expenses provided but allowable in Income Tax on payment basis	30,10,021	17,43,375	12,66,646
Provision for doubtful debts and advances	73,25,540	73,25,540	-
Other Disallowances u/s 40A(3) and 40a(fa)	-	-	-
Tax loss carried forward	-	(4,21,27,371)	4,21,27,371
Gross deferred tax asset (A)	1,03,35,561	(3,30,58,456)	4,33,94,017
Deferred tax liability			
Difference between book depreciation and tax depreciation	7,51,10,377	3,17,16,360	4,33,94,017
Gross deferred tax liability (B)	7,51,10,377	3,17,16,360	4,33,94,017
Net deferred tax liability (B-A)	6,47,74,816	6,47,74,816	-
7 Other long term liabilities			
Deposit from hospitals		31-March-2019	31-Mar-2018
Payable for capital purchases (refer note below)		13,00,00,000	5,82,50,000
Total other long term liabilities		18,09,76,040	13,02,50,000
		31,09,76,040	18,85,00,000

Payable for capital purchases is for machinery purchases from Wipro GE for which Letter of credit facility has been availed from Yes Bank of Rs.3112.26 lakhs. Cash margin in the form of fixed deposit of Rs. 304 lakhs has been kept for 36 months and will be adjusted towards the principal outstanding at the time of Term loan conversion and the interest on this fixed deposit will also be adjusted towards the principal component. The balance amount will be converted and booked as Term loan for 48 months from the expiry of the letter of Credit period.

8 Provisions

	Long term		Short term	
	31-March-2019	31-Mar-2018	31-March-2019	31-Mar-2018
Provision for employee benefits				
Provision for gratuity (funded)	-	-	49,43,849	43,28,016
Provision for Leave Encashment (undunded)	16,18,632	12,70,858	5,28,778	4,24,384
Total provisions	16,18,632	12,70,858	54,72,627	47,52,400

9 Short -term borrowings

	31-March-2019	31-Mar-2018
	Secured	
Cash credit loan from banks		
Janata Sahakari Bank Limited	-	22,47,92,542
Indusind Bank	29,98,16,706	-
Bank Overdraft		
Janata Sahakari Bank Limited	23,11,79,629	1,90,00,000
Unsecured		
From directors	85,42,090	1,85,42,090
Loans and advances from related parties		
Rajendra Mutha	29,105	1,17,13,886
Total short -term borrowings	53,95,67,530	27,40,48,518

- (a) Cash credit facility of Janata Sahakari Bank Limited of Rs.3,000 lakhs is at interest rate of 11% has been closed during the year.
- (b) Cash credit facility of Indusind Bank of Rs.3,000 lakhs is at interest rate of 10.90%. The facility is secured against inventory and Book Debts
- (c) During the year, the additional overdraft facility of Rs. 190 lakhs from Janata Sahakari Bank Limited has been closed.
- (d) During the year, company has availed overdraft facility of Rs. 2312 lakhs from Janata Sahakari Bank Limited against FD of Rs. 6000 lakhs kept with them
- (e) Short term borrowing from directors includes loan taken from Mr. Rajendra Mutha, which carries no interest. The principal amount will be repaid to him within one year and therefore classified as current.
- (f) Unsecured loan from the director -Pallavi Bhatwara carries interest @ 12% p.a. As per SHA terms of series A, the loan was repayable after achieving the EBITDA of Rs. 56 Cr for the period of two years ended 31st March 2018. The company has achieved the same and now it will be repayable and therefore classified as short term borrowings.



10 Trade payables	31-March-2019	31-Mar-2018
(a) *Total outstanding dues of micro enterprises and small enterprises	835,849	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	416,470,868	156,660,077
Total trade payables	417,306,717	156,660,077
Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:		
Particulars	31-March-2019	31-Mar-2018
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	835,849	-
Interest	-	-
Total	-	-
(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.	307,628	-
(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.	28,000	-
(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.	-	-
11 Other current liabilities	31-March-2019	31-Mar-2018
Payable to related parties		
Directors	-	563,306
Other related parties	1,468,732	2,507,417
Other than related parties		
Current maturities of long-term debt (Refer note 5 & 36)	232,268,709	178,116,272
Interest accrued and due on borrowings	2,624,805	3,043,868
Payable for capital purchases	476,687,190	470,727,151
Security deposits	13,500,000	16,500,000
Employee reimbursement payable	1,368,139	4,113,633
Employee benefit expense payable	25,706,888	21,679,525
Foreclosure Charges Payable	850,000	-
Statutory dues payables	9,240,061	24,416,612
Total other current liabilities	763,714,524	721,667,784



12. Property, Plant and Equipment-Tangible assets

	Gross block			Depreciation and impairment			Net block	
	As at 1st April 2018	Additions/ Adjustments	Deductions/ Adjustments	As at 1st April 2018	For the year	Deductions/ Adjustments	As at 31st March, 2019	As at 31st March, 2018
Owned assets								
Plant and machineries	1,590,045,791	656,293,373	-	286,999,238	159,453,602	-	1,799,886,324	1,303,046,553
Lease Hold Improvements*	234,119,190	242,172,558	-	58,500,343	61,476,636	-	356,314,769	175,618,847
Furniture & Fixtures	9,027,406	1,747,968	-	3,006,052	1,005,131	-	6,764,191	6,021,354
Office equipments	22,313,178	13,144,118	-	14,603,286	4,968,329	-	15,885,681	7,709,892
Data processing Units	49,448,031	10,878,096	-	19,030,507	17,365,999	-	23,929,621	30,417,524
Data processing Units - Finance Lease (Refer note 36)	-	26,984,303	-	-	6,654,751	-	20,329,552	-
Total.	1,904,953,596	951,220,416	-	382,139,426	250,924,448	-	2,223,110,138	1,522,814,171
Previous year	1,389,759,068	582,648,743	67,454,216	228,842,287	171,927,169	18,630,031	1,522,814,170	1,160,916,781

13. Property, Plant and Equipment-Intangible assets

	Gross block			Amortisation and impairment			Net block	
	As at 1st April 2017	Additions/ Adjustments	Deductions/ Adjustments	As at 1st April 2017	For the year	Deductions/ Adjustments	As at 31st March, 2019	As at 31st March, 2018
Computer Software	8,206,068	7,184,624	-	3,710,701	4,683,727	-	6,996,265	4,495,367
Total	8,206,068.00	7,184,624.00	-	3,710,701.00	4,683,727.00	-	6,996,265.00	4,495,367.00
Previous year	1,745,733	6,460,335	-	1,337,275	2,373,426	-	4,495,367	408,458
Total	1,913,159,664	958,405,040	-	385,850,127	255,608,175	-	2,230,106,403	1,527,309,538

14 Capital Work in Progress

a) Tangible assets	(Amount in Rs.)		Particulars
	As at 1st April, 2018	Add: Additions during the year	
As at 1st April, 2018	349,625,305	-	As at 1st April, 2017
Add: Additions during the year	657,620,030	(590,674,625)	Add: Additions during the year
Less: Capitalised during the year	-	416,570,710	Less: Capitalised during the year
As at 31st March, 2019	416,570,710	-	As at 31st March, 2018

b) Intangible assets under development

(Amount in Rs.)	
As at 1st April, 2018	Nil
Add: Additions during the year	1,320,000
As at 31st March, 2019	1,320,000

Krsnaa Diagnostics Private Limited
Notes forming part of the Financial Statements for the year ended 31st March, 2019
(Amount in INR)

	31-March-2019	31-March-2018
15 Non-current investments (valued at cost unless stated otherwise)		
<i>Investment in others</i>		
Investments in equity instruments (unquoted) 29,000 (Previous year: 29,000) Equity shares of Rs. 100 each fully paid-up in Janata Sahakari Bank Limited, Pune	2,900,000	2,900,000
Total Non- current investments	<u>2,900,000</u>	<u>2,900,000</u>
Aggregate book value as at the end of the period :		
Un-quoted investments	2,900,000	2,900,000
16 Long term loans and advances (Unsecured, considered good, unless stated otherwise)		
Loans and advances to related parties		
Loans and advances to related parties	31,007,363	31,007,363
Loans and advances to other than related parties		
Security Deposits	107,562,918	196,775,903
Prepaid Expenses	41,058,586	
MAT Credit entitlement	22,257,624	-
Advance tax and tax deducted at source [Net of provision for income tax]	54,950,769	24,273,447
Total	<u>256,837,260</u>	<u>252,056,713</u>
Less: Provision for doubtful advance	B (31,007,363)	(31,007,363)
	A-B	<u>221,049,350</u>
17 Other non-current assets (Valued at lower of cost and net realizable value, unless stated other wise)		
Deposits with maturity date after 12 months from reporting date	1,030,245,875	120,548,543
Total other non-current other assets	<u>1,030,245,875</u>	<u>120,548,543</u>
18 Inventories (Valued at cost)		
Stock in Hand	42,123,595	19,503,167
Total inventories	<u>42,123,595</u>	<u>19,503,167</u>
19 Trade receivables		
Outstanding for a period more than six months from the date they are due for payment		
Unsecured, considered good	57,732,229	70,445,046
Unsecured, considered doubtful	25,156,388	6,000,000
	82,888,617	76,445,046
Less: Provision for doubtful receivables	25,156,388	6,000,000
	(I) 57,732,229	70,445,046
Others		
Unsecured, considered good	504,498,701	215,961,213
Unsecured, considered doubtful	-	-
	504,498,701	215,961,213
Less: Provision for doubtful receivables	-	-
	(II) 504,498,701	215,961,213
Total trade receivables (I+II)	<u>562,230,930</u>	<u>286,406,259</u>



20 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	12,575,640	5,602,845
Balances with banks		
In current accounts	73,380,187	35,330,988
Deposits with original maturity of less than three months		
Total cash and cash equivalents	<u>A</u> 85,955,827	<u>40,933,833</u>
Other Bank		
Deposits with original maturity for more than 3 months but less than 12 months	146,458,759	46,670,206
-Non-current maturities		
Deposits with maturity date after 12 months from reporting date	1,030,245,875	120,548,543
Total gross non current maturities of other bank balances	<u>B</u> 1,176,704,634	<u>167,218,749</u>
Less: Amount disclosed under non-current assets	C (1,030,245,875)	(120,548,543)
Total non current maturities of other bank balances included in cash and bank balances	<u>D=(B+C)</u> 146,458,759	<u>46,670,206</u>
Total cash and bank balances	<u>A+D</u> 232,414,586	<u>87,604,039</u>
21 Short term loans and advances		
(Unsecured, considered good, unless stated otherwise)		
Related Parties	75,000	-
To other than related parties		
Staff advances	2,490,247	520,089
Advance to trade payables	7,024,308	3,721,793
Prepaid expenses	12,209,302	7,972,426
Capital advances	27,801,025	50,686,207
Earnest Money Deposits	8,263,020	5,950,000
Security Deposits	105,852,100	10,901,168
Total short term loans and advances	<u>163,715,002</u>	<u>79,751,683</u>
22 Other current assets		
Interest accrued and due on deposits	18,715,055	11,238,538
Receivable From NBFC (TDS)	2,261,963	918,991
Unbilled receivables	2,525,468	1,459,738
Total Other Current Assets	<u>23,502,486</u>	<u>13,617,267</u>



Krsnaa Diagnostics Private Limited
Notes forming part of the Financial Statements for the year ended 31st March, 2019
(Amount in INR)

	31-March-2019	31-March-2018
23 Revenue from operations		
Sale of services	2,09,83,22,659	1,08,08,73,012
Less: Revenue shared with hospitals	(62,32,39,664)	(17,50,46,472)
Total revenue from operations	1,47,50,82,995	90,58,26,540
24 Other income		
Interest income		
On deposits with banks	2,20,96,291	1,27,25,643
On other deposits	34,181	34,245
Dividend income	78,356	2,52,500
Miscellaneous income	9,21,558	9,93,468
Total other income	2,31,30,386	1,40,05,856
25 Cost of materials consumed		
Inventory at the beginning of the year	1,95,03,167	95,18,555
Add : Purchases during the year	19,59,83,558	11,52,76,466
Less: Inventory at the end of the year	4,21,23,595	1,95,03,167
Cost of materials consumed	17,33,63,130	10,52,91,854
26 Direct Expenses		
Telereporting charges	12,05,19,876	6,14,17,469
Pathologist charges	1,38,40,213	16,26,603
Discount expenses	59,73,678	51,69,983
Special test report	1,23,09,349	86,84,017
Tele-Radiology software charges	42,89,693	23,51,039
Total direct expenses	15,69,32,809	7,92,49,111
27 Employee benefits expense		
Salaries, wages, bonus and other allowances	15,77,97,787	14,18,51,371
Contribution to provident and other funds	1,12,33,858	1,15,28,546
Gratuity expenses	17,03,780	11,71,887
Staff welfare expenses	1,13,59,588	54,01,148
Total Employee benefits expense	18,20,95,013	15,99,52,952
28 Finance cost		
Interest expense		
On bank loan	5,59,76,706	2,85,52,779
On loan from others	6,87,70,723	3,19,22,379
On loans from related parties	25,34,093	20,33,946
On assets on finance lease	20,92,359	-
Other borrowing costs	1,12,63,996	41,27,448
Bank charges	1,82,22,344	1,06,03,962
Total Finance cost	15,88,60,221	7,72,40,514
29 Depreciation and amortization expense		
on tangible assets (Refer note 12)	25,09,24,448	17,19,27,169
on intangible assets (Refer note 13)	46,83,727	23,73,426
Total Depreciation and amortization expense	25,56,08,175	17,43,00,595



Particulars	31-Mar-2019	31-Mar-2018
31 Contingent Liabilities not provided for in respect of -		
Guarantees		
Bank guarantees (Note 1)	212,045,000	193,921,875
Other money for which the Company is contingently liable (Note 2)	36,500,000	36,500,000
Dividend (Note 3 & 4)	-	59,967,918
<p>Note - 1 & 2 : The company has availed Bank Gurantee limit of Rs. 3,340 lakhs with Janata Sahakari bank ltd against the property of Mr. Narayan Chighlikar and Mrs. Shubhangi Chighlikar, for which the company has paid the sum of Rs. 365 lakhs to Mr. Narayan Chighlikar, the proprietor of Yash Construction. Note-3 :The shareholders have waived all accrued and future liability with respect to dividend on Series A - CCPS. Note - 4: The Shareholders of Series B - CCCPS and Series C - CCPS have waived their dividend as on 31st March, 2019.</p>		
32 Commitments		
(i) Capital Commitments-		
Estimated amounts of contracts remaining to be executed on capital account and not provided for, net of advances of Rs.27,801,025 (Previous year Rs.50,626,207)	372,532,302	449,699,590
33 Details of derivative instruments for hedging		
Details of derivative instruments for hedging	Nil	Nil
34 Details of foreign currency exposures that are not hedged by derivative instruments or otherwise		
Details of foreign currency exposures that are not hedged by derivative instruments or otherwise	Nil	Nil
35 Earnings per Share (EPS)		
Profit after tax	124,651,860	48,626,855
Less : dividends on convertible preference shares & tax thereon	-	(59,967,918)
Net profit for calculation of basic EPS	124,651,860	(11,341,063)
Net profit as above	124,651,860	(11,341,063)
Add: dividends on convertible preference shares & tax thereon	-	59,967,918
Net profit for calculation of diluted EPS	124,651,860	48,626,855
Continuing operations		
Profit after tax	124,651,860	48,626,855
Less: dividends on convertible preference shares & tax thereon	-	(59,967,918)
Net profit for calculation of basic EPS	124,651,860	(11,341,063)
Net profit as above	124,651,860	(11,341,063)
Add: dividends on convertible preference shares & tax thereon	-	59,967,918
Net profit for calculation of diluted EPS	124,651,860	48,626,855
	Number of shares	Number of shares
Weighted average number of equity shares in calculating basic EPS	5,162,262	5,162,100
Effect of dilution:		
Convertible preference shares	4,466,513	4,061,914
Weighted average number of equity shares in calculating diluted EPS	9,628,775	9,224,014
Basic EPS		
Computed on the basis of profit from continuing operations	24.15	(2.20)
Computed on the basis of total profit for the year	24.15	(2.20)
Diluted EPS		
Computed on the basis of profit from continuing operations	12.95	5.27
Computed on the basis of total profit for the year	12.95	5.27

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



36 Leases

Finance lease: Company as lessee

The Company has entered into finance leases and hire purchase contracts for data processing units and printers during the year. These leases involve significant upfront lease payment, have terms of renewal or return option. However, there is no escalation clause. Each renewal is at the option of lessee. Future minimum lease payments ('MLP') under finance leases together with the present value of the net MLP are as follows.

Particulars	31-Mar-19	31-Mar-18
a) Minimum lease rentals payable		
i) not later than one year	11,279,378	-
ii) later than one year but not later than five years	13,053,195	-
iii) later than five years	-	-
Total	24,332,573	-
b) Present value of minimum lease payments		
i) not later than one year	8,094,820	-
ii) later than one year but not later than five years	11,435,581	-
iii) later than five years	-	-
Total	19,530,401	-
c) Reconciliation of minimum lease payments and present value		
Minimum lease rentals payable as per (a) above	24,332,573	-
Less: Finance charges to be recognized in subsequent periods	4,802,173	-
Present value of minimum lease payments payable as per (b) above	19,530,401	-

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

A Defined contribution plans

- Provident fund
- Employee State Insurance Fund
- Labour welfare fund

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

Particulars	31-Mar-19	31-Mar-18
Employers Contribution to Provident fund	8,209,225	8,579,796
Employers Contribution to Employee state Insurance	3,005,409	2,927,258
Employers Contribution to Labour welfare fund	19,224	21,492

B Defined benefit plans and Other long term benefits

Contribution to gratuity funds - Employee's gratuity fund (Defined benefit plan)

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

i Actuarial assumptions

Employee gratuity (funded)

	31-Mar-19	31-Mar-18
Discount rate (per annum)	7.10%	7.50%
Expected Rate of increase in compensation levels	6%	6%
Expected Rate of return on plan assets.	7.80%	8.00%
Average past service in years		29.51
Mortality Rate		
	Indian Assured Lives Mortality(2012-14) Ultimate	Indian Assured Lives Mortality(2006-08) Ultimate
Retirement age	60	60
Expected average remaining working lives of employees in years	4.91	4.93
Withdrawal Rate	20%	20%

The discount rate assumed is 7.1% per annum (Previous Year 6.8%) which is determined by reference to market yield at the Balance Sheet date on government bonds. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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

Present value obligation as at the beginning of the year	5,315,708	4,076,124
Interest cost	398,678	277,176
Current service cost	2,274,833	2,035,667
Benefits paid	-	-
Acquisition cost	-	-
Actuarial loss/(gain) on obligations	(969,731)	(1,073,259)
Present value obligation as at the end of the year	7,019,488	5,315,708

ii Changes in the fair value of plan assets

Fair value of plan assets as at the beginning of the year	988,269	919,995
Expected return on plan assets	129,620	73,600
Contributions	1,347,063	-
Mortality Charges & Taxes	(357,302)	(814)
Benefits paid	-	-
Actuarial gain/ (loss) on plan assets	(32,011)	(4,512)
Actual Return of Plan asset	97,609	69,088
Fair value of plan assets as at the end of the year	2,173,248	1,057,357

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

Present value obligation as at the end of the year	7,019,488	5,315,708
Fair value of plan assets as at the end of the year	2,173,248	1,057,357
Funded status/(deficit) or Unfunded net liability	(4,846,240)	(4,258,351)
Unfunded net liability recognized in balance sheet	4,846,240	4,258,351
Amount classified as: short term provision	4,846,240	4,258,351



Krsnaa Diagnostics Private Limited
Notes forming part of the Financial Statements for the year ended 31st March, 2019
(Amount in INR)

iv	Expenses recognized in Statement of profit and loss		
	Current service cost (including risk premium for fully insured benefits)	2,274,833	2,035,667
	Interest cost	398,678	277,176
	Expected return on plan assets	(129,620)	(73,600)
	Net actuarial loss/(gain) recognized during the year	(937,720)	(1,068,747)
	Total expense recognised in Statement of profit and loss.	1,606,171	1,170,496
v	Investment details of the Plan Assets		
	LIC	2,173,248	1,057,357
	Total fund balance	2,173,248	1,057,357

vi General Description of the Plan

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

C Leave Encashment

The employees are entitled for 24 days leave during the calendar year, which can be accumulated up to 30 days. No encashment is permissible. The company provides for the liability at year end on account of unavailed leave as per the actuarial valuation using the Projected Unit Credit Method. Liabilities in respect of this kind of leave are unfunded. Actuarial gains and losses are recognised in the Statement of Profit and Loss as and when incurred.

38 Related Party Disclosures

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

a Names of the Related Parties and Related Party Relationship

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

Related Parties having significant influence over company:

Investors:

Somerset Indus Healthcare Fund I-Investor- Mauritius based company
Kitara PIIN 1104- Investor-Mauritius based company
Mayur Sirdesai-Nominee Director and investor (representative of Lotus Management Solutions)
Phi Capital Growth Fund I (w.e.f. 31st January, 2019)

ii Other related parties with whom transactions have been taken place during the period
Rhythm Diagnostics private Limited

Key Managerial Personnel and their relative:

Rajendra Mutha-Director
Narayanan Balasubramanyam-Nominee Director (w.e.f.31st January, 2019)
Yash Prithviraj Mutha-Wholetime Director (w.e.f.31st January, 2019)
Pallavi Bhatewara-Managing Director and Shareholder
Suvidh Bhanthia -Director (till 22nd June, 2018)
Sachin Dhoka-Director (till 31st January, 2019)
Sanjay Pandhare-Director (till 31st January, 2019)
Neha Jangada - Company Secretary (till 10th March, 2019)
Manisha Chitgopekar - Company Secretary (From 1st April, 2019)
Rajendra Bhandari - Shareholder
Sunita Mutha- Relative of KMP
Manas Dhoka- Shareholder
Anand Chhajjed- Shareholder
Narayan Chighaliker- Shareholder
Rohit Karpe- Shareholder
Kiran kumar Bhise- Shareholder

iii Enterprise over which directors exercise significant influence:

a. Rajendra Mutha is director in following entities-

- Krsna International Limited-Yemen

b.Sanjay Pandhare is director in following entities-

- Steritec Biosciences Private Limited
- Vet Biochem Private Limited

c. Suvidh Bhanthia is Promoter in following entity-

- Suhaan Builders and developers



Krsnaa Diagnostics Private Limited
Notes forming part of the Financial Statements for the year ended 31st March, 2019
(Amount in INR)

Particulars	31-Mar-19	31-Mar-18
b Transactions with the Related Parties		
<u>Issue of Compulsory Convertible Cumulative Participating Preference Shares</u>		
Kitara PIIN 1104	-	50,000,000
Somerset Indus Healthcare Fund I	-	50,000,000
Mayur Anand Sirdesai on behalf of Lotus Management Solutions	-	240,000
Dr. Kirankumar Bhise	-	3,003,500
Mr. Rajendra Khivraj Mutha	-	40,989,250
Mr Sanjay Bhaskar Pandhare	-	6,007,250
Phi Capital Trust-Phi Capital Growth Fund	759,721,500	-
<u>Issue of Equity share capital during the year</u>		
Phi Capital Trust-Phi Capital Growth Fund	10,000	-
<u>Sale of services</u>		
Dr. Kiran kumar Bhise	961,700	989,470
<u>Discount Allowed</u>		
Dr. Kiran kumar Bhise	2,180	1,684
<u>Travelling and conveyance expense</u>		
Kitara PIIN 1104	10,073	-
Pallavi Bhatewara	142,026	1,003,628
Sanjay Pandhare	-	252,584
<u>Lodging and boarding expenses</u>		
Kitara PIIN 1104	-	-
Pallavi Bhatewara	806,738	293,826
Sanjay Pandhare	-	100,341
<u>Purchase of consumables</u>		
Lokmanya Hospital Medical Stores	191,035,252	104,521,518
Mahesh Surgical & Pharmaceuticals	807,809	-
<u>Rent expense</u>		
Sunita Mutha	21,200,000	1,200,000
<u>Professional fee expenses</u>		
Somerset Indus Healthcare Fund I	1,416,000	1,407,000
Kitara PIIN 1104	1,200,000	1,200,000
Phi Capital Trust-Phi Capital Growth Fund	392,064	-
<u>Managerial remuneration</u>		
Pallavi Bhatewara	3,655,295	1,855,524
Sanjay Pandhare	-	1,199,616
Rajendra Mutha	8,400,000	-
Yash Mutha	299,954	-
<u>Loans repaid during the year</u>		
Sanjay Pandhare	10,000,000	5,848,403
Rajendra Mutha(LHMS)	116,335,000	132,439,857
Pallavi Bhatewara	-	5,000,000
<u>Interest expense on loan</u>		
Sanjay Pandhare	1,509,042	976,437
Pallavi Bhatewara	1,025,051	854,112
<u>Loans taken during the year</u>		
Rajendra Mutha(LHMS)	106,075,000	144,153,743
Sanjay Pandhare	-	10,000,000
Pallavi Bhatewara	-	8,500,000
<u>Advances given during the year</u>		
Pallavi Bhatewara	4,055,879	-
Sanjay Pandhare	-	-



(c) Outstanding balances	31-Mar-19	31-Mar-18
Particulars		
<u>Trade Receivable</u>		
Krsna International Limited-Yemen	31,007,363	31,007,363
<u>Loans and Advances</u>		
Pallavi Bhatewara	2,015,352	-
Sanjay Pandhare	25,000	25,000
Yash constructions	36,500,000	36,500,000
<u>Other Payable</u>		
Sunita Mutha	450,000	90,000
Somerset Indus Healthcare	216,000	863,993
Kitara PIIN 1104	893,894	1,643,419
Sanjay Pandhare	424,571	128,127
<u>Trade Payable</u>		
Lokmanya Hospital Medical Stores	19,303,214	32,998,675
<u>Unsecured Loans</u>		
Pallavi Bhatewara	8,542,090	8,542,090
Sanjay Pandhare	-	10,000,000

- 39 One of the related parties of the Company, Lokmanya Hospital Medical Stores (LHMS) has entered into an agreement with Rogi Kalyan Samiti (RKS) of Himachal Pradesh (HP) under PPP arrangement (Public Private Partnership) for establishment of diagnostic centres at twelve locations at HP for rendering radiology services which majorly includes services for MRI and CT scan. The Company has entered into agreement with LHMS whereby the services at RKS hospitals at HP are provided by the Company on behalf of LHMS. As per agreement entered between the two, the revenue recognised by rendering services at twelve centres at HP is to be shared between the Company and LHMS in 99:1, but the same is not shared during the year as LHMS has waived off the revenue due to them.
- 40 The Company has outstanding balance receivable from Krsna International Limited for Rs.31,007,363 from year 2012-13, as the Company had exported certain machineries and few related consumables. Due to political unrest, the operations of Krsna International Limited in Yemen were discontinued and the amount could not be recovered inspite of continuous follow up. Whilst the Company is in the process of arranging and taking necessary permissions/approvals from authorised banks, however as abundant caution, the company during previous year has made provision of Rs. 31,007,363 towards doubtful advances.
- 41 In the opinion of the Board, the Current assets, trade receivables and loans and advances are approximately of the value stated, if realized in the ordinary course or business, except otherwise stated. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.
- 42 Previous year figures have been regrouped/ reclassified, where necessary, to conform to this year's classification.

Summary of significant accounting policies

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The accompanying notes are an integral part of the financial statements

As per our report of even date

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

Nithy Manohar Jumanji
Partner
Membership No: 111700

Place: Pune
Date: June 17, 2019



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

Rajendra Mutha
Director
DIN: 01066737

Place: Pune
Date: June 17, 2019

Yash Mutha
Director - Finance

Place: Pune
Date: June 17, 2019



Pallavi Bhatewara
Managing Director
DIN: 03600332

Place: Pune
Date: June 17, 2019

Manisha Chitgopekar
Company Secretary
Membership No: A27816

Place: Pune
Date: June 17, 2019