



Ref. ADS/BSE(M)/09/2020-21/04
September 08, 2020

To,
Department of corporate Services –Listing
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400001

Ref.: ADS DIAGNOSTIC LIMITED (523031).
Sub: Submission of Annual Report 2019-20 in compliance with Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir,

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report 2019-20 of the Company.

Kindly acknowledge the receipt.

Thanking you,

Yours faithfully,
For ADS Diagnostic Limited

N.L. Gayari
CFO & Company Secretary



Registered Office:

114, SANT NAGAR, EAST OF KAILASH, NEW DELHI -110065

TEL : 011-41622193, 41620434, FAX: 011-41665880, ☎ : 07290037529, E-mail : adsmmedical@rediffmail.com

CIN:- L85110DL1984PLC018486

**A D S
DIAGNOSTIC
LIMITED**

ANNUAL REPORT-2020

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COMPANY INFORMATION

<p>BOARD COMPOSITION</p> <p>Mr. Ravi Kohli, Non Executive Independent Director & Chairman of Board Dr. Gautam Sehgal, Managing Director Mr. Sunil Jasuja, Independent Director Mr. Girish Sareen, Independent Director Dr. (Mrs.) Versha Sehgal Dr. Vivek Sehgal Mrs. Radhika Sehgal</p>	<p>-STATUTORY AUDITOR</p> <p>V. N. PUROHIT & CO. Chartered Accountants 214, New Delhi House, 27, Barakhamba Road, New Delhi - 110001</p>
<p>REGISTERED & CORPORATE OFFICE</p> <p>114, Sant Nagar, East of Kailash, New Delhi-110065 Tel: 011-41620434, 41622193 Fax: 011-41665880, 011-29245300 E-mail- adsmmedical@rediffmail.com</p> <p>CORPORATE IDENTITY NUMBER</p> <p>L85110DL1984PLC018486</p>	<p>INTERNAL AUDITOR</p> <p>M/s. AST & Associates, Chartered Accountants, New Delhi</p>
<p>LISTED ON</p> <p>Bombay Stock Exchange Limited.</p>	<p>BANKERS</p> <p>Bank of India, D-142, East of Kailash, New Delhi - 110065.</p>
<p>E-MAIL</p> <p>adsmmedical@rediffmail.com</p>	<p>STAKEHOLDERS' RELATIONSHIP COMMITTEE</p> <p>Mr. Sunil Jasuja, Chairman Mr. Ravi Kohli Mr. Girish Sareen</p>
<p>WEBSITE</p> <p>adsdiagnosticlimited.in</p>	<p>NOMINATION AND REMUNERATION COMMITTEE</p> <p>Mr. Girish Sareen, Chairman Mr. Ravi Kohli Mr. Sunil Jasuja</p>
<p>CFO & COMPANY SECRETARY</p> <p>Mr. N.L. Gayari</p>	<p>AUDIT COMMITTEE</p> <p>Mr. Ravi Kohli, Chairman Mr. Girish Sareen Mr. Sunil Jasuja</p>

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty Fifth Annual General Meeting of the Members of ADS Diagnostic Limited will be held on Tuesday , the 29th September , 2020, at 03:30 P.M. through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') facility to transact the following business:

ORDINARY BUSINESS:-

- 1 To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31st March, 2020, together with the Reports of the Board of Directors and the Auditors thereon.
- 2 To appoint a Director in place of Mrs. Radhika Sehgal (DIN: 00034317), who retires by rotation and, being eligible, offers herself for re-appointment.
- 3 To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, the Company hereby ratifies the appointment of M/s V. N. Purohit & Co. Chartered Accountants (Registration No. 304040E), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Next AGM of the Company to be held in the year 2021, to conduct the audit for the financial year 2020-21 at such remuneration plus GST, out-of-pocket, travelling expenses etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:-

- 4 To re-appoint Mr. Girish Sareen (DIN:00937770) as an Independent Director of the Company and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 149,152 and other applicable provisions, if any, of the Companies Act 2013("the Act") read with Schedule IV to the Act (including any statutory modifications or reenactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Girish Sareen (DIN:00937770), who holds office of Independent Director up to 29th September,2020 and who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. Girish Sareen for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of four consecutive years commencing from 1st October, 2020 upto 30th September 2024.

- 5 To re-appoint Mr. Ravi Kohli (DIN:01012554) as an Independent Director of the Company and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 149,152 and other applicable provisions, if any, of the Companies Act 2013("the Act") read with Schedule IV to the Act (including any statutory modifications or reenactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Ravi Kohli (DIN:01012554), who holds office of Independent Director up to 29th September,2020 and who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. Ravi Kohli for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 1st October, 2020 upto 30th September 2025.

- 6 To increase the borrowing power of the Company:

To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary resolution:

"RESOLVED THAT in supersession of all the resolutions passed in that behalf by the company and pursuant to clause (d) of sub-section (1) of section 293 and all other applicable provisions, if any, of the Companies Act, 1956 and the Articles of Association of the Company, the consent be and is hereby accorded to the Board of the Directors for borrowing for and on behalf of the company, from time to time, any sum or sums of moneys, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) will or may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, but so that total amount up to which moneys to be so borrowed under the said clause (d) of sub-section (1) of section 293 shall not at any time exceed Rs. 2000.00 Lakhs. (Rupees Two Thousand Lakhs only).

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this resolution."

By Order of the Board of Directors

New Delhi, July 07, 2020

Sd/-

N.L. Gáyari
CFO & Company Secretary
Membership No. -F02956

NOTES:-

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 41 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.adtdiagnosticlimited.net. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM i.e. www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members as on 21/09/2020 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Company/Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting at the AGM.
9. The facility for e-voting will be available at the AGM venue for those Members who do not cast their votes by remote e-voting prior to the AGM. Members, who cast their votes by remote e-voting prior to the AGM, may attend the meeting but will not be entitled to cast their votes once again.
10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. Relevant documents referred to in the accompanying Notice and the Statement, are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
12. Members, who wish to obtain information on the Company or view the Financial Statements, may visit the Company's corporate website or send their queries at least 10 days before the AGM to the Company Secretary at the Registered Office of the Company.
13. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. From the Company electronically.
14. The Register of Members and Share Transfer Books of the Company shall remain closed from **23-09-2020 to 29-09-2020** (both days inclusive)
15. Memorandum and Articles of Association of the Company and other document if any are available for inspection at corporate office of the company between 10:30 A.M. and 12:30 P.M. on all working days except Sunday and Holidays.
16. Members are required to bring their admission slips to the AGM. Duplicate admission slips and / or copies of the Report and Accounts will not be provided at the AGM venue.

VOTING INSTRUCTIONS

Voting through electronic means:

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

The instructions for shareholders voting electronically are as under:

- 1 The voting period begins on 26/09/2020 (09:00 a.m. IST) and ends on 28/09/2020 (05:00 p.m. IST.) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22/09/2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- 2 The shareholders should log on to the e-voting website www.evotingindia.com
- 3 Click on Shareholders.
- 4 Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- 5 Next enter the Image Verification as displayed and Click on Login.
- 6 If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- 7 If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction

- 8 After entering these details appropriately, click on "SUBMIT" tab.
- 9 Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 10 For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 11 Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- 12 On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- 13 Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- 14 After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- 15 Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- 16 You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- 17 If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- 18 Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- 19 Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdsindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdsindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- 20 In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdsindia.com.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. The Skyline Financial Services Private Limited, Registrar and Share Transfer Agent, of the Company will be providing VC/OAVM Services.
3. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
4. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdsindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdsindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz, adsmaterial@rediffmail.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdsindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futarex, Mafatal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai-400013 or send an email to helpdesk.evoting@cdsindia.com or call on 022-23058542/43.

New Delhi, July 07, 2020

By Order of the Board of Directors

Sd/-

N.L. Gayari
CFO & Company Secretary
Membership No. -F02956

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")

Item Nos. 4

It is proposed to approve the Re-appointment Mr. Girish Sareen as Independent Director of the Company under provisions of Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to hold office for 4 (Four) consecutive years commencing with effect from 1st October 2020. Mr. Girish Sareen was re-appointed as Independent Director of the Company by the Board of Directors with effect from 1st October, 2020 and is not liable to retire by rotation, which was subject to the approval of the Members.

Mr. Girish Sareen is not disqualified from being appointed as Independent Director in terms of provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has given his consent to act as Director. The Company has received notice in writing from member along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of Mr. Girish Sareen for the office of Director of the Company.

The Company has also received declaration from Mr. Girish Sareen that he meets with the criteria of independence as prescribed under Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Girish Sareen possesses appropriate skills, experience and knowledge to discharge his functions and duties effectively, The Board considers that Mr. Girish Sareen continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Girish Sareen as an Independent Director.

In the opinion of the Board of Directors, Mr. Girish Sareen, fulfills the conditions specified in the Act and the Rules made there under and he is independent of the Management. A copy of the letter of appointment of Mr. Girish Sareen as an independent director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during the normal business hours on working days up to the date of the AGM.

Mr. Girish Sareen is interested in the resolution set out respectively at Item Nos. 4 of the Notice with regard to his appointment. The relatives of Mr. Girish Sareen may be deemed to be interested in the resolutions set out respectively at Item Nos. 4 of the Notice, to the extent of their shareholding interest, if any, in the Company.

The Board of Directors of the Company, therefore, recommends passing of the resolution at item No. 4 of the Notice for approval by the members as an ordinary resolution.

None of the Directors, Key Managerial Personnel of the Company / their relatives are in any way concerned or interested, financially or otherwise in the special resolution except to the extent of their shareholding in the Company.

Item no 5

It is proposed to approve the Re-appointment Mr. Ravi Kohli as Independent Director of the Company under provisions of Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to hold office for 5 (Five) consecutive years commencing with effect from 1st October 2020. Mr. Ravi Kohli was re-appointed as Independent Director of the Company by the Board of Directors with effect from 1st October, 2020 and is not liable to retire by rotation, which was subject to the approval of the Members.

Mr. Ravi Kohli is not disqualified from being appointed as Independent Director in terms of provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has given his consent to act as Director. The Company has received notice in writing from member along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of Mr. Ravi Kohli for the office of Director of the Company.

Shri Ravi Kohli is not disqualified from being Re-appointed as Directors in terms of Section 164 of the Act and have given his consent to act as Director.

The Company has received notice in writing from member along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of Shri Ravi Kohli for the office of Director of the Company.

The Company has also received declaration from Shri Ravi Kohli that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri Ravi Kohli Fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Shri Ravi Kohli is independent of the management.

Brief resume of Shri Ravi Kohli, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letter for appointment of Shri Ravi Kohli as independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Shri Ravi Kohli is interested in the resolution set out respectively at Item Nos. 5 of the Notice with regard to his appointment.

The relatives of Shri Ravi Kohli may be deemed to be interested in the resolutions set out respectively at Item Nos. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

The Board of Directors of the Company, therefore, recommends passing of the resolution at item No. 5 of the Notice for approval by the members as an ordinary resolution.

None of the Directors, Key Managerial Personnel of the Company / their relatives are in any way concerned or interested, financially or otherwise in the special resolution except to the extent of their shareholding in the Company.

Item No.6

The company needs funds to meet its operational and financial obligations considering that it is expanding its business of sales and service of medical equipments:

Pursuant to the provisions of section 293 (1)(d) and other provisions of the Companies Act, 1956, the company needs the approval of its shareholders for borrowing in excess of aggregate of its paid up capital and free reserves. In view of the above it is proposed to authorize the Board to borrow moneys upto **Rs. 2000.00 Lakhs (Rupees Two Thousand Lakhs only)**.

None of the Directors are interested in the resolution.

The Board recommends the resolution for the approval of the shareholders.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE AGM (PURSUANT TO REGULATIONS 26(4) AND 36(3) OF THE LISTING REGULATIONS AND SECRETARIAL STANDARDS - 2 ON GENERAL MEETINGS)

Name of Director	Mrs. Rudhika Sehgal
Director Identification Number (DIN)	00034317
Date of Birth	24-08-1971
Date of first appointment	25/05/2004
Qualifications	Has done her B.A. (Hon.) from Delhi University, she is also on the Board of two Private Limited companies, she has more than 20 years of experience in the field of Business
Terms and conditions of appointment/ re-appointment	Appointed as Executive Director liable to retire by rotation.
Details of remuneration last drawn (2019-20) -	NIL
No. of Board Meetings attended during the year	3
No. of shares held in the Company:	
(a) Own	20,000
(b) For other persons on a beneficial basis	
List of Companies in which Directorship held as on 31.03.2020 (excluding foreign, private and Section 8 Companies).	NIL
Chairperson/ Member of the Mandatory Committees of the Board of the Companies on which he/ she is a Director as on 31.03.2020.	NIL

DIRECTOR'S REPORT

DEAR MEMBERS,

Your Directors are pleased to present the Thirty-Fourth Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended March 31, 2020.

FINANCIAL HIGHLIGHTS

PARTICULARS	2019-20 (Rs.),000	2018-19 (Rs.),000
Operating Income	143,314	91,287
Profit before Interest & Depreciation	13,050	16,938
Less: a) Interest	4,150	4,265
b) Depreciation	2,703	1,597
Profit Before Exceptional and Extraordinary item and Tax	6,197	11,076
Exceptional Item		
Net Profit / (Loss) before Taxation	6,197	11,076
Provision for Income Tax	1,495	2,277
Add: Short Provision for Income Tax for Previous years		
Less:- Provision for Deferred Tax	(11)	308
Net Profit / (Loss) after Taxation	4,712	8,492
Add: Other Comprehensive Income	215	226
Total Comprehensive income attributable to equity holders	4,928	8,718
Less: Balance of Profit/ Loss Brought forward from previous years	7,686	(1,030)
Add: MAT Credit	425	
Less: Dividend paid for Previous Year	2,379	0
Balance carried to Balance Sheet	10,660	7,686

Results of Business Operations and the State of Company's Affairs

The operational income of the Company has increased from Rs. 912.87 Lakhs to Rs. 1,433.14 Lakhs registering a Positive growth of 57 % in the current year. The income from trading and servicing has increased from Rs. 756.54 Lakhs to Rs. 1,270.51 Lakhs for the current year, while Distribution Commission has decreased from Rs. 51.07 Lakhs to Rs. 5.97 Lakhs for the current year. Overall income has increased by Rs. 520.27 Lakhs, during the year under review.

The Overall income has increased due to winning of tender for procurement of medical equipment by the Govt. The company has earned profit of Rs. 47.12 Lakhs after tax as against the profit of Rs. 84.92 Lakhs in Previous Year. The profit after Tax has decreased due to Foreign Exchange Loss of Rs. 54 Lakhs in this year. The Directors are hopeful to achieve further growth in the year 2020-21, as the company has undertaken new projects/Tenders.

Number of meetings of the Board

Four (4) meetings of the Board were held during the year and the intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dividend

Dividend could not be recommended by the board of directors as the payment from debtors majorly govt. hospitals not receive; cash flow doesn't permit to declared dividend for the current financial year.

Directors' Responsibility Statement

Pursuant to Section 134 the board of directors, to the best of their knowledge and ability, confirm that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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;
- 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;
- The directors had prepared the annual accounts on a going concern basis; and
- The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
Internal financial control means the policies and procedures adopted by the Company 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.
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Listing

Shares of your Company continue to be listed on Bombay Stock Exchange Limited, Mumbai, and the listing fee will be paid for the year 2020-2021 in the month of September, 2020.

Directors

The Board of Directors of the Company is duly constituted. In accordance with the provisions of Section 152 of the Act, Mrs. Radhika Sehgal, Director of the Company, retires by rotation and being eligible, offer himself for re-appointment. The Board recommended her re-appointment. Further, brief profile and other details of Mrs. Radhika Sehgal are provided in the Notice of the Annual General Meeting.

Independent Directors

The terms and conditions of appointment of independent directors are as per Schedule IV of the Act Pursuant to the Provisions of Section 134(3)(d) read with Section 149(6) the declaration by the independent Directors that they meet the criteria of independence has been received. During the year under review, the Non-Executive Independent Directors of the Company had no pecuniary relationship or transactions with the Company.

Board Evaluation

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board has devised a policy on the evaluation of performance of board of Directors, Committee and Individual Directors. Accordingly, the Chairman of the Nomination and Remuneration Committee obtained from all the board members duly filled in evaluation templates for evaluation of the Board as a whole, evaluation of the committees and peer evaluation. The summary of the evaluation reports were presented to the respective Committees and the Board for their consideration. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

Auditors

The Auditors, M/s V.N. Purohit & Co., Chartered Accountants, New Delhi, hold office till the conclusion of the ensuing Annual General Meeting and are recommended for ratification of appointment. They have submitted a certificate in accordance with the applicable provisions of the companies Act 2013, confirming their eligibility and willingness for re-appointment.

Policy on Directors' appointment and remuneration and other details

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(1) & (3) of the Act has been disclosed in the Corporate Governance Report, which forms part of the directors' report.

Audit committee and Vigil Mechanism

The details pertaining to composition of audit committee and vigil mechanism are included in the Corporate Governance Report, which forms part of this report.

Auditors' report and secretarial auditors' report

The auditors' report and secretarial auditors' report does not contain any qualifications, reservations or adverse remarks. Report of the secretarial auditor is given as an annexure which forms part of this report.

Particulars of loans, guarantees and investments

There was no Loan, Guarantees or Investments made by the Company under Section 186 of the Companies Act, 2013, during the year under report and hence the said provision is not applicable.

Transactions with related parties

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013, during the year under report. The details of transactions with the Company and related parties are given for information under notes to Accounts.

Extract of Annual Return

As provided under Section 92(3) of the Act, the extract of annual return is attached to this report in the prescribed Form MGT-9.

Corporate Social Responsibility

Provisions of Section 135 of the Companies Act, 2013, are not applicable to the Company.

Reserves

No amount is proposed to transfer/carry to any reserve.

Change in the Nature of the Business

There is no change in the nature of the Business of the Company during the year under report.

Material Changes

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate till the date of this report.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo is given in the Annexure forming part of this Report.

Risk Management

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

Your Directors state that the company has zero tolerance on sexual harassment at workplace. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Significant and Material orders passed by the Regulators or Courts or Tribunals

No significant or material orders were passed by any Regulator or Courts or Tribunals which impact the going concern status and Company's operations in future.

Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

Managerial Remuneration and Particulars of Employees

The information pertaining to particulars of employees as Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in the Annexure forming part of this Report.

Deposits

The Company has not accepted any deposits under Section 73 of Companies Act, 2013, during the financial year under report.

Corporate Governance Report

Corporate governance provisions as specified in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company. However, as per the governance policies of the Company, the Company has substantially followed and observed these regulations. A report on Corporate Governance covering among others details of meetings of the Board and Committees along with a certificate for compliance with the regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Management Discussion and Analysis Report

A detailed analysis of your Company's performance is discussed in the Management Discussion and Analysis Report, which forms part of this Annual Report.

Acknowledgement

Your Directors wish to place on record their appreciation for the co-operation and assistance extended by the Company's employees, medical professionals, customers, vendors and academic institutions. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the board of directors

Place: Delhi

Date: 07.7.2020

Sd/-
Gautam Sehgal
Managing Director
DIN: 00034243

Sd/-
Mr. Ravi Kohli
Director -
DIN: 01012554

ANNEXURE TO DIRECTOR'S REPORT

DECLARATION UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013:

We, Ravi Kohli, Girish Sareen and Sunil Jasuja being the Independent Directors of ADS Diagnostic Limited ("The Company") hereby acknowledge, confirm and declare that:

- a) We are or were not promoters of the Company or its holding, subsidiary or associate company; nor are we related to promoters or directors in the Company, its Holding, Subsidiary or associate company;
- b) We do not have or had any pecuniary relationship with the Company, with the Company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year;
- c) None of our relatives have or had any pecuniary relationship or transaction with the company, its holding, Subsidiary or associate company or their promoters or directors, amounting to two percent or more of its gross turnover or total income of fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- d) We ourselves nor any of our relatives,
 - i. Hold or Have held the position of key managerial personnel or is or has been employee of the Company or its holding, or subsidiary or associate company in any of the three financial years immediately preceding the financial year in which we are proposed to be appointed;
 - ii. Are or have been an employee or proprietor or partner, in any of the three financial years immediately preceding the financial year in which we are proposed to be appointed, of -
 - > A firm of auditors or company secretaries in practice or cost auditors of the Company or its holding or subsidiary or associate company; or
 - > Any Legal or consulting firm that has or had any transaction with the Company, or its holding or subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
 - iii. Hold together two percent or more of the total voting power of the Company; or
 - iv. Are chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty five percent or more of its receipt from the Company, any of its promoters or directors or its holding or subsidiary or associate company or that holds two percent or more of total voting power of the Company;
- e) We possess appropriate skills, experience and knowledge of discipline related to the Company's business.

Sd/-

RAVI KOHLI
DIN 01012554

Sd/-

GIRISH SAREEN
DIN 00937770

Sd/-

SUNIL JASUJA
DIN 01128112

Place : New Delhi
Date : July 07, 2020

DIRECTOR'S REPORT (CONT...)

A. Conservation of energy:

- (a) Energy conservation measures taken; LED Light have been Put-up in place of Traditional Lights.
- (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy; :- NO
- (c) Impact of the measures at (a) and (b) above for reduction of energy; - Impact will be known in current year.
- (d) Consumption and consequent impact on the cost of production of goods; :- NA
- (e) Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of industries specified in the Schedule there to :- NA

B. Technology absorption:

- (a) Efforts in brief made towards technology absorption, adaptation and innovation:- NA
- (b) Benefits derived as a result of above efforts :- NA
- (c) Technology inducted :- NA
- (d) Efforts made in technology absorption as per Form B of the Annexure :- NA

C. Foreign exchange earnings and outgo:

- Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans;- The Company is continuously making its efforts for export of sales and services in the overseas market.
- Total foreign exchange used and earned:-
 - i) Foreign Exchange earned - Rs. 110.50 Lakhs (Previous Year 137.85 Lakhs)
 - ii) Foreign Exchange outgo - Rs. 2.34 Lakhs (Previous Year 0.13 Lakhs)

MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES

Managerial Remuneration

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given below:-

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:-

S. No.	Name of the Director	Remuneration P.A. (INR),000	Median Remuneration P.A. (INR),000	Ratio
1	Dr. Gautam Sehgal	6,077	408	6.71

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:-

S. No.	Name of KMP	Designation	Current Remuneration P.A (INR),000	Previous Remuneration P.A.(INR),000	% Increase
1	Dr. Gautam Sehgal	Managing Director	6,077	5,525	10
2	N.L. Gayari	Chief Financial Officer and Company Secretary	2,266	2,056	10

3. The percentage increase in the median remuneration of employees in the financial year:-

S. No.	Current Year Median Remuneration in (INR),000	Previous Year Median Remuneration in (INR),000	Percentage Increase
1	408	355	14.72

4. The number of permanent employees on the rolls of Company:-20

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:- The average percentile increase in salaries of the employees is 10% whereas managerial personal is getting raise as 10 % p.a as approved by Central Government.

6. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Particulars of Employees

Provisions of rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable to the Company as no employee is getting specified remuneration.

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
For the financial year ended 31st March, 2020.
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
A D S Diagnostic Limited
114 Sant Nagar East of Kailash
New Delhi-110065

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

Based on our verification of the **A D S Diagnostic Limited's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **A D S Diagnostic Limited** for the financial year ended on 31st March, 2020, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Other laws applicable to the Company as per the representations made by the Management.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India, effective from 1 July 2015.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review and as per the explanations and clarifications given to us and the representation made by the Management, the Company has substantially complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above. There were no penalties, strictures imposed on the Company by SEBI or any statutory authority on any matter related to capital markets during the last three years. As per the representations made by the Management, dematerialization of securities of the Company is under process.

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

We further report that adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at Board Meetings and Committee Meetings, as represented by the management, were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that as per the explanations given to us and the representations made by the Management and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period under review, as explained and represented by the management, there were no specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., having a major bearing on the Company's affairs.

For and on behalf of
Anand Pandey & Associates
Company Secretaries

Delhi, July 07, 2020

Sd/-

CS Anand
Proprietor
M. No.56065
C. P. No.21110

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

'Annexure A'

To,
The Members,
A D S Diagnostic Limited

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

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

For and on behalf of
Anand Pandey & Associates
Company Secretaries

Delhi, July 07, 2020

Sd/-

CS Anand
Proprietor
M. No.56065
C. P. No.21110

b) Banks/TFI	0	75300	75300	3.43	0	75300	75300	3.43	0
c) Central Govt	0	0	0	0	0	0	0	0	
d) State Govt(s)	0	0	0	0	0	0	0	0	
e) Venture Capital Funds	0	0	0	0	0	0	0	0	
f) Insurance Companies	0	0	0	0	0	0	0	0	
g) FIs	0	0	0	0	0	0	0	0	
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	
i) Others (specify) *	0	0	0	0	0	0	0	0	
Sub-total (B)(1):-	0	100300	100300	4.57	0	100300	100300	4.57	0.00
2. Non-Institutions		0	0	0	0	0	0	0	
a) Bodies Corp.									
i) Indian	0	7600	7600	0.33	0	7600	7600	0.33	0.00
ii) Overseas	0	0	0	0	0	0	0	0	
b) Individuals	0	0	0	0	0	0	0	0	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	1086040	1086040	49.53	0	1084840	1084840	49.50	-0.05
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Director/ Relatives	0	4650	4650	0.21	0	4650	4650	0.21	0.00
Sub-total (B)(2):-	0	1098290	1098290	50.08	0	1089490	1089490	50.04	0.00
Total Public Shareholding (B) = (B)(1) + (B)(2)	0	1198590	1198590	54.66	0	1197390	1197390	54.61	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	2192800	2192800	100	0	2192800	2192800	100	0.00

II. SHAREHOLDING OF PROMOTERS

Promoters Name	No. of Shares	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		% 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	No. of Shares	
Dr. Arjun Dev Sehgal	0	0	0	0	0	0	0	0
Dr. Gautam Sehgal	129600	5.91	0	130800	5.96	0	0	0
Dr. Vivek Sehgal	206250	9.41	0	206250	9.41	0	0	0
Dr. (Mrs.) Vensha Sehgal	552360	25.19	0	552360	25.19	0	0	0
Dr. A.D. Sehgal & Sons	86000	3.92	0	86000	3.92	0	0	0
Mrs. Radhika Sehgal	20000*	0.91	0	20000	0.91	0	0	0
TOTAL	995410	45.39	0	995410	45.39	0	0	0

III. CHANGE IN PROMOTERS SHAREHOLDING.

Note:- Holding of Dr. Gautam Sehgal is Increased During the Year.

IV. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (other than Directors, Promoters and Holders of GDRs and ADRs):

Top ten Shareholders	Date	Shareholding at the beginning/end of the year			Changes during the year	Cumulative Shareholding during the year		
		No. of Shares	% of total Shares of the company	Date		Reason	No. of Shares	% of total Shares of the company
Rajeev Sehgal	1.4.2019	16300	0.74	NIL	NIL	NIL	16300	0.74
Nazer Ahmed	1.4.2019	9000	0.32	NIL	NIL	NIL	7000	0.32

VikasBhayana	1.4.2019	2000	0.09	NIL	NIL	NIL	2000	0.09
VikasBhayana	1.4.2019	4000	0.18	NIL	NIL	NIL	4000	0.18
ArchanaBhayana	1.4.2019	6000	0.27	NIL	NIL	NIL	6000	0.27
RameChanderBhayana	1.4.2019	7000	0.31	NIL	NIL	NIL	7000	0.31
Vijay Singh	1.4.2019	5500	0.25	NIL	NIL	NIL	5500	0.25
Puja Goel	1.4.2019	3000	0.13	NIL	NIL	NIL	3000	0.13
Krishan Lal	1.4.2019	4200	0.19	NIL	NIL	NIL	4200	0.19

V. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors and KMP Name	Shareholding at the beginning/end of the year		Changes during the year				Cumulative Shareholding during the year	
	Date	No. of Shares	% of total Shares of the company	Date	Increase/Decrease	Reason	No. of Shares	% of total Shares of the company
Dr. (Mrs.) Versha Sehgal	01-Apr-2019	552360	25.19	-	-	-	552360	25.19
	31-Mar-2020	552360	25.19	-	-	-	552360	25.19
Dr. Gautam Sehgal	01-Apr-2019	129600	5.91	-	-	-	129600	5.91
	31-Mar-2020	130800	5.96	30/09/19	Increase	Purchase	130800	5.96
Dr. Vivek Sehgal	01-Apr-2019	206250	9.41	-	-	-	206250	9.41
	31-Mar-2020	206250	9.41	-	-	-	206250	9.41
Mrs. Radhika Sehgal	01-Apr-2019	20000	0.91	-	-	-	20000	0.91
	31-Mar-2020	20000	0.91	-	-	-	20000	0.91

VI. 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	7,653	10,379	NIL	18,032
(ii) Interest due but not paid	NIL	385	NIL	385
(iii) Interest accrued but not due	60	NIL	NIL	60
Total (i+ii+iii)	7,713	10,764	NIL	18,477
Change in Indebtedness during the financial year				
- Addition	11,804	14,278	NIL	26,082
- Reduction	NIL	NIL	NIL	NIL
Net Change	11,804	14,278	NIL	26,082
Indebtedness at the end of the financial year				
(i) Principal Amount	19,518	23,924	NIL	43,442
(ii) Interest due but not paid	NIL	1,118	NIL	1,118
(iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	19,518	25,042	NIL	44,560

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

Name of MD/ WTD/ Manager	Gross salary			Stock Option	Sweat Equity	Commission			Total	Ceiling as per the Act
	(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			as % of profit	others, specify	Others, please specify		
Dr. Gautam Sehgal	6,077		NIL	NIL	NIL	NIL	NIL	NIL	6,077	Approved by Central Government

B. Remuneration to other directors:

Name of Directors	Fee for attending board/ committee meetings	Commission	Others, please specify	Total Amount
Independent Directors				
> Mr. Ravi Kohli	12000/-	NIL	NIL	12000/-
> Mr. Girish Sareen	9000/-	NIL	NIL	9000/-
> Mr. Sunil Jasuja	12000/-	NIL	NIL	12000/-
TOTAL (1)	33,000/-	NIL	NIL	33,000/-
Other Non-Executive Directors				
> Dr.(Mrs.) Versha Sehgal	12000/-	NIL	NIL	12000/-
> Mrs. Radhika Sehgal	6000/-	NIL	NIL	6000/-
> Mr. Vivek Sehgal	NIL	NIL	NIL	NIL
TOTAL (2)	18,000/-	NIL	NIL	18,000/-
TOTAL (B)-(1+2)	51,000/-	NIL	NIL	51,000/-
TOTAL MANAGERIAL REMUNERATION	51,000/-	NIL	NIL	51,000/-

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

Key Managerial Personnel	Name	Gross salary			Stock Option	Sweat Equity	Commission			Total
		(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			as % of profit	others, specify	Others, please specify	
CEO & Company Secretary	Narayan Lal Gayari	2,266	0	0	0	0	0	0	0	2,266

VIII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance

Corporate governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations. Good governance practices stem from the dynamic culture and positive mindset of the organization. At ADS, we are committed to meet the aspirations of all our stakeholders. Governance processes an entrepreneurial performance focused work environment. Additionally, our customers have benefited from high quality products delivered at extremely competitive prices.

The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. The demands of corporate governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter-relationship among the Board of Directors, Audit Committee, Finance, Compliance and Assurance teams, Auditors and the senior management.

2. Board of Directors

(a) Composition of Board of Directors as on 31st March 2020.

Sr. No.	Categories	(No. of Directors)	(%)
1	Promoters and Founder Directors / Managing Director	4	57.
2	Non-Executive Independent Directors	3	43

The composition of the Board is in conformity with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(b) Number of Board Meetings:

The Board of Directors met 4 times during 2019-20. The meetings of the Board were held on 13/08/2019, 14/11/2019, 13/02/2020, and 07/07/2020.

(c) Directors' attendance record and details of Directorships/Committee Positions held:

Attendance of the Directors at the Board Meetings and last Annual General Meeting and the Number of Directorship and Chairmanship/Membership of Committees across all Companies in which he/she is a Director as on March 31, 2020 is given here-in below.

Name of Director	Category	Attendance Particulars			No. of Directorships/ Committee Memberships/ Chairmanships of Other Companies		
		No. of Board Meetings during the year 2019-20		At AGM held on September 27, 2019	Other Directorships	Committee Memberships	Committee Chairmanships
		Held	Attendance				
Dr. (Mrs.) Vensha Sehgal	Director	04	04	NO	2	-	-
Dr. Vivek Sehgal	Director	04	00	NO	1	-	-
Dr. Gautam Sehgal	Managing Director	04	04	Yes	7	-	-
Mrs. Radhika Sehgal	Director	04	03	NO	2	-	-
Mr. Ravi Kohli	Independent Director	04	04	Yes	1	-	-
Mr. Girish Sareen	Independent Director	04	04	NO	5	-	-
Mr. Sunil Jasuja	Independent Director	04	04	NO	3	-	-

Note: Number of Meetings represents the Meetings held during the period in which the Director was Member of the Board.

(d) Independent Directors:

Company appointed Independent Directors who are renowned people having expertise/experience in their respective field/profession. The independence of a Director is determined by the criteria stipulated under Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Company follows a structured orientation and familiarization programme.

The Company periodically to undertake Familiarization Programmes for the Directors of the Company, their roles, rights, responsibilities in the Company, nature of the Industry in which the Company operates, Business model of the Company and so on. The detail of such familiarization programme has been disclosed on the website of the Company. The same may be visited at www.adsdiagnosticlimited.com

3. Audit Committee:

(A) **Terms of Reference:** Audit Committee is to see the effectiveness of operations of the audit function of the Company, review the systems and procedures of internal control, oversee the Company's financial reporting process, review the periodical and annual financial statements before submission to the Board with the management and ensure compliance with the regulatory guidelines. The Audit Committee which acts as a link between the management, external and internal auditors and the Board of Directors of the Company is responsible for overseeing the Company's financial reporting process by providing direction to audit function and monitoring the scope and quality of internal and statutory audits.

The Committee further carries out the scrutiny of the quarterly/half-yearly/annual financial statements with reference to changes, if any in accounting policies and reasons for the same, review of internal audit function and overseeing of the vigil mechanism and approval or any subsequent modification of transactions of the Company with related parties.

(B) Composition, Meetings and Attendance of the Committee: The Audit Committee comprises of three Independent Directors. The Chairman of the Committee is an Independent Director. The composition of the Audit Committee and attendance of Directors at the Meetings (As on March 31, 2020) is shown below:

Name of Director	Category	No. of Meetings during the FY 2019-20	
		Held	Attended
Mr. Ravi Kohli	Chairman	4	3
Mr. Girish Sareen	Member	4	4
Mr. Sunil Jasuja	Member	4	4

Note: Number of Meetings represents the Meetings held during the period in which the Director was Member of the Committee.

4. Nomination and Remuneration Committee:

A) Terms of Reference: The Company has constituted a Nomination and Remuneration Committee of Directors. The powers, role and terms of reference of the Nomination and Remuneration Committee are as per the requirement of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the provisions of the Companies Act, 2013. The Committee formulates remuneration Policy and a policy on Board Diversity and also formulates the criteria for evaluation of Directors and the Board.

Performance Evaluation: The Nomination and Remuneration Policy of ADS has laid down the criteria for conducting performance evaluation of Board of Directors including Independent Directors. The evaluation criteria, inter-alia, covered various aspects of the board's functioning including its composition, attendance of Directors, participation levels, bringing specialized knowledge for decision making, smooth functioning of the Board and effective decision making.

(B) Composition, Meetings and Attendance of the Committee: The Nomination and Remuneration Committee comprises of three Independent Directors. The Chairman of the Committee is an Independent Director. The composition of the Nomination and Remuneration Committee and attendance of Directors at the Meetings (As on March 31, 2020) is shown below:

Name of Director	Category	No. of Meetings during the FY 2019-20	
		Held	Attended
Mr. Girish Sareen	Chairman	4	3
Mr. Ravi Kohli	Member	4	4
Mr. Sunil Jasuja	Member	4	4

Note: Number of Meetings represents the Meetings held during the period in which the Director was Member of the Committee.

(C) The following are the details of the remuneration paid to the managerial personnel during the financial year 2019-20:

1. Dr. Gautam Sehgal, Managing Director, from 01.04.2019 to 31.03.2020:

Particulars	Amount In (Rs.)
Salary & Allowances (excluding Perquisites):	6,077
Perquisites as per IT Act	Nil
Others	Nil
TOTAL =	6,077

(D) The Company pays sitting fees of Rs. 3000/- per Meeting for the Board and no sitting fee is being paid for Meeting of Committee thereof, to the Non-executive and Independent Directors. The Non-Executive and Independent Directors do not receive any remuneration besides the sitting fees.

5. Stakeholders' Relationship Committee:

(A) The Stakeholders' Relationship Committee comprises of three Independent Directors. The Chairman of the Committee is an Independent Director. The composition of the Stakeholders' Relationship Committee and attendance of Directors at the Meetings (As on March 31, 2020) is shown below:

Name of Director	Category	No. of Meetings during the FY 2019-20	
		Held	Attended
Mr. Sunil Jasuja	Chairman	4	4
Mr. Ravi Kohli	Member	4	3
Mr. Girish Sareen	Member	4	4

Note: Number of Meetings represents the Meetings held during the period in which the Director was Member of the Committee.

(B) The Committee considers and resolves the grievances of the security holders and approves of the share transfers, transmissions and transpositions, etc.

(C) Mr. N.L. Gayari, Company Secretary is the Secretary to the Committee and the Compliance Officer appointed for the compliance of capital market related laws.

(D) The number of complaints received from the shareholders during financial year 2019-20 and the number of pending complaints are shown below:

No. of Complaints received during the financial year 2019-20: 01
Pending as on March 31, 2020: Nil

(E) The Board of Directors has laid down a Code of Conduct for all Board Members and senior management of the Company, which has been posted on the website of the Company.

6. General Body Meeting:

Location and time, where last three Annual General Meetings held:

Financial Year	Date	Time	Location
2018-2019	September 27, 2019	11:30 A.M.	Indian Social Institute (ISI), 10 Institutional Area Lodi Road, New Delhi-110003
2017-2018	September 28, 2018	11:30 A.M.	Sikand Hall Delhi Tuberculosis Association 9, Institutional Area Lodhi Road New Delhi-110003
2016-2017	September 28, 2017	11:30 A.M.	-Do-

7. Disclosures:

(A) Related party transactions

There were no materially significant related party transactions during the FY 2019-20. The Company has formulated a policy of Related Party Transactions (RPTs) and the same is placed on the website of the Company and may be visited www.adtdiagnosticlimited.com. In terms of Section 134(3) (h) of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, there are no transactions to be reported in Form AOC 2.

(B) Disclosure of Accounting Treatment

In preparation of the Financial Statements, the Company has followed the accounting standards issued by the Institute of Chartered Accountants of India. The significant accounting policies have been set out in the notes to accounts.

(C) Risk Management

Business Risk Evaluation and Management is an ongoing process within the Company and there is a Risk Management Committee of Directors for overseeing the process. The Company has laid down Policies on Operational, Market and Credit risks for assessment and minimization of risks associated with the Company.

(D) Management Discussion and Analysis Report

Management Discussion and Analysis forms part of the Board's Report and is given separately in the Annual Report.

(E) Details of Compliance with Mandatory Requirements

The Company has duly complied with all the mandatory requirements as stipulated in Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Sandeep Tripathi & Associates, Practicing Company Secretary has certified the Corporate Governance Report for the Financial Year 2019-20 as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said certificate is appended to this report.

(F) Subsidiary Companies

The Company does not have any subsidiary.

(G) CEO/CFO Certificate

The certification under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by MD and CFO to the Board forms part of this report.

(H) Whistle Blower Policy

The Company already had an established and effective mechanism called the Whistle Blower Policy (Policy). The mechanism under the Policy has been appropriately communicated within the organization. Under the Whistle Blower Policy director(s) and employee(s) can report to the management their concerns about unethical behavior, actual or suspected fraud or violation of the ADS's code of conduct or ethics policy and to provide adequate safeguards to them against any sort of victimization on raising an alarm. The Policy also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

During the year under review, no instance of the protected disclosure has been made to the Designated Authority or to the Chairman of the Audit Committee.

(I) Details of Non-compliance with regard to Capital Market

There were no penalties, strictures imposed on the Company by SEBI or any statutory authority on any matter related to capital markets during the last three years.

8. Means of Communication:

Financial Result: Half yearly and quarterly results of the Company are published in "The Pioneer" in English and "HariBhoomi" in Hindi.

Website: The Company's website www.adtdiagnosticlimited.net contains the updated information pertaining to quarterly, half-yearly and annual financial results, shareholding pattern, important announcements, etc. The said information is available in a user friendly and downloadable form.

Annual Report: Annual Report containing inter alia Standalone Financial Statements, Directors' Report, Auditors' Report, Corporate Governance Report is circulated to the members and others entitled thereto and is also available on the website of the Company www.adtdiagnosticlimited.net. The relevant information relating to the Directors to be appointed/re-appointed at the ensuing Annual General Meeting is given in the Notice convening the Annual General Meeting.

Annual General Meeting:	Date: 29 th September, 2020 Time: 03:30 P.M. Venue: through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") facility.
Financial Calendar (Tentative): Results for quarter ending June 30, 2019 Results for quarter ending September 30, 2019 Results for quarter ending December 31, 2019 Results for quarter ending March 31, 2020	13 th August, 2019 14 th November, 2019 13 th February, 2020 7 th July, 2020
Dates of Book Closure	23.09.2020 to 29.09.2020, (both days inclusive)
Dividend Payment Date	Not Declared after 1995-96
Listing on Stock Exchange	Bombay Stock Exchange
Stock Code	523031 BSE
Market Price data	Securities of the Company is not actively trading
Performance in comparison to broad based indices	Securities of the Company is not actively trading
Registrar and Transfer Agent	the Company maintained at In-house Share Transfer facility
Share Transfer System	At present, shares for transfer, which are received in physical form, are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to documents being valid and complete in all respects.
Dematerialization of Shares and liquidity	The Company is in process of dematerialization of shares of the company.
Registered Office and address for Correspondence	114, Sant Nagar East of Kailash New Delhi-110065
Corporate Identity Number	L85110DL1984PLC018486

Distribution of Shareholding (as on March 31, 2020): The Equity Shareholding in ADS by major categories of Shareholders as on March 31, 2020 is as under:

(i) The distribution of shareholdings as on 31st March, 2020 is as follows:

Shares Holding of Nominal Value of Rs.	No. of Folios	%	No. of Shares Held	Percentage of Total Shares
Upto 2500	4603	83.418	5857050	26.742
2501-5000	665	12.051	2479600	11.294
5001- 10000	181	3.280	1448000	6.604
10001-20000	41	0.743	571250	2.605
20001-30000	7	0.127	171000	0.780
30001-40000	2	0.036	70000	0.319
40001-50000	1	0.018	50000	0.228
50001-100000	3	0.109	405000	1.847
100001-& above	12	0.218	10876100	49.581
Grand Total	5514	100.00	21928000	100.00

(ii) Shareholding pattern as on 31st March, 2020 is as follows:

Category	No. Of Shares	%
Indian Promoters	994210	45.34
Mutual Funds	25000	1.14
Financial Institutions/Banks	75300	3.43
Private Corporate Bodies Indian Public	1098290	50.09
TOTAL	21,92,800	100.00

Declaration of Compliance with the Code of Conduct as provided in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Dr. Gautam Sehgal, Managing Director and a member of the Board of Director of ADS Diagnostic Limited ("the Company") hereby acknowledge, confirm and certify that:

- All the directors and Senior Management Personnel have received, read and understood the Code of Conduct for Board Members and Senior Management of the Company.
- All the Directors/Senior Management Personnel are bound by the said Code to the extent applicable to their functions as a member of the Board of Directors/Senior Management of the Company respectively;
- Since the date of appointment as a Directors/Senior Management Personnel of the Company, all the Directors/Senior Management Personnel, have affirmed compliance with the provision of the Code of Conduct which were adopted by the Company;
- Directors and senior Management personnel were not a party to any non-compliance with the said code.

Sd/-

Place: New Delhi
Date: 07.07.2020

DR. Gautam Sehgal
Managing Director
DIN-00034243

Management Discussion & Analysis Report

The Management of ADS Diagnostic Ltd., have pleasure in presenting its analysis report covering its 02 (Two) Divisions.

- a) Medical Diagnostic Services.
- b) Sales & Service of Medical Equipments.

A) Medical Diagnostic Service Division:-

The Medical Diagnostic Services business is full of competition from the existing Centers in and around Delhi; therefore, the company has diversified into Medical Equipment sales and services and decided to shut down his Medical Diagnostic Services. The company has gradually phase out the Diagnostic Services Division due to the lower margin & reduction in rates of SCAN.

B) Medical Equipments Sales & Services Division:-

This Division of the company has performed excellent during the current year. The revenue from this division has increased from Rs. 638.36 Laes to Rs. 895.14 Laes and the management is hopeful to increase revenue from this division further in coming years as more & more Equipment will be purchased by the Government hospitals to provide health for the entire citizen. The outlook of this division is very bright and company will be able to earn more revenue from this division. Management expects increase in attrition of technical person due to more competitors coming in this field. However it is making efforts to retain talent by suitable incentives.

Outlook, Opportunities, Threats, Risks and Concerns

Your Company is continuously making sincere efforts to achieve the growth in the business. The long term objective of the Company is to remain strong player in the market with strong emphasis on product and market development. Your company is consolidating its position and making its best efforts to realize the maximum from the customer sand market.

Internal Control Systems and Their Adequacy

The Company has a proper adequate internal control system for assessment and eliminating various kinds of risks which include strategic, operational, financial, environment and reputation risk. The internal control is supplemented by an extensive internal audit, periodical review by the management and documented policies, guidelines and procedures. The internal control is designed to ensure that the financial reporting of various transactions, efficiency of operations, safeguarding of assets and compliance are reliable for preparing financial statements and other data and for maintaining accountability of assets.

Material Developments in Human Resource

In view of the prevailing challenging environment, ADS decided to enlarge its customer base and to increase its presence in various parts of the country.

Role of the Company Secretary in overall governance process

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

Observance of the Secretarial Standards issued by the Institute of Company Secretaries of India

The Institute of Company Secretaries of India (ICSI), one of India's premier professional bodies, has issued Secretarial Standards on important aspects like Board meetings, General meetings, Maintenance of Registers and Records, Minutes of Meetings, Transmission of Shares, Passing of Resolutions by Circulation, Affixing of Common Seal and Board's Report.

Although these standards, as of now, are recommendatory in nature, the Company substantially adheres to these standards voluntarily.

Scheduling and selection of agenda items for Board meetings.

Minimum five pre-scheduled Board meetings are held annually. Additional Board meetings are convened by giving appropriate notice to address the Company's specific needs. The meetings are usually held at the Company's office at 114, Sant Nagar East of Kailash, New Delhi-110065. The Company's various business heads / service heads are advised to Schedule their work plans well in advance, particularly with regard to matters requiring discussion/Approval/decision at Board/Board Committee meetings. Such matters are communicated by them to the Company Secretary in advance so that they are included in the agenda for Board/Board Committee meetings.

Board material distributed in advance

The agenda and notes on agenda are circulated to Directors in advance, and in the defined agenda format. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

Recording minutes of proceedings at Board and Committee meetings

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/ Board Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

Compliance

The Company Secretary, while preparing the agenda, notes on agenda, minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 1956/ Companies Act, 2013 read with rules issued there under, as applicable and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

CEO/CFO Certification

We, Dr. Gautam Sehgal, Managing Director and N.L. Gayari Chief Financial officer & Company Secretary of the Company certify that:

- A) We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2020 and that to the best of our knowledge and belief:
- These statements do not contain any material untrue statement or omit any material fact or contain statement that might be misleading.
 - These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year which are fraudulent, illegal or violation of the Company's code of Conduct.
- C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D) We have indicated to the Auditors and the Audit Committee that:
- There has not been any significant changes in internal control over financial reporting during the year ended March 31, 2020.
 - There has not been and significant changes in accounting policies during the year ended March 31, 2020 requiring disclosure in the notes to the financial statements; and
 - There has not been any instance of significant fraud during the year ended March 31, 2020.

Sd/-

Sd/-

Place: New Delhi
Date: July 07, 2020

Dr. Gautam Sehgal
Managing Director

N.L. Gayari
CFO & Company Secretary

CERTIFICATE IN TERMS OF CLAUSE 49 (IX) OF THE LISTING AGREEMENT

To,
The Board of Directors
ADS Diagnostic Limited

1. We have reviewed financial statements and the cash flow statement of ADS Diagnostic Limited for the year ended 31st March, 2020 and to the best of our knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
- That there are no significant changes in internal control over financial reporting during the year;
 - That there are no significant changes in accounting policies during the year; and
 - That there are no instances of significant fraud of which we have become aware.

Sd/-

Sd/-

Dr. Gautam Sehgal
Managing Director

N. L. Gayari
CFO & Company Secretary

Place: New Delhi
Date: 07.07.2020

A D S DIAGNOSTIC LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

	For the Year ended March 31, 2020 (Rs. in '000')	For the Year ended March 31, 2019 (Rs. in '000')
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before extraordinary items and tax	6,197	11,026
Add Back:		
(a) Depreciation	2,703	1,597
(b) Interest & Finance Charges	4,757	4,265
(c) Loss on sale of assets		
	13,657	16,938
Deduct:		
(a) Interest Income	926	785
(c) Interest Income on Financial assets	16	17
	942	802
Operating Profit /(Loss) before Working Capital Changes	12,715	16,136
Adjusted for		
(a) Change in Inventories	12,163	(49,993)
(b) Change in Trade Receivables	(24,816)	(3,976)
(c) Change in Other non current assets	102	345
(d) Change in Other current assets	508	419
(e) Change in Trade & other Payables	(13,731)	51,639
(f) Change in Other Current Liabilities	(22,739)	26,018
(g) Change in short term provisions	(65)	(487)
	(48,579)	23,966
Cash Generated from Operations	(35,864)	40,102
Less: Taxes Paid (net of refund)	1,518	1,854
Less: Dividend Paid (including Dividend Distribution Tax)	2,379	-
CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	(39,761)	38,248
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Inflow:		
(a) Interest Income	926	785
(b) Sale of Fixed Assets		
	926	785
Outflow:		
(a) Purchase of Fixed Assets (including Capital work in progress)	110	11,469
	110	11,469
CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	816	(10,683)

(C) CASH FLOW FROM FINANCING ACTIVITIES:			
Inflow:			
(a)	Secured Loan from Bank (incl current maturities)	29,391	-
(b)	Unsecured loans	18,990	5,299
(c)	Increase In Other Current financial liabilities	2,579	297
(d)	Decrease In Other Non Current financial Assets	-	-
(e)	Decrease In Other Current financial Assets	1,142	715
		<u>52,102</u>	<u>6,310</u>
Outflow:			
(a)	Repayment of Secured Loan from Bank(Incl current maturities)	5,875	18,232
(b)	Repayment of Unsecured loans	5,445	6,900
(c)	Interest Paid	4,757	4,265
(d)	Increase In Other Non Current financial Assets	7,738	420
(e)	Increase In Other Current financial Assets	-	-
(f)	Decrease In Other Current financial liabilities	-	-
		<u>23,814</u>	<u>29,816</u>
CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		28,287	(23,506)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS "A+B+C"		(10,658)	4,058
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR		17,674	13,616
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR		7,016	17,674
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		(10,658)	4,058
Notes:			
1 The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard (AS - 3) "Cash Flow Statement"			
2 Cash and Cash Equivalents include cash in hand and Bank balance.			
3 Previous year figures have been re-grouped/re-arranged wherever necessary to conform to those of current year.			
As per our Report of even date attached			
For V.N. Purohit & Co		For and on behalf of the Board of Directors of A D S Diagnostic Limited	
Chartered Accountants			
Firm Registration Number: 304040E			
Sd/-	Sd/-	Sd/-	
(O P Pareek)	Dr. Gautam Sehgal	Ravi Kohli	
Partner	Managing Director	Director	
Membership No.: 014238	DIN: 00034243	DIN: 01012554	
UDIN: 20014238AAAADA7882	B-29, Kailash Colony	2nd Floor, 114 Sant	
	New Delhi 110048	Nagar, East of Kailash	
		New Delhi-110065	
Place: New Delhi	N.L. Gayari		
Date: 07th July 2020	Chief Financial Officer & Company Secretary M No-FCS 2956		

A D S DIAGNOSTIC LIMITED
Balance Sheet as on 31 MARCH 2020

Particulars	Note No	As on 31st March 2020 (Rs. in '000')	As on 31st March 2019 (Rs. in '000')
Assets			
Non Current assets			
Property, Plant and Equipment	2	18,365	20,958
Financial Assets:			
(i) Investments	3	437	437
(ii) Other Financial Assets	4	9,132	1,379
Deffered Tax Assets (Net)	5	324	486
Other non current Assets	6	1,832	1,934
		<u>30,091</u>	<u>25,194</u>
Current Assets			
Inventories	7	79,573	91,735
Financial Assets:			
(i) Trade Receivables	8	50,963	26,147
(ii) Cash and Cash equivalents	9	7,016	17,674
(iii) Other Financial assets	10	732	1,583
Other Current Assets	11	5,237	5,200
		<u>142,521</u>	<u>142,339</u>
Total		<u><u>173,612</u></u>	<u><u>167,533</u></u>
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	22,451	22,451
Other Equity	13	10,660	7,686
		<u>33,111</u>	<u>30,137</u>
Non Current Liabilities			
Financial Liabilities:			
(i) Borrowings	14	13,383	5,153
		<u>13,383</u>	<u>5,153</u>
Current Liabilities			
Financial Liabilities			
(i) Borrowings	15	35,616	10,379
(ii) Trade payables	16		
(A) Total outstanding dues of micro enterprises and small enterprises			
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		69,140	82,872
(iii) Other Financial Liabilities	17	10,997	4,824
Other Current Liabilities	18	11,340	34,078
Short Term Provisions	19	25	90
		<u>127,118</u>	<u>132,243</u>
Total		<u><u>173,612</u></u>	<u><u>167,533</u></u>

Significant Accounting Policies

The accompanying notes form an integral part of the financial statements

As per our Report of even date attached

For V.N. Purohit & Co

Chartered Accountants

Firm Registration Number: 304040E

For and on behalf of the Board of Directors of A D S Diagnostic Limited

Sd/

(D P Pareek)
Partner
Membership No.: 014238
UDIN: 20014238AAAADA7882

Sd/

Dr. Gautam Sehgal
Managing Director
DIN: 00034243
B-29, Kailash Colony
New Delhi 110048

Sd/

Ravi Kohli
Director
DIN: 01012554
2nd Floor, 114 Sant
Nagar, East of Kailash
New Delhi-110065

Place: New Delhi
Date: 07th July 2020

N.L. Gayari
Chief Financial Officer & Company Secretary M No-FCS 2956

A D S DIAGNOSTIC LIMITED
Statement of Profit and Loss for the Year ended 31 March 2020

Particulars	Note No	For the year ended March 31 2020 (Rs. in '000')	For the year ended March 31 2019 (Rs. in '000')
Revenue from operations	20	135,243	89,514
Other income	21	8,071	1,772
Total Income		143,314	91,287
Expenses:			
Cost of materials consumed	22	89,011	35,128
Purchases of Stock-in-Trade			
Changes in inventories of finished goods work-in-progress and Stock-in-Trade			
Employee benefits expense	23	21,411	18,454
Finance costs	24	4,757	4,265
Depreciation and amortization Expense	25	2,703	1,597
Other expenses	26	19,236	20,766
Total expenses		137,117	80,210
Profit/(Loss) before exceptional items and tax		6,197	11,076
Exceptional items			
Profit/(Loss) before tax		6,197	11,076
Tax expense:			
(1) Current tax	973		
Less: MAT Credit availed	522	1,495	2,277
(2) Deferred tax		(11)	744
Less: MAT Credit entitlement for the year			(436)
Profit (Loss) for the year		4,713	8,492
Other Comprehensive Income			
(A) (i) Items that will be reclassified to profit or loss			
(ii) Income Tax relating to items that will be reclassified to profit or loss			
(B) (i) Items that will not be reclassified to profit or loss		291	305
(ii) Income Tax relating to items that will not be reclassified to profit or loss		(76)	(79)
Other Comprehensive Income		215	226
Total Comprehensive Income for the year (Comprising Profit / (Loss) and Other Comprehensive Income for the year)		4,928	8,718
Earnings per Equity Share (In Rupees)			
(1) Basic		2.15	3.87
(2) Diluted		2.15	3.87

Significant Accounting Policies

The accompanying notes form an integral part of the financial statements

As per our Report of even date attached
For V.N. Parohit & Co
Chartered Accountants
Firm Registration Number: 304040E

For and on behalf of the Board of Directors of A D S Diagnostic Limited

Sd/-
(O P Pareek)
Partner
Membership No.: 014238
UDIN: 20014238AAADA7882

Sd/-
Dr. Gautam Sehgal
Managing Director
DIN: 00034243
B-29, Kailash Colony
New Delhi 110048

Sd/-
Ravi Kohli
Director
DIN: 01012554
2nd Floor, 114 Sant
Nagar, East of Kailash
New Delhi-110065

Place: New Delhi
Date: 07th July 2020

N.L. Goyari
Chief Financial Officer & Company Secretary M No-FCS 2956

A D S DIAGNOSTIC LIMITED
Statement of changes in equity for the year ended March 31, 2020 (Rs. in '000')

A. Equity Share Capital

As at March 31, 2018	Changes during the year	As at March 31, 2019	Changes during the year	As at March 31, 2020
21,928	-	21,928	-	21,928

B. Other Equity

Particulars	Other Equity	Reserves & Surplus	Others Comprehensive Income	Total
	Equity Component of Other Financial Instruments	Retained Earnings	Remeasurement of Defined benefit plan	
Balance as at March 31, 2018	-	(819)	(211)	(1,030)
Addition/deduction during the year	-	8,490	226	8,718
Total for the year	-	8,490	226	8,718
Balance as at March 31, 2019	-	7,671	15	7,686
Addition/deduction during the year	-	4,713	215	4,928
MAT Credit entitlement of earlier year	-	425	-	425
Dividend on equity shares (Rs.0.90 per share)	-	(1,974)	-	(1,974)
Corporate dividend tax	-	(406)	-	(406)
Transfer to General Reserve	-	-	-	-
Total for the year	-	2,759	215	2,974
Balance as at March 31, 2020	-	10,430	230	10,660

Purpose of Each Reserve:

Retained Earnings is created from profits earned by the Company. This is a free Reserve & can be distributed to equity shareholders.

Note:

MAT credit of Rs.425 has been brought in the books in the year ended 31.3.2020 by adjusting from opening reserves.

As per our Report of even date attached
 For V.N. Purohit & Co
 Chartered Accountants
 Firm Registration Number: 304040E

Sd/-
 (O P Pareek)
 Partner
 Membership No.: 014238
 UIDIN: 20014238AAAADA7862

For and on behalf of the Board of Directors of A D S Diagnostic Limited

Sd/-
 Dr. Gautam Sehgal
 Managing Director
 DIN: 00034243
 B-29, Kailash Colony
 New Delhi 110048

Sd/-
 Ravi Kohli
 Director
 DIN: 01012554
 2nd Floor, 114 Sant
 Nagar, East of Kailash
 New Delhi-110065

N.L. Gayari
 Chief Financial Officer & Company Secretary M No-FCS 2956

Place: New Delhi
 Date: 07th July 2020

A D S DIAGNOSTIC LIMITED

Notes to the financial statements for the year ended March 31, 2020

Note 12:-SHARE CAPITAL

Particulars	As at 31.03.2020 (Rs. in '000')		As at 31.03.2019 (Rs. in '000')	
	No of shares	Amount	No of shares	Amount
Authorised Share Capital				
Equity share of Rs. 10 each	3,000,000	30,000	3,000,000	30,000
Total	3,000,000	30,000	3,000,000	30,000
Issued				
Equity Shares of Rs. 10 each	2,297,300	22,973	2,297,300	22,973
Less: Shares Forfeited	(104,500)	(1,045)	(104,500)	(1,045)
Total	2,192,800	21,928	2,192,800	21,928
Subscribed and Paid-up Share Capital				
Equity Shares of Rs. 10 each fully paid	2,192,800	21,928	2,192,800	21,928
Add: Forfeited Shares (Amount originally paid up)		523		523
Total	2,192,800	22,451	2,192,800	22,451

(a) Reconciliation of the share capital outstanding at the beginning and at the end of the reporting period

Particulars	As at 31.03.2020 (Rs. in '000')		As at 31.03.2019 (Rs. in '000')	
	No of shares	Amount	No of shares	Amount
Equity Shares				
At the beginning of the year	2,192,800	21,928	2,192,800	21,928
Issued during the year				
Outstanding at the end of the year	2,192,800	21,928	2,192,800	21,928

(b) Terms/ rights attached to shares

Equity Shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share and dividend as proposed by the board of directors which is subject to approval of the shareholders in the ensuing Annual General Meeting.

(c) Details of Shareholders holding more than 5% shares:

Particulars	As at 31.03.2020		As at 31.03.2019	
	No of shares	% holding	No of shares	% holding
Dr. Gautam Sehgal	129,600	5.91	129,600	5.91
Dr. Vivek Sehgal	206,250	9.41	206,250	9.41
Dr. (Mrs.) Vensha Sehgal	552,360	25.19	552,360	25.19

(d) Other clauses of Share Capital are not applicable to the company.

A D S DIAGNOSTIC LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	As at	
	March 31, 2020 (Rs. in '000)	March 31, 2019 (Rs. in '000)
11 Other Equity		
i) Surplus in the statement of profit and loss	10,430	7,671
ii) Other comprehensive income	330	15
Total	<u>10,660</u>	<u>7,686</u>

For movement during the year in Other equity, refer 'Statement of changes in equity'

Note-2

A D S DIAGNOSTIC LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(Rs. in '000)

Particulars	Plant & Machinery*	Vehicles	Office Equipments	Furniture & Fixture	Computers	Total
Cost or deemed cost						
Gross Block						
As at March 31, 2018	13,844	2,311	1,013	2,590	1,816	21,573
Additions	11,027	-	327	115	-	11,469
Disposals	-	-	-	-	-	-
As at March 31, 2019	24,871	2,311	1,340	2,705	1,816	33,042
Additions	-	-	74	36	-	110
Disposals	-	-	-	-	-	-
As at March 31, 2020	24,871	2,311	1,414	2,741	1,816	33,152
Accumulated Depreciation						
As at March 31, 2018	3,465	1,835	953	2,426	1,808	10,487
Depreciation for the year	1,344	145	75	25	8	1,597
As at March 31, 2019	4,808	1,980	1,028	2,451	1,816	12,084
Depreciation for the year	2,501	71	92	38	-	2,602
As at March 31, 2020	7,309	2,051	1,121	2,490	1,816	14,787
Net Block(As at March 31, 2019)	20,062	331	312	253	-	20,958
Net Block(As at March 31, 2020)	17,562	259	293	251	-	18,365

*Asset given on lease - also refer Note 32

A D S DIAGNOSTIC LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note No	Particulars	As on 31 March 2020 (Rs. in '000')	As on 31 March 2019 (Rs. in '000')
3	Investments		
	Investments in Paintings	437	437
		<u>437</u>	<u>437</u>
4	Other non-current Financial assets		
	Other Bank Balance -		
	- Balance in Bank (for Margin Money in the form of FDR)	7,688	1,220
	Earnest Money Deposit with Govt. Departments	760	159
	Prepaid Expenses	113	-
	Security Deposit on Financial Assets	571	-
		<u>9,132</u>	<u>1,379</u>
5	Deferred Tax Assets/Liability (Net)		
	Deferred Tax Assets -		
	- Staff Benefits & tax losses	104	12
	- MAT Credit entitlement	568	665
	(A)	<u>672</u>	<u>676</u>
	Deferred Tax Liabilities -		
	- Staff Benefits & tax losses	-	-
	- on account of WDV of assets	271	186
	- on account of Fair Valuation	76	4
	(B)	<u>347</u>	<u>190</u>
	Deferred Tax Assets (Net)	<u>324</u>	<u>486</u>
	Deferred Tax Assets (Liability)	<u>-</u>	<u>-</u>
6	Other non-current assets		
	Prepaid Expenses	1,332	1,434
	Security Deposit		
	- With Government Department (under protest)	500	500
		<u>1,832</u>	<u>1,934</u>
7	Inventories (at lower of Cost and NRV)		
	Stores and spares	79,573	84,818
	Goods in Transit (Stores & Spares)	-	6,917
		<u>79,573</u>	<u>91,735</u>
8	Trade receivables		
	Secured, Considered Good		
	Unsecured, Considered Good	50,963	26,147
	Doubtful	-	-
		<u>50,963</u>	<u>26,147</u>

9	Cash Bank Balances		
	Cash and cash equivalents		
	Balance with Banks	31	6,672
	Cash on hand	93	170
	Fixed Deposits(for Margin Money in the form of FDR)		600
	Other Bank Balances		
	Fixed Deposits(for Margin Money in the form of FDR)	6,892	10,232
		7,016	17,674
10	Other Financial assets		
	Interest accrued on Fixed Deposit with Banks		
	Deposits		
	- Earnest Money Deposit with Govt. Departments	260	1,583
	Prepaid Expenses	74	
	Surplus on provision of gratuity	399	
		732	1,583
11	Other current assets		
	Input Sales Tax & Service Tax/GST	808	1,191
	Advance to suppliers	2,129	2,587
	Prepaid expenses	334	65
	Staff Imprest & Advances	337	413
	Others - Duty Drawback including SAD	360	439
	TDS & Advance Payment of Income Tax (net of income tax provision)	1,035	490
	Other advances	234	14
		5,237	5,200

A D S DIAGNOSTIC LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note No	Particulars	As on 31 March 2020 (Rs. in '000')	As on 31 March 2019 (Rs. in '000')
14	Borrowings - Non current		
	Secured		
	Rupee Loan - From Bank*	13,383	5,153
		13,383	5,153
		13,383	5,153
	*Term Loan From Bank		
	The term loan stated above is taken from HDFC Bank and is secured by way of Security of the title deed of immovable property belonging to Dr. Versha Sehgal & Dr. Gautam Sehgal, Directors, who are mentioned as co-borrowers in the sanction letter.		
	The rate of interest in the previous year was floating rate of -10% with a tenure of 48 months beginning from 07th October 2016 with EMI of Rs.472973/-; this loan has since been topped up during the current financial year, and the rate of interest is now floating rate - 9.5% with a tenure of 48 months beginning from 07th March 2020 with EMI of Rs. 640659/-.		
15	Borrowings - Current		
	Secured		
	Working Capital Limit from Bank	11,692	
	Unsecured		
	Demand Loans from Related Parties	23,924	10,379
		35,616	10,379
	The Working Capital Limit from Bank stated is secured by way of hypothecation of the book debts and the equitable mortgage of the immovable property belonging to One of the Directors of the Company (Dr. Versha Sehgal).		
16	Trade payables		
	Total outstanding dues of Micro Enterprises and Small Enterprises		
	Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	69,140	82,872
		69,140	82,872
	Also Refer Note no. 31. Trade Payables include Rs Nil to related parties		
17	Other Financial liabilities		
	Current Maturities of Long Term Debt	6,095	2,500
	Other Expenses Payables	755	499
	Due to Staff	1,489	380
	Interest accrued but not due on borrowings	156	61
	Security Deposit on Leased asset	1,000	1,000
	Interest Payable	1,502	385
		10,997	4,824
18	Other Current Liabilities		
	TDS Payable	625	2,073
	GST Payable	639	9
	EPF payable	176	162
	Advance from Customers	9,900	31,835
		11,340	34,078
19	Short term Provisions		
	Provision for employee benefit		
	Gratuity		45
	Leave Encashment	25	46
		25	90

A D S DIAGNOSTIC LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the Year Ended 31 March 2020 (Rs. in '000')	For the Year Ended 31 March 2019 (Rs. in '000')
20 Revenue From Operations		
Sale of Trading Goods	106,345	56,419
Income from Servicing and Installation	20,706	19,235
Lease Rental Income	3,456	956
Export Sale & services	4,139	7,796
Distribution Commission Income	597	5,108
	<u>135,243</u>	<u>89,514</u>
21 Other Income		
Interest from Banks	926	785
Miscellaneous Income	7,129	970
Interest Income on Financial assets	16	17
	<u>8,071</u>	<u>1,772</u>
22 Cost of material Consumed		
Trading and Others		
Opening Stock	84,818	41,742
Add: Purchases	80,569	77,590
Add: Project Development Expenditure	3,196	614
Less: Closing Stock	79,573	84,818
	<u>89,011</u>	<u>35,128</u>
23 Employee Benefit Expense		
Salaries, wages, Bonus & Other Benefits	20,239	17,254
Staff Welfare	59	107
Contribution to provident and other funds	1,112	1,094
	<u>21,411</u>	<u>18,454</u>
24 Finance Cost		
Interest Expense on borrowings	4,150	3,657
Other Financing Charges	607	608
	<u>4,757</u>	<u>4,265</u>
25 Depreciation and Amortization expense		
Depreciation on Tangible Assets	2,703	1,597
	<u>2,703</u>	<u>1,597</u>

26 Other expenses

Business Promotion Expenses	375	427
Legal, Professional & Consultancy	600	460
Travelling & Conveyance Expenses	5,804	4,916
Postage & Telephone Expenses	227	205
Rent	1,253	871
Bank Charges	92	221
Commission and Brokerage	-	100
Rates & Taxes	322	353
Electricity, Water, Power & Fuel Expenses	209	296
Directors Sitting Fee	55	54
Printing & Stationery	193	204
Freight Charges	418	791
Insurance	277	313
Advertisement and Publicity	46	46
Warranty and Maintenance Expenses	2,110	9,151
Repair & Maintenance (machinery)	-	26
Repair & Maintenance (others)	146	155
Miscellaneous Expenses	839	1,232
Office Running & Maintenance	77	104
Amount Written Off	609	428
Exchange rate differences	5,405	188
Payment To Auditors		
- Audit Fee	135	135
- Tax Audit Fee	-	45
- Certification Fee	45	45
	<hr/>	<hr/>
	19,236	20,766

A D S DIAGNOSTIC LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(Rupees in '000s unless specified otherwise)

27

	PARTICULARS	As at March 31, 2020	As at March 31, 2019
i)	Contingent Liabilities (to the extent not provided for)		
a)	Custom Authorities demand in respect of which the Company is in appeal (Amount deposited under protest - Rs. 500)	4,000	4,000
b)	Directorate of Revenue show cause notice contested by the Company	5,602	5,602
c)	Income Tax demand in respect of which the Income Tax Department is in appeal	1,673	1,673
d)	TDS Demands for various financial years	87	68
ii)	Bank Guarantees		
a)	Performance Guarantee given by the Bank on behalf of the Company to Third Parties	58,325	47,631
b)	Margin Money against the above	15,340	12,052
iii)	Proposed Dividends		
a)	Proposed Dividend on 2192800 equity shares @ Rs 0.90 per equity share		1,974
b)	Dividend tax on the above		408

28. **Commitments:**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts, remaining to be executed on Capital Account	Nil	Nil

29. Earnings Per Share is computed in accordance with IND AS - 33 issued by the Institute of Chartered Accountants of India

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Net Profit/(Loss) for Basic Earnings Per Share as per Profit & Loss Account	4,713	8,492
No. of Equity Shares	2,192,800	2,192,800
Basic Earnings Per Share (In Rupees)	2.15	3.87
Face Value Per Share (In Rupees)	10	10

30. **Provident Fund – Defined contribution Plan**

a) The employees are entitled to Provident Fund Benefit as per law. The amount debited in the financial statements on account of employers contributions & related expense is Rs 939 during the year (Previous Year Rs 866).

During the year, the Company has recognized the Employer's Contribution to the Employees Pension Fund amounting to Rs. 120/- (Previous Year Rs. 135).

b) The Liability for Gratuity is provided on the basis of actuarial valuation made at the end of each financial year. The actuarial valuation is made on Projected Unit Credit method as per IND AS-19. ADS Diagnostic Ltd has constituted a gratuity fund trust with LIC of India for the benefit of employees.

c) Provision for Gratuity has been made as per actuarial valuation as below:

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Expenses recognized in the Income Statements for the year ended 31 st March 2020.		
1. Current Service Cost	446	442
2. Interest Cost	325	299
3. Employee Contribution	-	-
4. Net actuarial (gain)/loss recognized in the period	(240)	(276)
5. Past Service Cost	-	-

6. Settlement Cost	-	-
Total Expenses	531	465

ii. Expenses recognized in other comprehensive income for the year ended 31 st March 2020.	As at March 31, 2020	As at March 31, 2019
1. Net cumulative unrecognized actuarial gain / (loss) opening	82	387
2. Actuarial gain / (loss) for the year on PBO	(240)	(276)
3. Actuarial gain / (loss) for the year on Asset	(51)	(30)
4. Unrecognized actuarial gain / (loss) at the end of the year	(209)	82

iii. Net Asset/ (Liability) recognized in the Balance Sheet as at 31 st March 2019.	As at March 31, 2020	As at March 31, 2019
1. Present Value of Defined Benefit Obligation.	4,810	4,279
2. Fair Value of Plan Assets	(5,208)	(4,234)
3. Unfunded Status (Surplus/ Deficit)	-	-
4. Net Asset/(Liability) as at 31st March, 2019.	(399)	45

iv. Change in Obligation during the year ended 31 st March, 2019.	As at March 31, 2020	As at March 31, 2019
1. Present value of Defined Benefit Obligation at the beginning of the year.	4,279	3,814
2. Current Service Cost	446	442
3. Interest Cost	325	299
4. Settlement Cost	-	-
5. Past Service Cost	-	-
6. Employee Contributions	-	-
7. Actuarial (Gains)/Losses arising from:	(240)	(276)
- Change in demographic assumptions	-	-
- Change in financial assumptions	-	-
- Experience adjustment	-	-
8. Benefit Paid	-	-
9. Present Value of Defined Benefit Obligation at the end of the year.	4,810	4,279

v. Change in Assets during the Year ended 31 st March, 2019	As at March 31, 2020	As at March 31, 2019
1. Plan Assets at the beginning of the year.	4,234	3,237
2. Assets acquired on amalgamation in previous year	-	-
3. Charges	(9)	-
4. Actual return on Plan Assets	333	283
5. Contribution by Employer	650	714
6. Actual Benefit Paid	-	-
7. Plan Assets at the end of the year.	5,208	4,234

vi. Assets/Liabilities:	As on	31.03.20	31.03.19	31.03.18

		Gratuity		
A	PBO(C)	4,810	4,279	3,844
B	Plan Assets	5,208	4,234	3,237
C	Net Assets/ (Liabilities)	(399)	45	577

vii. Experience on actuarial Gain / (Loss) for PBO and Plan Assets:

		As on	31.03.20	31.03.19	31.03.18
		Gratuity			
A	On Plan PBO	(240)	(278)	(205)	
B	On Plan Assets	51	30	10	

viii. Actuarial Assumptions

(i)	Discount Rate	6.66
(ii)	Mortality Table	ILM (2012-14)
(iii)	Turnover Rate	Up to 30 years - 4%, 31-44 years -3%, Above 44 years -1%

31 Disclosure as required under Notification No. G.S.R. (E) dated 4th September, 2015 read with notification dated 22nd January 2019 issued by the Ministry of Corporate Affairs (As certified by the Management)

Sl No.	Particulars	March 31, 2020	March 31, 2019
a)	The principal amount and interest due thereon remaining unpaid to any supplier		
	-Principal Amount	Nil	Nil
	-Interest Amount	Nil	Nil
b)	The amount of interest paid by the buyer in terms of section 16, of the Micro.	Nil	Nil
c)	The amount of interest due and payable for the year of delay in making	Nil	Nil
d)	The amount of interest accrued and remaining unpaid	Nil	Nil
e)	The amount of further interest remaining due and payable even in the	Nil	Nil

32 LEASES:

a) Operating lease taken

Operating lease obligations: The company has taken Godowns on operating lease basis. The lease rentals are payable by the company on a monthly basis. Future minimum lease rentals payable as at 31st March, 2020 as per the lease agreements are as under:

		(Amount in Rs.)	
Particulars	March 31, 2020	March 31, 2019	
i) Not later than one year	1,147	157	
ii) Later than one year but not later than five years	-	-	
iii) More than five years	-	-	

Lease payments recognized in the statement of profit and loss are Rs. 1324 (less amount recovered Rs.71) (Previous years Rs. 955 (less amount recovered Rs.94)

b) Operating lease given:

i) Details of assets given on operating lease: The company has given Plant & Machinery (Medical Equipments) on operating lease basis.

		(Amount in Rs.)	
Particulars	March 31, 2020	March 31, 2019	
i) Gross block	24,871	24,871	
ii) Accumulated depreciation	7,309	4,808	
iii) Net block	17,562	20,062	

ii) Future minimum lease rentals receivable as at 31st March, 2020 as per the lease agreements are as under:

		(Amount in Rs.)	
Particulars	March 31, 2020	March 31, 2019	
i) Not later than one year	3,384	3,456	
ii) Later than one year but not later than five year	2,118	5,502	
iii) More than five years	-	-	

Lease income recognized in the statement of profit and loss is Rs. 3456 (previous year Rs. 956)

b) Finance lease:

The company has acquired plant and machinery and vehicles under finance lease with the respective underlying assets as security/ Minimum lease payments (MLP) outstanding as at 31/03/2020 is Nil (Previous Year Rs. Nil)

33 Earnings & Expenditure in Foreign exchange/foreign currency & CIF value of imports

a. Earnings in Foreign exchange:

Particulars	Year ended 31.03.2020	Year ended 31.3.2019

Commission Income	-	5,109
Reimbursement of Expenses	6,911	881
Export of Trading Goods/Service	4,139	7,796

b. Expenditure in Foreign Currency:

Particulars	Year ended 31.03.2020	Year ended 31.3.2019
Foreign Travel	235	14
	235	14

c. CIF Value of Imports:

Particulars	Year ended 31.03.2020	Year ended 31.3.2019
Trading Goods	58,839	64,221
Capital Goods	-	11,027
	58,839	75,248

34. Related Party Disclosures, as required in accordance with Ind AS-24 are given below:

Relationships (Related party relationships are as identified by the Company and relied upon by the Auditors)

A. Key Managerial Personnel:

Directors & Others

- 1 Dr. Gautam Sehgal, Managing Director
- 2 Dr. (Mrs.) Versha Sehgal, Director
- 3 Dr. Vivek Sehgal, Director
- 4 Mrs. Radhika Sehgal, Director
- 5 Narayan Lal Gayari, CFO & Company Secretary

(Dr. Gautam Sehgal, Managing Director, is related to Dr. (Mrs.) Versha Sehgal, Director, Dr. Vivek Sehgal, Director and Mrs. Radhika Sehgal, Director)

B. Enterprises Over which Key Managerial Personnel are able to Exercise Significant Influence

- 1 Ved Med Software & Trading Private Limited
- 2 Cardiovas Medical Private Limited
- 3 Dr. A. D. Sehgal & Sons (HUF)
- 4 M/s Small Gift Shop

Transactions carried out with related parties referred to above:

Nature of Transactions	Relation	Current Year	Previous year
A. INCOME			
B. EXPENSES			
Common Sharing expenses			
- Ved Med Software & Trading Private Limited	B1	148	225
Interest Paid			
- Dr. Gautam Sehgal	A1	804	532
- Dr. (Mrs) Versha Sehgal	A2	442	388
Managerial Remuneration			
- Dr. Gautam Sehgal	A1	6,076	5,525
- Narayan Lal Gayari	A5	2,304	2,056
Rent Paid			
- Dr. Gautam Sehgal	A1	314	302
C. PAYABLES			
Unsecured Loans			
- Dr. Gautam Sehgal	A1	16,073	6,080
- Dr. (Mrs) Versha Sehgal	A2	7,577	4,077
- Ved Med Software & Trading Private Limited	B1	276	243

35. **Capital Management**

i. The Company manages its capital to ensure that the company will be able to continue as going concerns while maximising the return to stakeholders through the optimization of the debt and equity balance.

ii. The capital structure of the Company consists of net debt (borrowings as detailed in notes 15, (Current maturity of long term borrowings offset by cash and bank balances) and total equity of the company.

- iii. The Company's risk management committee reviews the capital structure of the Company at regular interval.

Gearing ratio:-

The gearing ratio at end of the reporting period was as follows.

Particulars	As at March 31, 2020	As at March 31, 2019
Debt	55,094	18,032
Cash and bank balances	7,016	17,674
Net debt	48,078	358
Total equity	33,111	30,137
Net debt to equity ratio	1.45	0.01

36. **Categories of Financial Instruments and its fair value measurement**

Financial assets	As at March 31, 2020	As at March 31, 2019
Measured at amortised cost		
(i) Trade receivables	50,963	26,147
(ii) Cash and Bank balance	7,016	17,674
(iii) Loans		
(iv) other financial assets	732	1,583
Measured at Cost		
(v) Investment in subsidiaries		
Total	58,712	45,404

Financial liabilities	As at March 31, 2020	As at March 31, 2019
Measured at amortised cost		
(i) Borrowings	55,094	18,032
(ii) Other financial liabilities	4,903	2,324
(iii) Trade and other payables	69,140	82,872
Total	129,137	103,228

Fair value Measurement

Particulars	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at March 31, 2020	As at March 31, 2019		
Financial assets				
Security Deposits	1,331	159	Level 2	Discounted cash flow at a discount rate that reflects the company's current borrowings rate at the end of reporting period.
Financial Liabilities				
Borrowings	55,094	18,032	Level 2	Discounted estimated cash flow through the expected life of the borrowings.
Security Deposits	1,000	1,000	Level 2	Discounted cash flow at a discount rate that reflects the company's current borrowings rate at the end of reporting period.

The fair values of current debtors, bank balances, current creditors and current borrowings are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

Particulars	Carrying value	
	As at March 31, 2020	As at March 31, 2019
(i) Financial assets - Current		

Trade receivables	50,963	26,147
Cash and cash equivalents	124	7,442
Bank Balances	14,580	11,452
Loans		
Other Financial assets	732	1,583
ii) Financial liabilities - Current		
Trade payables	69,140	82,872
Other Financial liabilities (other than current maturity of loan)	4,903	2,324

37 Financial risk management

The company's activities expose it to variety of financial risk: market risk, credit risk and liquidity risk. The company's focus is to see the unpredictability of financial markets and seek to minimize potential adverse effect on its financial performance.

The Corporate Treasury function reports at regular interval to the company's risk management group that monitors risks and policies implemented to mitigate risk exposures.

Market Risk

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

a) Foreign currency risk management

The company does not have any material foreign currency exposure.

b) Interest rate risk management

The company is exposed to interest rate risk because company borrow funds at both fixed and floating interest rates. The risk is managed by the company by maintaining an appropriate mix between fixed and floating rate borrowings.

The company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Particulars	Interest Impact	
	As at March 31, 2020	As at March 31, 2019
If increase by 50 basis point		
Impact on profit or loss for the year before tax	136	78
Impact on total equity as at the end of the reporting period	-136	-78
If decrease by 50 basis point		
Impact on profit or loss for the year	136	78
Impact on total equity as at the end of the reporting period	-136	-78

c) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the company uses other publicly available financial information and its own trading records to rate its major customers. The company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

d) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short-term, medium-term and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

Particulars	Within 1 year	1-5 years	5+ years	Total	Carrying amount
As at March 31, 2020					
Borrowings (Including Current Maturities of Long Term Debt)	41,711	13,383	-	55,094	55,094
Trade payables and other payables	69,140	-	-	69,140	69,140
Other financial liabilities (Excluding Current Maturities of Long Term Debt)	3,903	-	-	3,903	3,903
Security Deposits	1,000	-	-	1,000	1,000
Total	115,754	13,383	-	128,137	

Particulars	Within 1 year	1-5 years	5+ years	Total	Carrying amount
As at March 31, 2019					
Borrowings	41,711	5,153	-	46,863	46,863
Trade payables and other payables	82,872	-	-	82,872	82,872
Other financial liabilities	1,324	-	-	1,324	1,324
Security Deposits	1,000	-	-	1,000	1,000
Total	126,906	5,153	-	132,058	

38 The reconciliation of Tax Expenses and Tax on Accounting Profit as per "IND AS 12- Income Tax" is as under:

		Year Ended 31st March 2020	Year Ended March 31st, 2019
A	Accounting Profit(Profit before Tax)	6,197	11,076
B	Normal Tax Rate(including surcharge & cess)	26.0000%	26.0000%
C	Tax Amount (A x B)	1,611	2,880
D	Add: Effect of Non deductible expenses for tax purposes(net)	(116)	(388)
E	Add: Effect of brought forward tax losses/unabsorbed depreciation	-	(652)
F	Net Current Tax amount (C + D + E)	1,495	1,841
G	Effective Tax Rate	24.1261%	16.6173%
H	Rate of Tax under Minimum Alternate Tax (MAT) u/s 115Jb of Income Tax Act -	15.6000%	20.5868%
I	Add/(Less): Adjustments	43	(17)
J	Tax as per MAT (A+I) x H	973	2,277
K	MAT Credit Entitlement (Asset) u/s 115JAA	568	665
L	Effect of "Non deductible expenses for tax purposes" on the "Effective Tax Rate"	(481)	(2,333)

39 Details of movement of deferred tax assets/liabilities and charge in Statement of profit & loss Year ended 31.03.2020

Particulars	Opening balance	Recognised in Profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Provision for employee benefits		104		104
Provision for employee benefits	12	(12)		0
On account of Fair Valuation	(4)	4		
Deferred Tax Assets Total	7	96		104
Deferred tax liabilities on account of				
Due to depreciation	186	85		271
Others				
Deferred Tax Liabilities Total	186	85		271
Deferred Tax (Net)	(179)	11		(168)
Effect in Profit & Loss		(11)		

Figures for previous Year ended 31.03.2019

Particulars	Opening balance	Recognised in Profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Provision for employee benefits	150	(138)		12
Unabsorbed depreciation Business loss & Tax disallowance benefit carried forward and others	515	(515)		
On account of Fair Valuation	15	(15)	(4)	(4)
Deferred Tax Assets Total	680	(669)	(4)	7
Deferred tax liabilities on account of				
Due to depreciation	111	75		186
Others				
Deferred Tax Liabilities Total	111	75		186
Deferred Tax (Net)	569	(744)	(4)	(179)
Effect in Profit & Loss		744		

40 The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses as at March 31, 2020

41 All the figures have been rounded off to the nearest thousand rupee.

42 Previous year figures have been reworked/regrouped/rearranged wherever necessary to conform to those of current year.

43 "The outbreak of COVID-19 pandemic is causing significant disturbance and slowdown of economic activities globally. The nationwide lockdown ordered by the Government of India has resulted in significant reduction in economic activities and also the business operations of the Company in terms of sales and production. The management has considered the possible effects that may result from the pandemic on the recoverability / carrying value of the assets. Based on the current indicators of future economic conditions, the management expects to recover the carrying amount of the assets, however the management will continue to closely monitor any material changes to future economic conditions. Given the uncertainties, the final impact on the Company's assets in future may differ from that estimated as at the date of approval of these financial results."

Signatures to Notes No. 1 to 43

The accompanying notes form an integral part of the financial statements

As per our Report of even date attached
For V.N. Purohit & Co
Chartered Accountants
Firm Registration Number: 304040E

For and on behalf of the Board of Directors of A D S Diagnostic Limited

Sd/-
(O P Pareek)
Partner
Membership No.: 014238

Sd/-
Dr. Gautam Sehgal
Managing Director
DIN: 00034243
B-29, Kailash Colony
New Delhi 110048

Sd/-
Ravi Kohli
Director
DIN: 01012554
2nd Floor, 114 Sant
Nagar, East of Kailash
New Delhi-110065

Place: New Delhi
Date: 07th July 2020

N.L. Gayari
Chief Financial Officer & Company Secretary M No-FCS 2

Independent Auditor's Certificate on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of A D S Diagnostic Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 4th May 2020.
2. The Corporate Governance Report prepared by A D S Diagnostic Limited ("the Company") with respect to Corporate Governance for the year ended March 31, 2020, contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations"), pursuant to the Listing Agreement of the Company with the Bombay Stock Exchange Limited.

Managements' Responsibility

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended 31st March, 2020.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

V.N. PUROHIT & CO.

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7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

FOR V.N. PUROHIT & CO.

Chartered Accountants

Firm Regn. No. 304040E

O.P. Pareek

Partner

Membership No. 014238

UDIN: 20014238AAAAEW6971

New Delhi, the 4th day of September 2020

Independent Auditor's Report

To
The members of
A D S DIAGNOSTIC LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **A D S DIAGNOSTIC LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2020, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity 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 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 31st March, 2020, and the net profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those 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 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 ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described hereunder to be key audit matters to be communicated in our report.

V.N. PUROHIT & CO.
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Key audit matters	Auditor's response
<p>Measurement of Revenue</p> <p>As per Ind AS 115, measurement of revenue to be made on transaction price.</p>	<p>Our audit procedure inter- alia included the following-</p> <ul style="list-style-type: none">• We used assessment of overall control environment relevant for measurement of revenue.• We performed testing of journal entries, with particular focus on manual adjustment to revenue account, to mitigate the risk of manipulation of revenue and profit figures.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and the auditor's report thereon.

Our opinion on the financial statement 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 during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and

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using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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 a reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our 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 due to fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- (i) 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- (ii) Obtain an understanding of the internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) 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.
- (v) 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.

Materiality is the magnitude of misstatements in the financial statement, individually or in aggregate, makes it probable that the economic decision of reasonable knowledgeable user of the financial statement may be influenced.

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We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our work; and, (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 controls that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We draw your attention to Note 43 of the financial statement which explains the uncertainties and management's assessment of the financial impact due to the lockdown/ restrictions related to COVID-19 pandemic imposed by the Government for which definitive assessment of the impact is dependent upon the future economic conditions. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, 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, Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - d. In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act;
 - e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

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- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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 has disclosed the impact, if any of pending litigations on its financial position, in its financial statements (Refer Note 27 of the financial statements).
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund.

FOR V. N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

S/d-
O. P. Pareek
Partner
Membership No. 014238
UDIN: - 20014238AAAADA7882

New Delhi, the 7th day of July, 2020

V.N. PUROHIT & CO.
Chartered Accountants

ANNEXURE- A TO THE AUDITOR'S REPORT

The Annexure referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date to the members of **A D S DIAGNOSTIC LIMITED** for the year ended on 31st March 2020.

- (i) (a) As per information and explanation given to us, the company is maintaining proper records showing full disclosures of fixed assets.
- (b) As per information and explanation given to us, physical verification of fixed assets has been conducted once in a year by the management and no material discrepancies were noticed during the course of verification.
- (c) According to information and explanation given to us, the Company does not hold any immovable properties during the period dealt with under this report;
- (ii) As per information and explanation given to us, physical verification of inventory has been conducted once in a year by the management and no material discrepancies were noticed during the course of such physical verification;
- (iii) According to information and explanation given to us, the Company has not granted any loans to parties covered in register maintained under section 189 of the Companies Act, 2013;
- (iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities so given.
- (v) According to information and explanations given to us, the Company has not accepted public deposits and the provision of section 73 to 76 or other relevant provisions of the Companies Act, 2013 and rules framed thereunder are not applicable to the Company;
- (vi) According to information and explanations given to us, the Company is not liable to maintain cost records as prescribed under section 148(1) of the Companies Act, 2013;
- (vii) (a) According to information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including income-tax and any other applicable statutory dues to the appropriate authorities and there are no outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable;
- (b) According to information and explanation given to us, there are no outstanding statutory dues on part of the Company which is not deposited on account of dispute *except the following*:-

Name of Statute	Name of Statutory Due	Year to which Demand relates	Amount (in Rupees)	Forum where dispute is pending
Customs Act, 1962	Duty of Customs	1995-96	40,00,000 (Amount deposited under protest Rs. 5,00,000)	Commissionerate
		1993-94	56,01,507	Commissionerate (Directorate of Revenue Intelligence)

V.N. PUROHIT & CO.

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<i>Income Tax Act, 1961</i>	<i>Income Tax Demand</i>	<i>A.Y 1988-89, & A.Y 1989-90</i>	<i>18,73,290</i>	<i>High Court</i>
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- (viii) According to information and explanations given to us, the company has not defaulted in repayment of any loans and borrowings from banks. The Company has not obtained any borrowings from government or financial institutions nor has it issued any debentures;
- (ix) According to information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer. However, Terms loans were applied for the purpose for which those were raised;
- (x) According to information and explanations given to us, there is no noticed or unreported fraud on or by the Company during the year under audit;
- (xi) According to information and explanations given to us, the Company has paid managerial remuneration in accordance with the applicable provisions of the Companies Act, 2013;
- (xii) As per information, the Company is not a Nidhi Company, hence provisions of clause (xii) of the Paragraph 3 of the Order are not applicable;
- (xiii) According to information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards;
- (xiv) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year;
- (xv) According to information and explanations given to us, the Company has not entered into non- cash transactions with directors or persons connected with him;
- (xvi) According to information and explanations given to us, the Company is not a Non- Banking Financial Company and is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Signed for the purpose of identification

FOR V. N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

S/d-

O.P. Pareek
Partner
Membership No. 014238
UDIN: - 20014238AAAADA7882

New Delhi, the 7th day of July, 2020

V.N. PUROHIT & CO.
Chartered Accountants

ANNEXURE- B TO THE AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **A D S DIAGNOSTIC LIMITED** as on 31st March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for the Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidences we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting 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

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principles. A Company's internal financial control over financial reporting 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 the receipt and expenditures of the Company are being only in accordance with authorizations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised 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 over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on "the internal financial controls over financial reporting criteria 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".

FOR V. N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

S/d-

O. P. Pareek
Partner
Membership No. 014238
UDIN: - 20014238AAAADA7882

New Delhi, the 7th day of July, 2020

Note 1:- SIGNIFICANT ACCOUNTING POLICIES

General Information of the Company:-

A D S DIAGNOSTIC LIMITED was incorporated on June 23, 1984 in New Delhi and has its registered office at 114, Sant Nagar, East of Kailash, New Delhi-110065, India. The shares of the Company are listed on Bombay Stock Exchange (BSE). The company is engaged in the business of trading of diagnostic medical consumables & electronic consumables, and services of medical equipment's & machines.

Significant Accounting Policies

1. Basis of preparation:-

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time. The Company has adopted Ind AS 115, Revenue from Contract with Customers with effect from 1st April 2018 and it is detailed in Significant Accounting Policy No. 16 below.

The preparation of the Company's financial statements in conformity with Indian Accounting Standards requires the Company to exercise its judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that effect the reported amounts of assets and liabilities at the date of the financial statements. These estimates and assumptions are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances and presented under the historical cost convention on accrual basis of accounting. Accounting policies have been applied consistently to all periods presented in these financial statements.

All assets and liabilities have been classified as current or non-current as per the operating cycle of the company as per the guidance set out in the Schedule III to the Companies Act, 2013.

2. Use of Estimates:-

The preparation of financial statements require estimates and assumptions to be made that affect the reported amount of asset and liabilities on the date of the financial statements and the reported amount of the revenue and the expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

3. Property, Plant and Equipment (PPE): -

PPE are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The initial cost of PPE comprise its cost of acquisition or construction inclusive of freight, erection & commissioning charges, duties and taxes and other incidental expenses related thereto.

All other expenditure related to existing assets including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss in the period during which such expenditure is incurred.

The carrying amount of a property, plant and equipment is de-recognised when no future economic benefits are expected from its use or on disposal.

Machine spares that can be used only in connection with an item of fixed asset and their use is expected for more than one year are capitalized.

Depreciation on property plant and equipment is provided on straight line method based on estimated useful life of assets as prescribed in Schedule II to the Companies Act, 2013.

The property, plant and equipment acquired under finance leases, if any, is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

Cost of leasehold land, other than acquired on perpetual basis, is amortized over the lease period.

Depreciation on the assets purchased during the year is provided on pro-rata basis from the date of purchase of the assets.

Gains and losses on de-recognition/disposals are determined as the difference between the net disposal proceeds and the carrying amount of those assets. Gains and Losses if any, are recognised in the statement of profit or loss on de-recognition or disposal as the case may be.

4. Intangible Assets:-

Intangible assets acquired separately are measured on initial recognition at cost less accumulated amortisation and accumulated impairment losses, if any.

The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

The amortisation period and method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from use. Gains and losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is de-recognised or on disposal.

5. Inventories:-

The inventories of diagnostic consumable and trading goods are stated at cost or net realisable value, whichever is lower. The method used in determining the cost of inventories is First In First Out.

6. Impairment of tangible assets and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication based on internal/ external factors that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When

it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

7. Foreign Exchange Transactions:-

These financial statements are presented in Indian rupees (INR), which is the Company's functional currency.

Transactions in foreign currency are recorded on initial recognition at the spot rate prevailing at the time of the transaction.

At the end of each reporting period,

- Monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.
- Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

- Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- i. Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as adjustment to interest costs on those foreign currency borrowings
- ii. The exchange differences arising on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded in so far as they relate to the acquisition of depreciable capital assets are shown by addition to/deduction from the cost of the assets as per exemption provided under IND AS 21 read along with Ind AS 101 appendix 'D' clause-D13AA.

8. Borrowing Cost:-

Borrowing costs specifically relating to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are charged to profit & loss account in the period in which it is incurred except loan processing fees which is recognized as per Effective Interest Rate method. Borrowing costs consist of interest and other costs that Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

9. Employee Benefits:-

Contribution to Provident fund- Retirement benefits in the form of Provident fund / Pension Schemes are defined contribution schemes and the contributions

are charged to the Profit & Loss Account in the year when the contributions to the respective funds become due. The Company has no obligation other than contribution payable to these funds.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year. A D S Diagnostic Ltd. has constituted a gratuity fund trust with LIC of India for the benefit of employees. The difference between the actuarial valuation of gratuity for employees at the year-end and the balance of funds with trust is provided for as liability in the books.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment.

10. Tax Expenses:-

Income Tax expense comprises of current tax and deferred tax charge or credit. Provision for current tax is made with reference to taxable income computed for the financial year for which the financial statements are prepared by applying the tax rates as applicable.

Current Tax:-Current Income tax relating to items recognized outside the profit and loss is recognized outside the profit and loss (either in other comprehensive income or in equity)

Minimum Alternate Tax (MAT):- The company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the Company recognizes MAT Credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset, shown as "MAT Credit Entitlement" is created by way of credit to the statement of Profit and Loss and is grouped with

deferred tax. The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period. MAT is recognized under Non-current Assets as a Deferred Tax Asset.

Deferred Tax:- Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed as at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will not be available against which deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

11. Leases:-

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

As a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Assets subject to operating leases are included in PPE. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

As a lessee

Leases in which significant portions of risks and reward of ownership are not transferred to the company as lessee are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred. Lease hold land is considered as operating lease and amortised over the lease term.

Leases where the lessor effectively transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases and are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

12. Fair Value Measurement:-

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a

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

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

13. Financial Instrument

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

Financial assets includes Trade receivable, loan to body corporate, loan to employees, security deposits and other eligible current and non-current assets

Financial liabilities includes Loans, trade payable and eligible current and non-current liabilities

i. Classification:-

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

A financial asset is measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or fair value through profit or loss.

ii. Initial recognition and measurement:-

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value at initial recognition, plus or minus, any transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss.

iii. Financial assets subsequent measurement:-

Financial assets as subsequent measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) as the case may be.

Financial liabilities as subsequent measured at amortised cost or fair value through profit or loss.

iv. Effective interest method :-

The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial a classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

v. Trade Receivables:-

Trade receivables are the contractual right to receive cash or other financial assets and recognized initially at fair value. Subsequently measured at amortised cost (Initial fair value less expected credit loss). Expected credit loss is the difference between all contractual cash flows that are due to the company and all that the company expects to receive (i.e. all cash shortfall), discounted at the effective interest rate.

vi. Cash and cash Equivalents:-

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

vii. Impairment of Financial Assets:-

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL,

unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

viii. Financial liabilities:-

Financial liabilities are recognized initially at fair value less any directly attributable transaction costs. These are subsequently carried at amortized cost using the effective interest method or fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments

ix. Trade payables :-

Trade payables represent liabilities for goods and services provided to the Company prior to the end of financial year and which are unpaid. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period or not paid/payable within operating cycle. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

x. Borrowings:-

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the company does not classify the liability as current, if the lender agreed, after the reporting period

and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

xi. Equity Instruments:-

An equity instrument is any contract that evidences a residual interest in the assets of company after deducting all of its liabilities. Equity instruments are recognised at the proceeds received, net of direct issue costs.

xii. Derecognition of financial instrument:-

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

xiii. Offsetting of financial instruments:-

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

xiv. Financial guarantee

Financial guarantee contracts issued by the entities are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of IND AS 109 and the amount recognised less cumulative amortization.

xv. Derivative Financial Instruments:-

Derivatives are initially recognised at fair value at the date the derivative contracts are entered and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging

instrument, in which event the timing of the recognition in profit or loss depends on the nature of hedging relationship and the nature of the hedged item.

14. Provision and Contingent Liability:-

- i. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.
- ii. Contingent liabilities, if material, are disclosed by way of notes unless the possibility of an outflow of resources embodying the economic benefit is remote and contingent assets, if any, is disclosed in the notes to financial statements.
- iii. A provision is recognized, when company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made for the amount of obligation. The expense relating to the provision is presented in the profit and loss net of any reimbursement.

15. Earnings Per Share

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

16. Revenue:-

Revenue Recognition:

- i. Effective April 1, 2018, the Company has applied Ind AS 115 'Revenue from Contracts with Customers' which establishes a comprehensive framework

for determining whether, how much and when revenue is to be recognized. Ind AS 115 'Revenue from Contracts with Customers' replaces Ind AS 18 'Revenue'. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue from sale of goods is recognized when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations.

- ii. From Service Contracts on pro-rata basis over the period of the Contract.
- iii. From Installation and Commissioning Contracts on completion of the Product Service.
- iv. From Commission Income as per the Contract or in Receipt of Credit Note.
- v. From Interest Income on Time Proportion Basis.
- vi. From Lease Rentals on the basis of respective lease agreements.
- vii. Reimbursement of expenses from parties outside India are accounted for as and when the claim is received.

Dear Shareholder,

Subject: - Green Initiative in Corporate Governance

The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances for the Companies and allowing them to send the Balance Sheet through Electronic mode and accordingly issued Circular No. 17/2011 dated 21/04/2011 & Circular No. 18/2011 dated 29/04/2011, stating that Services of Notice / Documents by the companies to its Shareholder can now made through Electronic mode.

In view of the above, the Company propose to send hereafter Annual Report and Documents such as, Notice of Annual General Meeting to Shareholder through E-mail address, registered with the Company. We therefore, request you to register your E-mail address with the Company, so as to facilitate the communication with you in the Electronic mode.

In case, you wish to receive the communication & documents in Physical form, you may inform us accordingly by providing the details as under: -

Name of First Holder.

Folio No.

E-mail ID.

Contact No. / Mobile No.

Please note that as a Member of the Company, you will be entitled to receive all the communications in Physical form, on your request.

With regards,

N. L. Gayari
CFO & Company Secretary
E-mail: nlg1653@yahoo.com